

CITY OF POMPANO BEACH, FL

COMPREHENSIVE ANNUAL FINANCIAL REPORT



PHOTO OF THE NEW POMPANO BEACH FISHER FAMILY PIER

2020
FY ENDED



pompano
beach
Florida's Warmest Welcome

SEPTEMBER 30

Comprehensive Annual Financial Report

City Of
Pompano Beach,
Florida

Fiscal Year Ended September 30, 2020

Prepared by the
Finance Department

Andrew Jean-Pierre, Finance Director

Allison Feurtado, Controller

Joan Bryan, Accounting Supervisor

Tana Ziontz, Department Head Secretary

CITY OF POMPANO BEACH, FLORIDA

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED SEPTEMBER 30, 2020**

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INTRODUCTORY SECTION

CITY OF POMPANO BEACH, FLORIDA

Commission-Manager Form of Government

CITY COMMISSION

Rex Hardin
Beverly Perkins
Andrea McGee
Rhonda Eaton
Tom McMahon
Cyndy Floyd

Mayor at Large
Vice Mayor, District IV
Commissioner, District I
Commissioner, District II
Commissioner, District III
Commissioner, District V

APPOINTED OFFICIALS

Greg Harrison
Mark Berman
Asceleta Hammond
Deusdedit "DC" Kiyemba

City Manager
City Attorney
City Clerk
Internal Auditor

The Honorable Mayor,
Commissioners and Residents of the
City of Pompano Beach, Florida

Dear Honorable Mayor, City Commissioners and Residents:

We are pleased to submit the Comprehensive Annual Financial Report (ACFR) of the City of Pompano Beach, Florida (the City), for the fiscal year ended September 30, 2020. This report, presented in conformity with accounting principles generally accepted in the United States of America (GAAP), was prepared by the City's Finance Department and audited by an independent firm of certified public accountants, Marcum LLP, as mandated by Florida Statutes, Chapter 218.39, Annual Financial Audit Reports. The audit was conducted in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, and the Rules of the Auditor General of the State of Florida, promulgated pursuant to Florida Statute, Chapter 11.45. The independent auditor has issued an unmodified opinion that this ACFR fairly presents the financial position of the City and complies with applicable reporting standards as of September 30, 2020.

The City is responsible for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures. Management has established an internal control structure designed to help ensure the assets of the City are protected from loss, theft or misuse and that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute assurance, that the financial statements will be free from material misstatement. We believe the data, as presented, is accurate in all material respects and is reported in a manner designed to fairly set forth the financial position and results of operations of the City as measured by the financial activity of its various funds.

As a recipient of federal, state and county financial assistance, the City is also responsible for the establishment of an adequate internal control structure to help ensure compliance with applicable laws and regulations related to those programs. The City is required to undergo an annual single audit performed under the provisions of the U.S. Office of Management and Budget Uniform Guidance and Chapter 10.550, Rules of the Auditor General of the State of Florida. The information related to the Single Audit, including the schedule of expenditure of federal awards and state financial assistance, findings and recommendations, and auditors' reports on the internal control and compliance with applicable laws and regulations are included in a separate report, under separate cover.

This report is divided into three parts. The Introductory Section provides a summary of the contents of the entire report and general information about the reporting entity. The Financial Section includes the Independent Auditors' Report, Management's Discussion and Analysis (Unaudited), the Basic Financial Statements, Notes to the Financial Statements, Required Supplementary Information (Unaudited), and the Combining and Individual Fund Financial Statements and Schedules. The Management's Discussion and Analysis section provides a narrative introduction, overview and analysis of the basic financial statements. It complements this letter of transmittal and should be read in conjunction with it.

PROFILE OF THE CITY

The City was incorporated in 1947 and covers an area of approximately 24.59 square miles. The legal authority by which the City was created and is governed is its charter, which was derived from Chapter 57-1754, Special Acts 1957, as amended. The City is governed by an elected five member district commission and a mayor at large. In addition to general government services, the City also provides community planning and redevelopment, public safety, public works and culture and recreation services to its residents. Furthermore, the City's water and sewer, stormwater, sanitation, golf, pier, airport and parking operations are reported as enterprise funds.

Located in Broward County, Florida, the City is centrally located between Palm Beach and Miami-Dade Counties, and is the year round home to approximately 110,000 residents. During the peak season (September through March), this number increases to nearly 150,000. As the name implies (Pompano - a species of in-shore tropical game fish) the City is famous for some of the world's best sport fishing and is locally known as the "dive capital" of Broward County. Once a thriving agricultural community, the City has evolved into a warehouse/distribution hub for a wide range of companies that service the over 5 million residents of the South Florida market. The Pompano Beach Air Park is also home to the famous Goodyear Blimp.

The City offers 3 miles of beautiful shoreline and the City's public beach has been declared a Blue Wave Award winner since 2000. Additionally, in 2005 the City was named an All-America City. The All-America City Award is America's original and most prestigious community recognition award honoring communities in which community members, government, businesses and non-profit organizations work together to address critical local issues. The City has also been declared a Tree City USA for the thirtieth-first year and is committed to enhancing its tree canopy and providing shade and fresh air to residents and guests. Due to its mild year round climate, visitors to the City can also enjoy its beautiful parks, beaches, boating, fishing, scuba diving and all other types of outdoor recreation.

Due to its tremendous transportation links, the City is now home to over 28 million square feet of industrial/warehouse/distribution space, which includes regional headquarters for companies such as, Aquathin, Associated Grocers, FedEx Ground, Point Blank Enterprises and Stimpson Company. The City provides access to both the Florida Turnpike and Interstate 95 and also provides access to both the CSX and FEC railroads.

THE REPORTING ENTITY

The accompanying ACFR includes the financial activities of the City, the primary government, and its component units, which are the Pompano Beach Emergency Medical Services District (EMS), the Herb Skolnick Cultural Arts Foundation, Inc. (the CAF), and the Pompano Beach Community Redevelopment Agency, which includes the Northwest and the East Districts (the Districts). Financial information for the City and these component units is accounted for in the accompanying financial statements in accordance with principles defining the governmental reporting entity adopted by the Governmental Accounting Standards Board (GASB). A component unit is an entity for which the City is considered to be financially accountable. The City is financially accountable if the City Commission appoints a voting majority of an entity's governing body and the City is able to impose its will on that entity, or the City has a financial benefit/burden relationship with the entity. Blended component units are, in substance, part of the City's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the City.

EMS is a dependent special district created to provide emergency medical care and transportation to the residents of the City. EMS has been presented as a blended component unit because it is governed by the City Commission and there is a financial benefit or burden relationship between the City and EMS. The EMS fund is reported as a special revenue fund.

The CAF and the Districts have also been presented as blended component units because they are governed by the City Commission and management of the City has operational responsibility for them. The CAF and the Districts are reported as special revenue funds.

The Pompano Beach Finance Corporation (PBFC) is a not-for-profit Florida corporation. PBFC has been presented as a blended component unit because it was formed solely for the purpose of facilitating lease purchase arrangements for the benefit of the City and it is governed by the City Commission. The balances and transactions of PBFC are accounted for within the Parking fund.

FACTORS IMPACTING ECONOMIC AND FINANCIAL CONDITION

Even though the Covid-19 pandemic has been the primary concern and topic of conversation for the past year, the reality is that 2019's economy offered 2020 a strong starting point. At the beginning of February *CoStar Analytics* reported, "Firms in the U.S. started the new decade with a hiring bonanza, adding 225,000 net new jobs in January that easily exceeded consensus forecasts. Revisions to November and December payroll data added 7,000 jobs in those months combined, bringing the three-month average job gain to 211,000 per month, an acceleration from the overall monthly average in 2019 of 175,000. In spite of tightening labor market conditions, and reported difficulties finding qualified workers for job openings, businesses continued to add workers to their payrolls at the beginning of the year. The labor participation rate edged up to 63.4%, its highest level since June 2013." Those conditions didn't last long.

Everything changed in March 2020 as *the Coronavirus (C-19) pandemic* spread to and throughout the United States and effectively stifled the economy significantly with government mandated shutdowns of all "non-essential industries." Many businesses had to shutter their offices or stores indefinitely, some permanently. In those industries that were allowed to remain open, preventive measures like mask wearing and social distancing were strictly enforced in an attempt to harness the spread of the virus. Such measures helped to slow the spread, but certainly didn't stop it. While this is NOT a report on the pandemic, it must be addressed as it obviously affected all market sectors and each sector reacted differently.

"Broward County continues to experience the negative effects of the Covid-19 crisis across nearly all industries. All industries, except Financial Activities, lost jobs over the year. The Leisure and Hospitality industry was the most impacted sector, with a job decrease of 24.2%, which represented 23,400 less jobs in this sector." Reported the *Greater Ft. Lauderdale Alliance* in their year-end jobs report. "All other industries also lost jobs over the year."

After peaking with a high unemployment rate of 14.9% in April, Broward County's 2020 year end jobs report stated an *unemployment rate of 6.6%* in December while *Miami-Dade* finished the year at 7.3%, *Palm Beach* finished at 5.5%, and the *State* finished off the year with an unemployment rate of 6.1%.

The office, retail and leisure/ hospitality sectors were hit the hardest in varying degrees, while the industrial/ warehouse/ distribution sector kept humming right along. Some companies were able to pivot and help address newly needed supplies like face masks and hand sanitizers, while others could only shutter operations and greet the world via their computer screens and *Zoom* and *Go-To* virtual meetings. *Summit Dental Systems*, in the Gateway Lakes Industrial Park area was one company that pivoted almost immediately and started making plastic face masks for essential workers.

At the end of March 2020, the Federal government passed a stimulus package; the *Coronavirus Aid, Relief, and Economic Security Act (CARES Act)* that offered relief to individuals and businesses. The Act included funding for the *Paycheck Protection Program (PPP)* and the *SBA's Economic Injury Disaster Loan (EIDL)* program which took a considerable amount of pressure off some companies. The funding

that came to and through City programs ultimately was redistributed to local small businesses in October 2020.

The City also made numerous efforts to help small businesses, including initiating actions such as *discounts on water bills* and *waiving late fees* on Business Tax Receipts. The City *surveyed local businesses* and then for restaurants and retail establishments *the City developed a brochure* that outlined the “relaxation” of zoning laws that the City was willing to waive in order to stimulate activity for these businesses, as long as mask wearing and social distancing were required at the establishment. City staff delivered many of the brochures by hand and discussed the measures directly with business owners. While these measures couldn’t stop businesses from folding, the City wanted to do what it could to help.

Industrial Market

Like most global events of this magnitude, there was panic at the outset. Initial fears of global supply chain disruptions, deflated consumer confidence, curbed business spending, drops in revenue, the stock market declining and a decline in business investment would all lead to a global recession. REITs (real estate investment trusts) started hoarding cash, paying down remaining balances, cutting executive salaries, reducing dividends, and reviewing all spending decisions and preparing for the worst. By mid-March the global advisory firm Oxford Economics had reported that the U.S. economy was already in a recession.

Fortunately, when the initial *Covid-19 shutdown* orders went into effect, most companies located in Pompano Beach’s industrial/warehouse/distribution facilities understood that with taking certain precautions like mask wearing and social distancing, they could adapt and go about their business. Companies in the industrial district do not have the walk-in traffic like a retail product does; therefore, as long as they could implement precautions during operations, they could still continue to operate their businesses and didn’t have to close. These measures have stayed in place throughout the pandemic and continue today. Pompano Beach is very fortunate in this regard because industrial space drives the local economy and thus, numerous companies and jobs were saved.

Whereas March and April 2020 introduced the business world to *Zoom* and *GoTo* meetings, it also meant that we were all spending a lot of time in front of our computer screens and not just for work, as many decided it was the right time to tackle home improvement projects they’d been putting off. “Revenge spending” or rather “purchasing goods online just because you weren’t spending money as one normally would in their regular routine” became a thing as people obviously weren’t living their normal lives and online shopping surged. Led by e-commerce giant Amazon, distribution centers and last-mile delivery stations were in high demand locally as other online retailers tried to keep up. Companies like *Home Depot*, *Lowes*, *Publix*, *Walmart* and *Target*, who all had an online presence prior to the pandemic, excelled as convenience and online shopping ruled the day.

Cushman Wakefield stats for 2020 show e-commerce leasing activity in the tri-county south Florida region totaled at 4.25M square feet, with 1.5M of that in Broward County. “Five years ago, e-commerce in South Florida industrial was practically nothing, and now it’s at least 30% of new deals and net absorption, if not more,” said Brian J. Smith, managing director of industrial in South Florida for JLL, “The good news for the economy is e-commerce creates more jobs per square foot than a typical warehouse, as packing, sorting and deliveries require more workers.” Even pre-pandemic, CoStar Analytics reported “The retail industry continues to cede more ground to e-commerce, losing 8,000 positions in January (2020)... Many of the lost retail positions are being replaced by truckers, local delivery drivers and warehouse workers, which together added more than 23,000 positions in January (2020).”

“When it comes to online retail, *Amazon* is the market as far as real estate is concerned. Savills data showed the company accounted for 82% of all e-commerce leasing in 2020 and 30% of the total logistics markets. It is signing long term leases or buying sites freehold, meaning it is making investments in

space for the long term, betting that demand will extend beyond the immediate impact of the coronavirus pandemic.” Evidence of this can be found in Pompano Beach, where Amazon leased two large space deals totaling 500,000 sf during the pandemic. One of the spaces being a vacant old U.S. Foods/Sav-a-lot storage/distribution facility (240,000+ sf) on North Andrews Avenue, while the other was a new development adjacent to the Turnpike, just south of the Festival Flea Market (2/120,000 sf buildings). These deals definitely helped to keep the local vacancy rate lower and helped us better understand that small businesses were definitely having a harder time with the pandemic, than the larger corporations.

On a webinar in May 2020, *Duke Realty Senior Vice President, Stephanie Rodriguez* reported that out of 8.5M square feet of industrial product in south Florida (7+M of that in Pompano Beach), *Duke* only had 140,000 square feet available at that time. She also sees opportunities with *reverse logistics*, since 25-30% of purchases made online get returned. Whereas a company like Amazon is huge with a worldwide presence and needs the larger spaces, most e-commerce and last mile delivery stations are much smaller and have footprints in the 15-20,000 sf range. Pompano Beach is fortunate to offer both larger and smaller spaces.

The industrial “boom” that started in 2013, continues today. Pompano Beach position in the market remains strong with its location in the middle of the South Florida, its access to both CSX and FEC rail lines, roadway system, and proximity to ports.

According to the *Cushman Wakefield Marketbeat Broward County Industrial Q4 2020* report, the Pompano Beach industrial submarket includes approximately 21,864,092 square feet (The MarketBeat report only tracks buildings 10,000+ square feet), which makes up approximately 25% of the Broward County industrial market and remains the county’s largest submarket. The County finished the year with a vacancy rate of 6.8% while the Pompano Beach submarkets vacancy rate rose to 8.4%. This was due to the delivery of new space/product, as well as consequences from the pandemic.

Industrial projects approved by the Planning & Zoning Board include:

- LIVE! Resorts Pompano (Pompano Park Holdings/ Isle Capri) is developing the first phase of its 232 acre development at 1800 SW 3rd Street/ Racetrack Road which will ultimately include 4,100 residential units, a 15-screen movie theater, a multi-acre Crystal Lagoon a high-quality hotel and one million square feet of industrial product adjacent to the CSX RR. Phase 1 will include 450 multi-family residential units, a golfing facility, an expanded casino, 1,500 structured parking spaces, and 50,000 square feet of LIVE! Entertainment district. Phase 1 represents more than \$400 million worth of development. Development of Phase 1 slowed because of the pandemic; however, the developer assured the City that development will pick back up once pandemic mandates are lifted.
- Paramount Park gained approvals to construct 69,670 sf in 2 buildings on 4.13 acres at NW 15th Ave & NW 18th Street.
- BRE Pompano Industrial Owner LLC gained approvals to construct Cypress Point Distribution Center a 153,436 sf warehouse on 9.19 acres at 1899 SW 13th Court.
- Aviara Corporate Park was approved to be constructed on 5.36 acres at 1350 NW 31st Avenue. The park will include 43,678 sf of industrial/ warehouse space in three 1-story buildings and 12,178 sf of office.
- Old Castle APG South, Inc./ Bonsal was approved for a 31,500 sf expansion of their bagging production facilities at 1200 NW 18th Street on 13.57 acres.
- Pedowitz Machinery Movers, LLC gained approval to construct at 29,400 sf facility on 3.46 acres at 1921 N Powerline Road.
- Universal Heat & Air gained approvals to construct a 6,002 sf office/warehouse on 0.57 acres at 980 SW 12th Avenue.
- Amazon took over the existing 2 building 240,000+ sf Rock Lake Business Center development at 3300 NW 31st Avenue in order to create a delivery station.

Commercial – Office Market

The City gained approvals for a number of significant improvements and programs during the year to meet the needs of the community. The most significant project/programs/improvements for the fiscal year ended September 30, 2020 included:

- The City gained approvals to construct a 11,564 sf *Fire Station #61* on 2.14 acres @ 2121 NW 3rd Avenue.
- The City gained approvals to construct a 9,514 sf *Fire Station #114* on 1.01 acres @ the NW corner of SW 36th Avenue & W McNab Road.
- The City gained approvals to construct a 11,553 sf *Fire Station #52* on 1.09 acres @ 10 SW 27th Avenue.
- The City gained approvals to construct a 8,528 sf *Senior Center* on 4.93 acres @ 2005 NW 9th Street.

Residential Market

While many development projects in all market sectors have progressed with some even finishing construction, others have been delayed or cancelled all together. The two single family developments in the City keep progressing: Phase 3 of the former north *Palm Aire* golf course, a 150 home development and *Habitat for Humanity's* 78 home development at NW 6th Ave and NW 15th Street both kept building during the pandemic.

The multi-family developments of *KOI*, the *Avery*, and *Morea (Fairfield)* are adding 350, 327 and 147 units respectively to the City's primary transit corridors. All of the projects are rentals, with *KOI* having some fee simple mixture. All of the projects progressed during the pandemic, while *Avery* has opened. Other multi-family developments under construction are the *Marquis' Apartments* on MLK Blvd and the *Range at Palm Aire*. Most projects that had started development prior to the pandemic continued, while those that hadn't stalled. Pompano Beach's focus continues to be to push the new multi-family units to the transit corridors where infrastructure and services already exists. Most of the projects approved in 2020 were mixed-use where some commercial retail was added on the ground floor level.

Quality of life, Florida's tax policies and sunshine continue to be the primary reasons people keep moving to South Florida. The pandemic also added "elbow room" to this list. With the continued influx of northern and international residents, the constraints of the South Florida peninsula cannot help but to push residential densities higher. In Pompano Beach, that's primarily along our transit corridors.

Residential projects approved by the Planning & Zoning Board include:

- Aviara East Pompano/ 1621 S Dixie Highway LLC gained approvals to construct 228 dwelling units and 8,962 sf of commercial space on 5.13 acres at 1621 S Dixie Highway.
- Hidden Harbour gained approvals to construct 300 dwelling units and 13,000 sf of commercial and restaurant space on 6.21 acres at Federal Highway and NE 16th Street.
- Prestigia Real Estate FJM, Inc/ 30 NE 5th Street gained approvals to construct 52 dwelling units and 4,085 sf of commercial space in 4 stories on 0.87 acres at 30 NE 5th Street.
- Aloha Pompano LLC/ Aloha1 gained approvals to construct 122 dwelling units and 1,850 sf of commercial space on 3.05 acres at S Dixie Highway West & SW 11th Street.
- G&C Platinum, 2400 Investors, LLC gained approvals to construct 355 dwelling units in 2 8-story buildings at 2335-2413 E Atlantic Blvd to be called Pompano Station.
- The *HUS Group LLC* gained approvals to construct *Pompano Pointe* a 41 dwelling unit development on 1.1 acres at 700 NW 31st Avenue.

Major City Initiatives

The City gained approvals for/commenced/completed a number of significant improvements and programs during the year to meet the needs of the community. The most significant project/programs/improvements for the fiscal year ended September 30, 2020 included:

- The City completed construction on a new \$11.5 million *Fisher Family Pier* at its main public beach.
- The City rebuilt *Fire Station #24*, a 4-bay 13,465 sf on 1.23 acres at 2001 NE 10th Street for \$5.4 million.
- The City constructed the *Charlotte Burrie Civic Center* on 1.07 acres at 2669 N Federal Highway for \$4 million.
- The City completed \$5 million in improvements to the *Atlantic Blvd Bridge* adding decorative sails and underpass walkway from the northeast to the southeast commercial parcels adjacent to the bridge.
- The City completed drainage projects in *Avondale* and *Kendall Lakes* neighborhoods.
- The City completed *bike path improvements* along NE 10th Street, from NE 5th Avenue to US 1 and along NE 5th Avenue from NE 10th Street to Copans Road.
- The City completed a sidewalk along SE 2nd Street from SE 11th Avenue to US1/Federal Hwy.
- The City completed a number of *restroom improvements* in and adjacent to their parks system including: at the golf course, Highlands Park and along the Air Park bike path, near FS #21.

FINANCIAL POLICIES AND PLANNING

Financial Policies:

Investment Policy – The City has adopted a written comprehensive investment policy to help safeguard against the loss of its assets. Oversight for the investment program lies with the Finance Director under the direction of the City Manager. The City's investment program is established in accordance with the City's investment policy, which was adopted by resolution of the City Commission, and Florida State Statute Chapter 218.415 (Local Government Investment Policies), which establishes investment plan guidelines for local governments in Florida. The City's investment guidelines permit the investment of City funds in United States Treasury securities, United States Government Agency securities with the full faith and credit of the United States Government, Federal Instrumentalities (Government Sponsored Enterprises), Corporate Notes, Commercial Paper, Time Deposits (Certificates of Deposit), Repurchase Agreements, Bankers' Acceptances, State and/or Local Government Taxable and/or Tax-Exempt Debt, Money Market Mutual Funds, Intergovernmental Investment Pools and Savings Accounts of financial institutions that are Qualified Public Depositories in accordance with Florida State Statute Chapter 280.01 (Security for Public Deposits). All securities are purchased on a delivery-versus-payment basis. This requirement assures the City that it has possession of the securities before release of its funds. The investment policy further incorporates additional safeguards, limiting the allocation of the portfolio by sector within each investment type, as well as to the issuer within each sector.

The investments of the pension plans are controlled by the pension boards, who have hired professional money managers responsible for managing the assets of those funds. The pension plan boards have also adopted formal investment policies.

Fund Balance/Net Position Policy – The City Commission has formally adopted a fund balance/net position policy (the "Policy") for the City's General Fund and its Water and Sewer and Stormwater Funds. The objective of the Policy is to insure against unanticipated events that would adversely affect the financial condition of the City and jeopardize the continuation of necessary public services. More specifically, the Policy ensures that the City maintains adequate fund balance/net position reserves to provide the capacity to: (1) provide sufficient cash flow for daily financial needs, (2) offset significant economic downturns and revenue shortfalls, (3) maintain stable tax/fee rates (4) provide funds for unforeseen expenditures related to emergencies, (5) provide for renewal and replacement of long-lived assets and (6) secure and maintain investment grade bond ratings.

Debt Management Policy – The City Commission has formally adopted a debt management policy (the "Debt Policy") to assist in improving the quality of the City's decisions governing debt issuance. More specifically, the Debt Policy establishes parameters for issuing debt and managing a debt portfolio that encompass existing legal, economic, financial and capital market conditions, the City's capital improvement needs, and its ability to repay financial obligations as they become due. The policy:

- Assists the City in maintenance, acquisition and replacement of appropriate capital assets for present and future needs;
- Guides the City in policy and debt issuance decisions;
- Provides a framework within which each potential issuance can be evaluated;
- Assists in controlling the types and levels of outstanding obligations;
- Outlines a mechanism to ensure ongoing compliance requirements governing outstanding obligations;
- Ensures that the costs of debt issuance are borne equitably by each generation of taxpayers, rate payers, users, and other beneficiaries; and promotes sound financial management.

COVID-19

The Covid-19 Pandemic outbreak has presented many financial challenges for the City and has resulted

in many difficult decisions, not only as it relates to the closure of FY 2020, but also in forecasting major revenues for the adopted FY 2021 budget. The City's history of planning and analysis has helped us mitigate the current COVID-19 crisis and achieve a balanced budget amidst volatile revenues such as state revenues and charges for services. The City was able to achieve a structural balance between expenditures and revenues for fiscal year 2021 by relying on sound financial policies, keeping abreast of the constantly evolving financial climate locally and nationally, and working with staff to prioritize projects and operations. Appropriations are utilized for one-time capital projects when fund balance requirements are surpassed and a cost benefit exists to mitigate further exponential costs.

As presented during the June and July, 2020 Virtual Budget Workshops, the finance and budget team have projected approximately \$1.2M loss in non-ad valorem revenues compared to FY 2020 budgeted amounts. While simultaneously proposing to maintain service levels for our residents, it is important to highlight that the FY 2021 adopted financial plan is presented to the City Commission without any increases in fire assessment rates, millage rates and charges for services. Moreover, the aggregate millage rate, experienced a decrease of -0.42%, or in other words will provide for some property tax relief for our residents and businesses.

For FY 2021, we have deferred the majority of new requests from all departments, deferred the majority of the capital replacement plan and accommodated less pay-as-you-go capital improvement projects. Eleven (11) vacant full-time positions were frozen in various departments and various operating reductions were implemented in major departments, such as public works, parks, recreation and cultural affairs. Although these allowances may result in delayed initiatives, we do not anticipate any significant impacts to the City's delivery of services to the community.

Strategic Planning – The City has adopted a long-term strategic plan that articulates a clear vision of its future that is integrated with an organizational philosophy to guide elected officials' and employees' actions and the efficient and effective use of resources. The plan is focused on the issues of greatest importance to the City Commission and its citizens. It will provide the framework that will enable the City to make prudent business decisions for its successful operation and the continuing development of the City as a highly desirable location for residents, businesses and visitors. The plan includes benchmarks or milestones that measure the City's progress toward achieving its strategic goals and objectives.

REPORTING ACHIEVEMENT AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its Comprehensive Annual Financial Report for the fiscal year ended September 30, 2019. The City has received the GFOA's prestigious Certificate of Achievement for Excellence in Financial Reporting award for thirty-six years. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of only one year. We believe our current comprehensive annual financial 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.

The financial responsibility exhibited by the Commission throughout the year is certainly commendable, especially given the current and future challenges faced by the City given continued economic challenges impacting the fiscal affairs of the City and ultimately the residents of the City. Your interest in the fiscal matters of the City combined with a commitment to assume continual sufficient financial capacity is appreciated.

This report, which conforms to all the latest effective standards of local government financial reporting, could not have been prepared without the extraordinary devotion of the Finance Department team. Their

dedication merits special attention. Special thanks to the City's Economic Development Manager, Christopher Clemens for his contributions in providing a comprehensive profile of the City, as well as providing readers with a summary of economic conditions and major initiatives impacting the City and to the City's Budget Officer, Erjeta Diamanti for providing insight into economic factors likely to have an impact on the City's fiscal year 2021 budget.

Sincerely,

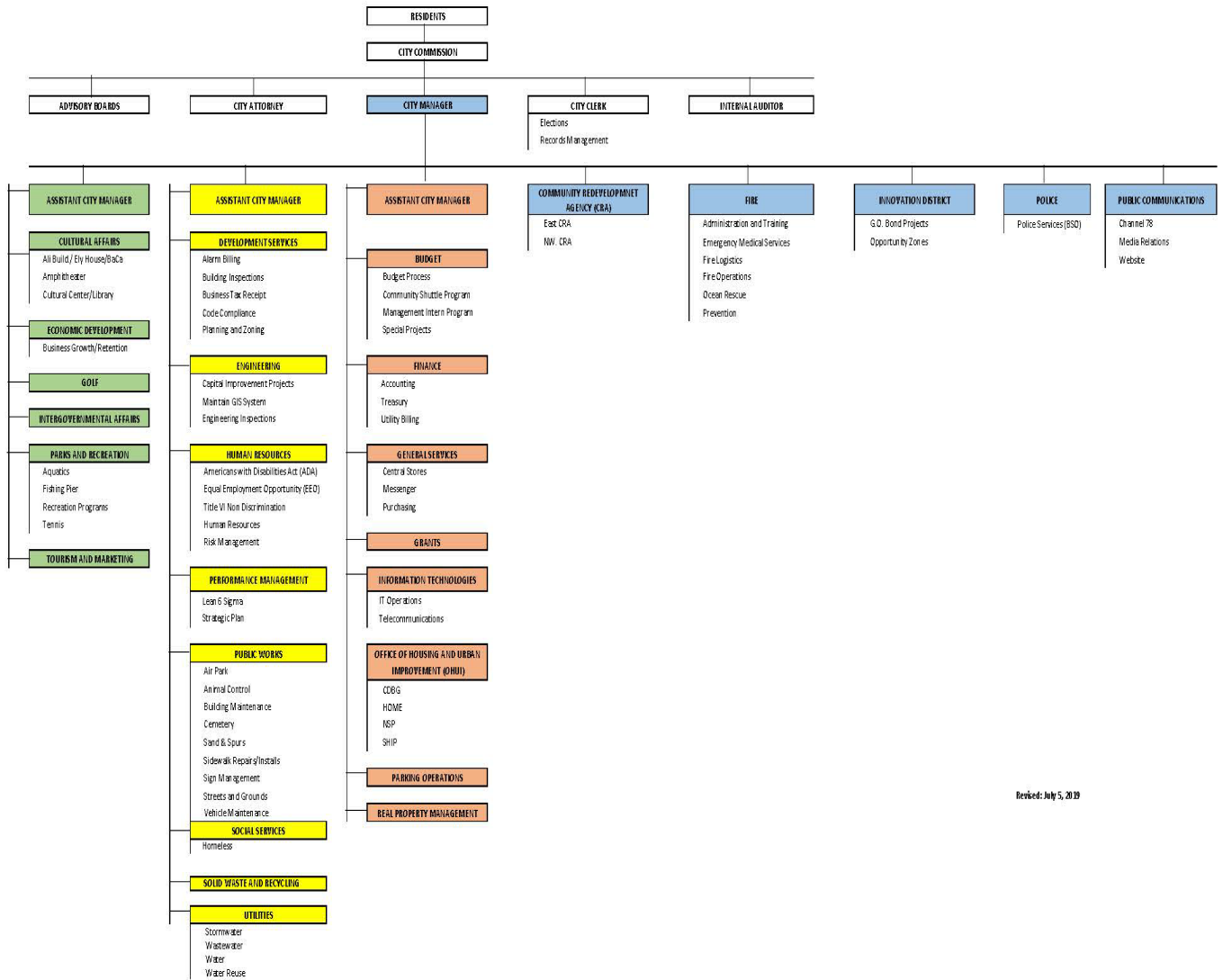


Andrew Jean-Pierre
Finance Director



Greg Harrison
City Manager

Organizational Chart - City of Pompano Beach



Revised: July 5, 2019



Government Finance Officers Association

Certificate of
Achievement
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in Financial
Reporting

Presented to

**City of Pompano Beach
Florida**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

September 30, 2019

Christopher P. Morrill

Executive Director/CEO

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

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

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 Pompano Beach, Florida (the "City"), as of and for the fiscal year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the City of Pompano Beach General Employees' Retirement System, which represents 38%, 40% and 21%, respectively, of the assets, net position/fund balance, and revenues/additions of the aggregate remaining fund information. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the City of Pompano Beach General Employees' Retirement System, is based solely on the report of the other auditors. 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 auditors' 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 City'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 City'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, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 19, the schedules of changes in the city's net pension liability and related ratios, the schedules of city contributions, the other post-employment benefits schedule of changes in the city's total OPEB liability and related ratios, and budgetary comparison schedules for the general fund and major special revenue funds on pages 119 through 128 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 and the other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 28, 2021 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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.

Marcum LLP

Fort Lauderdale, FL
May 28, 2021

City of Pompano Beach, Florida
Management Discussion and Analysis for the Fiscal Year Ended September 30, 2020
(Unaudited)

The City of Pompano Beach, Florida (the "City") offers readers of its financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2020. We encourage readers to consider the information presented here in conjunction with the letter of transmittal and financial statements.

OVERVIEW OF THE FINANCIAL STATEMENTS

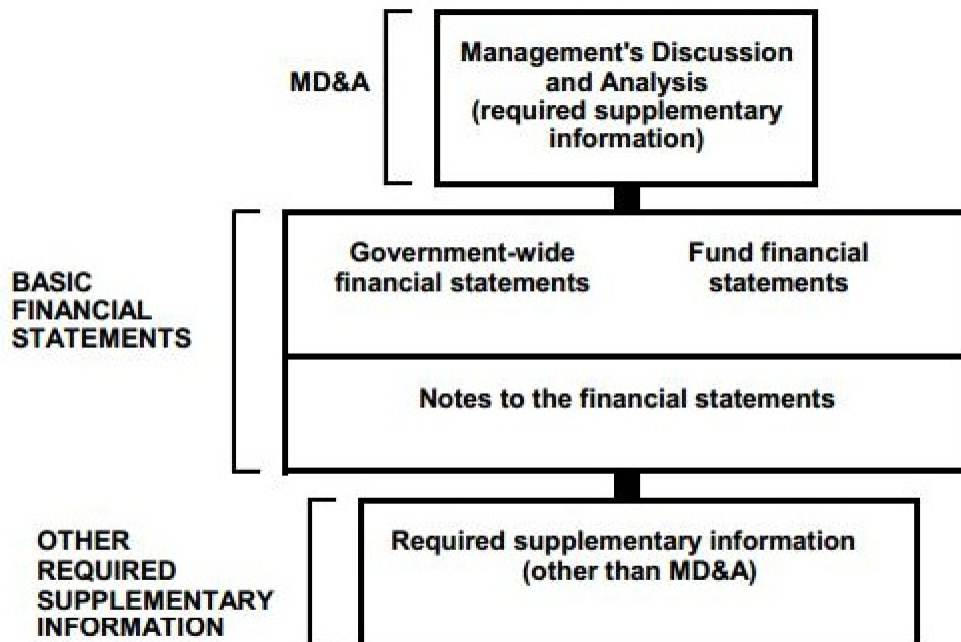
This annual report follows a format consisting of four parts – Management’s Discussion and Analysis (this section), the Basic Financial Statements, Required Supplementary Information, and an additional section that presents combining statements for non-major governmental funds, non-major enterprise funds, internal service funds and fiduciary funds. 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, reporting the City’s operations in more detail than the government-wide statements.
- The governmental fund statements tell how general government services like public safety were financed in the short-term, as well as what remains for future spending.
- Proprietary fund statements offer short and long-term financial information about the activities the government operates like businesses, such as the water and sewer utility.
- Fiduciary fund statements provide information about the financial relationships – such as the retirement plans for the City’s employees, in which the City acts solely as trustee or agent for the benefit of others, to whom the resources in question belong.

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 that further explains and supports the information in the financial statements. Figure 1 shows how the required parts of this annual report are arranged and relate to one another.

City of Pompano Beach, Florida
Management Discussion and Analysis for the Fiscal Year Ended September 30, 2020
(Unaudited)

FIGURE 1



FINANCIAL HIGHLIGHTS

The assets and deferred outflows of the City exceeded its liabilities and deferred inflows at the close of the fiscal year by \$493.3 million. The City's total net position increased by \$9.3 million. The increase noted was primarily as a result of current year operations in the governmental funds, as discussed in more detail below.

At the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$246.6 million, representing a increase of \$4.5 million from the previous fiscal year. The increase noted was primarily due to the net result of the following activity:

- an increase of \$8.2 million in the Northwest CRA District Fund balance is primarily due to the timing of capital outlay for the Innovation District that was budgeted but not expended as of September 30, 2020
- an decrease of \$10.5 million in the Capital Project 2018 GO Bonds Fund balance is primarily due to the timing of capital outlay related to the General Obligation Bonds – Series 2018.

At the close of the current fiscal year the City's enterprise funds reported combined ending net position of \$172.0 million. This represents a decrease of \$11.3 million from the previous fiscal year.

City of Pompano Beach, Florida
Management Discussion and Analysis for the Fiscal Year Ended September 30, 2020
(Unaudited)

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 private-sector business.

The statement of net position presents information on all of the City's assets/deferred outflows and liabilities/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 in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, transportation, physical environment, and culture and recreation. The business-type activities of the City include utilities, stormwater, sanitation, parking, airpark and pier activities.

The government-wide financial statements includes not only the City itself (the primary government), but also its blended component units, as discussed in the notes to the financial statements. In addition, the City has two defined benefit pension plans and a defined contribution pension plan established for the exclusive benefit of its employees and beneficiaries. The defined benefit pension plans are reported as fiduciary funds in the fund financial statements of this report, but are not included in the government-wide statements.

FUND FINANCIAL STATEMENTS

The Fund Financial Statements include statements for each of the three fund types; governmental, proprietary and fiduciary. The governmental fund financial statements are prepared using the current financial resources measurement focus and modified accrual basis of accounting. The proprietary fund financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. 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 statements 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. Reconciliations of the Governmental Fund Financial Statements to the Government-wide Financial Statements are provided in the Basic Financial Statements to explain the differences between the governmental fund financial statements and the government-wide financial statements.

REPORTING THE CITY AS A WHOLE

Governmental-wide Financial Analysis - Net position may serve over time as a useful indicator of the government's financial position. In the case of the City, assets and deferred outflows exceeded liabilities and deferred inflows by \$493.3 million at September 30, 2020. The City's net position increased by \$9.3 million during the current fiscal year. The largest portion of the City's net position, 89.6%, reflects its net investment in capital assets. The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

City of Pompano Beach, Florida
Management Discussion and Analysis for the Fiscal Year Ended September 30, 2020
(Unaudited)

Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are also included in this component of net position. The City utilizes these capital assets to provide services to citizens; consequently these assets are not available for future spending, although the City's investment in its capital assets is reported net of related debt and other associated debt related items. It should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves will not be used to liquidate those liabilities. Approximately 16.3% or \$80.4 million of net position is subject to external restrictions for various purposes (e.g. building permitting function, capital projects etc.).

TABLE 1
SUMMARY OF NET POSITION
SEPTEMBER 30, 2020 and 2019

	Governmental Activities		Business-Type Activities		Totals	
	2020	2019	2020	2019	2020	2019
Current and other assets	\$ 289,124,815	\$ 283,052,920	\$ 64,030,396	\$ 68,830,549	\$ 353,155,211	\$ 351,883,469
Capital assets	346,458,716	321,573,693	165,399,644	174,242,307	511,858,360	495,816,000
Total assets	<u>635,583,531</u>	<u>604,626,613</u>	<u>229,430,040</u>	<u>243,072,856</u>	<u>865,013,571</u>	<u>847,699,469</u>
Deferred outflows of resources	<u>32,354,099</u>	<u>25,017,967</u>	<u>7,665,056</u>	<u>7,299,017</u>	<u>40,019,155</u>	<u>32,316,984</u>
Long-term liabilities	<u>324,854,023</u>	<u>308,059,555</u>	<u>60,072,515</u>	<u>56,188,215</u>	<u>384,926,538</u>	<u>364,247,770</u>
Other liabilities	<u>13,253,023</u>	<u>12,873,164</u>	<u>5,572,788</u>	<u>9,608,021</u>	<u>18,825,811</u>	<u>22,481,185</u>
Total liabilities	<u>338,107,046</u>	<u>320,932,719</u>	<u>65,645,303</u>	<u>65,796,236</u>	<u>403,752,349</u>	<u>386,728,955</u>
Deferred inflows of resources	<u>7,763,713</u>	<u>7,507,959</u>	<u>180,741</u>	<u>1,742,345</u>	<u>7,944,454</u>	<u>9,250,304</u>
Net position:						
Net investment in capital assets	308,830,055	203,060,029	133,354,593	141,661,961	442,184,648	344,721,990
Restricted	76,077,314	150,770,747	4,287,555	4,283,219	80,364,869	155,053,966
Unrestricted	<u>(62,840,498)</u>	<u>(52,626,874)</u>	<u>33,626,904</u>	<u>36,888,112</u>	<u>(29,213,594)</u>	<u>(15,738,762)</u>
Total net position	<u>\$ 322,066,871</u>	<u>\$ 301,203,902</u>	<u>\$ 171,269,052</u>	<u>\$ 182,833,292</u>	<u>\$ 493,335,923</u>	<u>\$ 484,037,194</u>

At September 30, 2020, the City's governmental activities reported a negative balance in the unrestricted category primarily due to the Net pension liability for the City's General Employees and Police and Firefighters Pension Plans. The City is able to report positive balances in the remaining categories of net position for its Governmental activities and Business-type activities.

Governmental Activities

There was an increase of \$24.9 million in capital assets. The increase was primarily due to the net effect of the current fiscal year capital asset activity (as discussed in more detail on page 16) and the recognition of current fiscal year depreciation expense.

The increase of \$7.3 million in deferred outflows of resources resulted primarily from the recognition of pension expense related to prior year deferred outflows of resources for the City's General Employees and Police and Firefighters Pension Plans. Deferred outflows of resources represents consumption of net position applicable to future periods that will not be recognized as expenditures until the future period to which it applies (i.e. employer contributions made subsequent to the measurement date or projected earnings exceeding actual earnings on pension plan investments, changes in assumptions). Refer to Note (III)(C)(2) for additional information.

City of Pompano Beach, Florida
Management Discussion and Analysis for the Fiscal Year Ended September 30, 2020
(Unaudited)

The increase of \$16.8 million in long-term liabilities is primarily the result of the following activity:

- An increase in the net pension liability in the current fiscal year related to the City's General Employees Pension Plan. Net pension liability is calculated by the actuary engaged by the pension plan. The net pension liability is a function of various factors, inclusive of investment income and changes in assumptions between fiscal years. Refer to Note (III)(C)(2) for additional information.
- An increase in the claims and judgments liability as actuarially determined, primarily due to an increase in ultimate losses for certain accident years.
- An increase in the capital lease payable liability due to the financing of the acquisition of certain equipment for the Fire and Parks & Recreation departments.

Business-type Activities – The decrease of \$4.8 million in current and other assets primarily as a result of current year operations, as discussed in detail starting on page 10.

The decrease of \$8.8 million in capital assets is primarily due to the net effect of capital asset acquisitions and dispositions and recognition of current fiscal year depreciation expense (as discussed in more detail on page 16).

The increase of \$3.9 million in long-term liabilities is primarily the result of the recognition of a Net Pension Liability in the current fiscal year related to the City's General Employees Pension Plan. Refer to Note (II)(F) for additional information.

The decrease of \$4.0 million in other liabilities is primarily the result of a decrease in outstanding payments due vendors compared to prior year fiscal year end related to Utility Fund, Stormwater Fund and Pier Fund operations. Following the transfer of residual equity, the accounting for the activities of the Pier Fund is now reflected in the General Fund.

City of Pompano Beach, Florida
Management Discussion and Analysis for the Fiscal Year Ended September 30, 2020
(Unaudited)

Analysis of the City's Operations

The following table provides a summary of the City's changes in net position for the fiscal year ended September 30, 2020.

TABLE 2
SUMMARY OF CHANGES IN NET POSITION
FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2020 and 2019

	Governmental Activities		Business-Type Activities		Totals	
	2020	2019	2020	2019	2020	2019
Revenues						
Program Revenues:						
Charges for services	\$ 57,667,622	\$ 59,050,832	\$ 64,467,870	\$ 62,307,487	\$ 122,135,492	\$ 121,358,319
Operating grants and contribs.	8,261,718	6,287,934	115,174	158,542	8,376,892	6,446,476
Capital grants and contributions	4,882,104	4,837,541	848,048	1,024,983	5,730,152	5,862,524
General Revenues						
Taxes	115,120,411	109,533,739	-	-	115,120,411	109,533,739
Pari Mutuel	1,273,349	2,066,464	-	-	1,273,349	2,066,464
Franchise fees	7,944,147	8,426,808	-	-	7,944,147	8,426,808
State revenue sharing	10,257,422	11,284,676	-	-	10,257,422	11,284,676
Gain from sale of capital assets	1,015,017	-	99,710	52,904	1,114,727	52,904
Investment earnings	5,233,458	6,747,746	1,883,328	2,384,101	7,116,786	9,131,847
Miscellaneous	717,449	772,893	112,504	85,890	829,953	858,783
Total revenues	<u>212,372,697</u>	<u>209,008,633</u>	<u>67,526,634</u>	<u>66,013,907</u>	<u>279,899,331</u>	<u>275,022,540</u>
Expenses						
General government	37,978,927	35,577,198	-	-	37,978,927	35,577,198
Public safety	107,901,370	111,695,017	-	-	107,901,370	111,695,017
Physical environment	24,979,725	21,377,901	-	-	24,979,725	21,377,901
Transportation	5,130,383	4,628,526	-	-	5,130,383	4,628,526
Economic environment	7,744,963	6,826,343	-	-	7,744,963	6,826,343
Culture and recreation	16,715,211	15,737,373	-	-	16,715,211	15,737,373
Interest costs	4,568,201	4,656,611	-	-	4,568,201	4,656,611
Utility	-	-	47,070,652	48,476,314	47,070,652	48,476,314
Sanitation	-	-	9,101,133	9,724,021	9,101,133	9,724,021
Stormwater	-	-	2,923,971	2,180,894	2,923,971	2,180,894
Pier	-	-	-	179,121	-	179,121
Airpark	-	-	2,825,625	2,461,896	2,825,625	2,461,896
Parking	-	-	3,660,441	3,418,600	3,660,441	3,418,600
Total expenses	<u>205,018,780</u>	<u>200,498,969</u>	<u>65,581,822</u>	<u>66,440,846</u>	<u>270,600,602</u>	<u>266,939,815</u>
Increase (decrease) in net position before transfers	7,353,917	8,509,664	1,944,812	(426,939)	9,298,729	8,082,725
Transfers	<u>13,509,052</u>	<u>212,981</u>	<u>(13,509,052)</u>	<u>(212,981)</u>	<u>-</u>	<u>-</u>
Increase (decrease) in net position	20,862,969	8,722,645	(11,564,240)	(639,920)	9,298,729	8,082,725
Net position - beginning	<u>301,203,902</u>	<u>292,481,257</u>	<u>182,833,292</u>	<u>183,473,212</u>	<u>484,037,194</u>	<u>475,954,469</u>
Net position - ending	<u>\$ 322,066,871</u>	<u>\$ 301,203,902</u>	<u>\$ 171,269,052</u>	<u>\$ 182,833,292</u>	<u>\$ 493,335,923</u>	<u>\$ 484,037,194</u>

City of Pompano Beach, Florida
Management Discussion and Analysis for the Fiscal Year Ended September 30, 2020
(Unaudited)

Governmental Activities – Governmental activities increased the City’s net position by \$20.9 million.

Operating grants and contributions increased by approximately \$2.0 million, primarily due to an increase in public assistance grant funds from the Federal Emergency Management Agency (FEMA) for Hurricane Irma.

Tax revenues increased by \$5.6 million primarily due to an increase in ad valorem revenue. Ad valorem revenue is a function of assessed property values, new construction, changes in personal incomes and the City's operating millage rates. Tax increment revenues is a function of the increase in the assessed values of properties within the Pompano Beach Community Redevelopment Agency (CRA) Districts above the base year valuation amounts, as well as the operating millage rate of each taxing district that contributes.

Pari-Mutuel revenues decreased by \$0.8 million primarily due to the unprecedented impact of Covid-19 on our local and state economy which resulted in the closure of the casino from April 2020 to June 2020.

State revenue sharing revenue decreased by \$1.0 million primarily as a result of a decrease in state revenue sharing and half cent sales tax revenue. These revenues decreased due to the unprecedented impact of Covid-19 on our local and state economy and its impact on consumer spending patterns.

Investment earnings decreased by \$1.5 million primarily as a result of the timing of amortization of premiums and discounts relating to the purchase of investments and a decrease in interest rates.

Gain from sale of capital assets increased by \$1.0 million primarily due the sale of the BSO Substation (441 NW 27th Avenue) in the current fiscal year.

Physical environment expenses increased by \$3.6 million primarily due to an increase in the pension expense related to the net pension liability for the General Employees Pension Plan as determined by actuaries for the pension plan.

Economic environment expenses increased by \$0.9 million primarily due to an increase in acquisition and rehabilitation expenses incurred in the Affordable Housing fund.

The variance in net transfers of \$13.3 million is primarily due to the transfer of residual equity associated with accounting for the activities of the Pier from a separate enterprise fund to the General Fund in the current fiscal year.

Business-type Activities - Business-type activities decreased the City’s net position by \$11.6 million.

Investment earnings decreased by \$0.5 million primarily as a result of the timing of amortization of premiums and discounts relating to the purchase of investments and a decrease in interest rates.

The variance in net transfers of \$13.3 million is primarily due to the transfer of residual equity associated with accounting for the activities of the Pier from a separate enterprise fund to the General Fund in the current fiscal year.

City of Pompano Beach, Florida
Management Discussion and Analysis for the Fiscal Year Ended September 30, 2020
(Unaudited)

REPORTING THE CITY'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds – not the City as a whole. Some funds are required to be established by State law, accounting regulations and by bond covenants. However, management establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money.

Governmental Funds

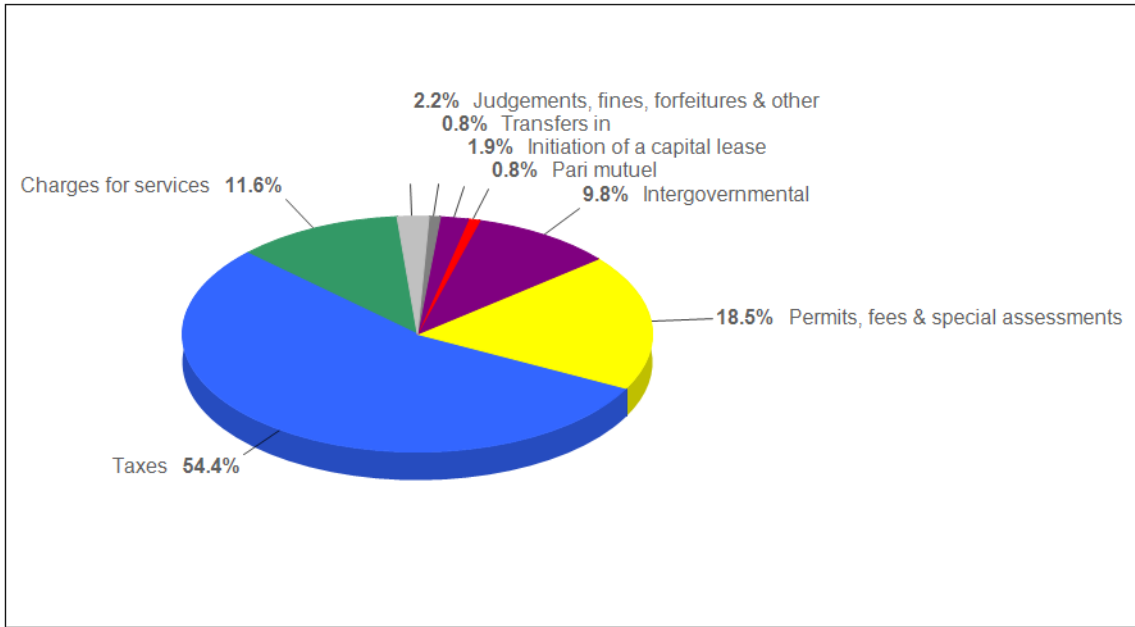
Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. The differences of results in the Governmental Fund financial statements to those of the governmental activities of the Government-wide financial statements are explained in a reconciliation following each Governmental Fund financial statement.

City of Pompano Beach, Florida
Management Discussion and Analysis for the Fiscal Year Ended September 30, 2020
(Unaudited)

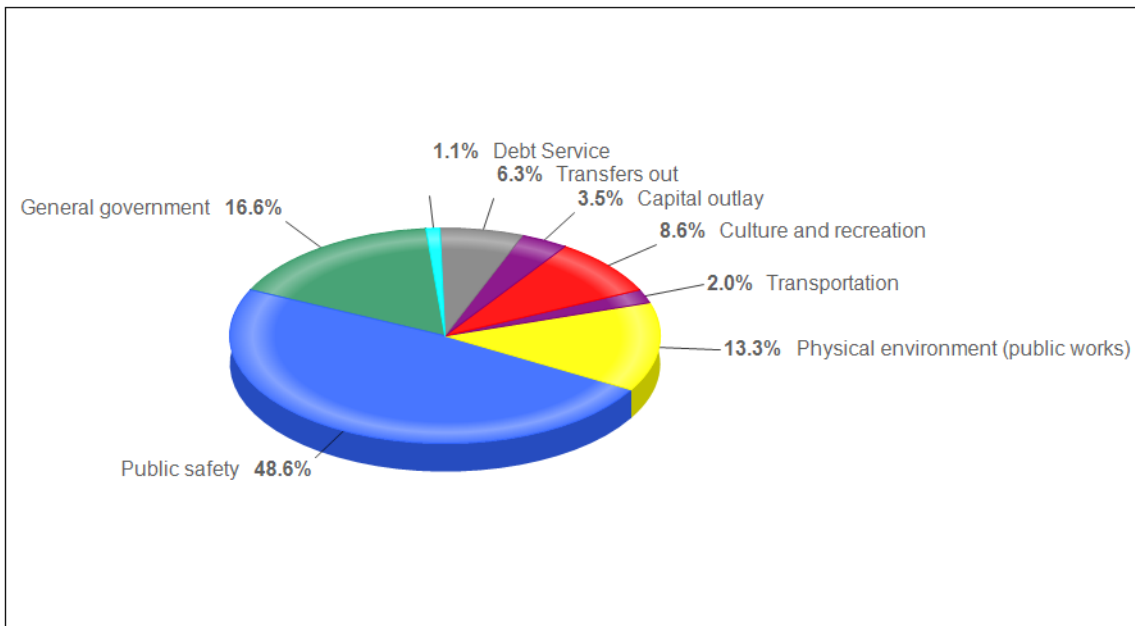
The General Fund

The General Fund is the chief operating fund of the City. The following pie charts depict the breakdown of actual receipts by revenue source and expenditures by function, for the fiscal year ended September 30, 2020:

Revenues Received by Source



Actual Expenditures By Function



City of Pompano Beach, Florida
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(Unaudited)

At the end of the current fiscal year, unassigned fund balance for the General Fund was \$48.9 million, while total fund balance was \$57.7 million. The fund balance for the City's General Fund increased by \$2.4 million during the current fiscal year.

Compared to the prior fiscal year, there was an increase of \$3.5 million in taxes revenue, primarily as a result of an increase in ad valorem taxes receipts, compared to prior fiscal year. Ad valorem revenue is a function of assessed property values, new construction, changes in personal incomes and the City's operating millage rates.

The increase of \$1.1 million in initiation of a capital lease is due to receiving lease purchase financing for the acquisition of certain equipment for the Fire, Parks & Recreation, Development Services and Public Works functions in the current fiscal year.

The decrease of \$15.1 million in transfers-in is primarily due to the reimbursement of expenditures from the Capital Project 2018 GO Bonds Fund for the Pier project, purchase of the Elks property for the new Youth Sports Complex and cost of issuance for the Series 2018 Bonds in the prior year.

The \$0.8 million increase in capital outlay expenditures is primarily due to the purchase of the Pompano Ford Lincoln property and acquisition of fleet equipment.

The Northwest Community Redevelopment Agency Northwest District Fund

The fund balance of the Northwest CRA District Fund increased by \$8.2 million primarily due to the timing of capital outlay for the Innovation District that was budgeted but not expended as of September 30, 2020.

Debt service expenditures decreased by \$0.6 million due to the maturity of the Tax Increment Bond – Series 2003A & 2004A Tax Increment Bonds in the prior year.

Capital Project 2018 GO Bonds

The fund balance of the Capital Project 2018 GO Bonds Fund decreased by \$10.5 million primarily due to the timing of capital outlay related to the General Obligation Bonds – Series 2018.

Capital Projects Fund

The decrease in capital outlay expenditures of \$3.8 million is primarily due to the timing of capital outlays.

Transfers in decrease by \$1.1 million primarily due to the Aquatic Center relining and repairs project, which is being funded by a capital lease.

Transfers out decreased by \$0.9 million primarily due to the purchase of property located at 2671 N. Federal Highway for the Charlotte J. Burrie Civic Center and property located at 1207 E. Atlantic Boulevard, which was the site of the former library now located at the Cultural Center in the prior year.

Building Permit Fund

Permits, fees and special assessments decreased by \$1.7 million due to a decrease in the number of permits issued as well the construction value associated with those permits.

City of Pompano Beach, Florida
Management Discussion and Analysis for the Fiscal Year Ended September 30, 2020
(Unaudited)

Other Grants Fund

The fund balance of the Other Grants Fund increased by \$1.8 million due to cost reimbursement grants for which the City has received reimbursement from the grantor at fiscal year end.

Proprietary Funds

When the City charges customers for the services it provides – whether to outside customers or to other units of the City – these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. The City maintains internal service funds to report activities that provide services for the City's other programs and activities – such as the City's Risk Management Fund. Residual balances for internal service funds are reported with governmental activities in the Government-wide financial statements.

Utility Fund

Other current expenses decreased by \$2.7 million primarily due to the cost incurred for the damage to our utility infrastructure caused by the subcontractor working for the Florida Department of Transportation which resulted in significant cleanup costs in the prior year.

Investment earnings decreased by \$0.5 million primarily a result of the timing of amortization of premiums and discounts relating to the purchase of investments and decreasing interest rates.

Parking Fund

The net position of the Parking Fund decreased by \$0.5 million primarily due to the following:

- A decrease in parking revenues as a result of COVID-19.
- The recognition of depreciation expense and interest expense. Private parcel development around the Pier is still ongoing with major anchors such as the Beach House Restaurant & Oceanic Restaurant completed. The other parcels planned to complement these anchors are nearing completion. It is anticipated that when parcel development is completed parking revenues will cover operating expenses.

Transfer in increased by \$0.5 million primarily due a transfer from the East CRA to minimize the impacts of Covid-19 to the Parking Fund. The funds were utilized to pay debt service.

Pier Fund

The net position of the Pier Fund decreased by \$14.2 million primarily due to the transfer of residual equity associated with accounting for the activities of the Pier to the General Fund in the current fiscal year.

Airpark Fund

The net position of the Airpark Fund decreased by \$1.3 million primarily due to the timing for the recognition of capital grants for various airpark improvement projects.

Capital grants and contributions decreased by \$0.8 million primarily due to the timing for the recognition of capital grants for various airpark improvement projects.

Sanitation Fund

Personnel services expenses decreased by \$1.3 million primarily due to a decrease in the pension expense related to the net pension liability for the General Employees Pension Plan as determined by the pension plan actuary.

City of Pompano Beach, Florida
Management Discussion and Analysis for the Fiscal Year Ended September 30, 2020
(Unaudited)

Stormwater Fund

The net position of the Stormwater Fund increased by \$1.5 million primarily due to the following; operating expenses coming in below budget and the timing of debt service relating to projects in the stormwater master plan.

General Fund Budgetary Highlights

Original budget compared to final budget – The City made revisions to the original appropriations approved by the City Commission. Overall these changes resulted in an increase from the original budget of \$13.9 million.

The increase of \$4.1 million in the Police expenditure budget was the result of establishing the fiscal year budget to cover the costs for additional officers under the City's police services contract with the Broward Sheriff's Office (BSO). These costs were funded in prior years with a COPs Grant. The funds supported the School Resource Officers Program.

The increase of \$7.2 million in the capital outlay budget is primarily due to appropriation of funds for the purchase of various properties and the acquisition of certain equipment relating to capital lease for the Fire, Parks & Recreation, Development Services and Public Works functions.

Final budget compared to actual

Pari-mutuel revenue was \$0.9 million lower than the final budget primarily due to the unprecedented impact of Covid-19 on our local and state economy which resulted in the closure of the casino from April 2020 to June 2020.

Investment earnings were \$1.4 million higher than the final budget primarily as a result of the timing of amortization of premiums and discounts relating to the purchase of investments and the actual earnings relating to investments outperforming the projection.

Non-departmental expenditures were approximately \$1.2 million lower than the final budget primarily due to lower than anticipated expenditures for various line items including the tax increment payment and other non-departmental operating costs.

Culture and recreation expenditures were \$1.1 million less than the final budget primarily due to reduction in operating costs resulting from the closure of many of the City's parks and recreation facilities due to the unprecedented impact of Covid-19.

Capital outlay expenditures were \$1.7 million lower than the final budget primarily due to the timing of acquisition of certain equipment relating to capital lease for the Fire, Parks & Recreation, Development Services and Public Works functions.

City of Pompano Beach, Florida
Management Discussion and Analysis for the Fiscal Year Ended September 30, 2020
(Unaudited)

Capital Assets

The City's investment in capital assets for its governmental and business-type activities as of September 30, 2020, amounts to \$511.9 million, net of accumulated depreciation. This investment in capital assets includes land, building, equipment, improvements, infrastructure and construction in progress.

TABLE 3
CAPITAL ASSETS
(NET OF ACCUMULATED DEPRECIATION)
September 30, 2020 and 2019

	Governmental Activities		Business-Type Activities		Totals	
	2020	2019	2020	2019	2020	2019
Land	\$ 76,530,588	\$ 72,678,948	\$ 468,659	\$ 528,717	\$ 76,999,247	\$ 73,207,665
Construction in Progress	26,504,512	22,190,439	6,319,366	26,688,342	32,823,878	48,878,781
Buildings	49,837,494	40,101,351	41,010,382	43,240,650	90,847,876	83,342,001
Infrastructure	77,588,091	81,442,286	45,241,128	49,774,217	122,829,219	131,216,503
Improvements	106,225,404	95,899,465	65,497,366	47,563,762	171,722,770	143,463,227
Machinery & Equipment	9,685,024	9,158,798	6,838,243	6,416,619	16,523,267	15,575,417
Art Work	87,603	102,406	24,500	30,000	112,103	132,406
TOTALS	\$ 346,458,716	\$ 321,573,693	\$ 165,399,644	\$ 174,242,307	\$ 511,858,360	\$ 495,816,000

Major capital assets events during the fiscal year included:

Governmental Activities

- Capital projects under construction in governmental activities had a net increase of \$4.3 million, primarily as a result of major activity related to several projects. See capital asset and construction commitments in the notes to the financial statements, Note II (C).
- Buildings for governmental activities increased by \$9.7 million as a result of the net effect of the capitalization of costs associated with the Charlotte J. Burrie Civic Center, Fire Station 24 and the recognition of current fiscal year depreciation expense.
- Improvements for governmental activities increased by \$10.3 million primarily due to the net effect of the capitalization of costs associated with the Pier and the recognition of current fiscal year depreciation expense.

Business-type activities

- Capital projects under construction in business-type activities decreased by \$20.4 million as a result of the completion related to several projects in the current fiscal year, Concentrate Deep Well Re-Lining project, Esquire Lake Stormwater project, Airpark Building Renovation project and the transfer of residual equity associated with accounting for the activities of the Pier to the General Fund in the current fiscal year.
- Improvements increased by approximately \$17.9 million primarily due to the net effect of the completion of various projects including Esquire Lake Stormwater project, Concentrate Deep Well Re-Lining project and the recognition of current fiscal year depreciation expense.

Additional information on the City's capital assets can be found in the notes to the financial statements, Note II (C).

City of Pompano Beach, Florida
Management Discussion and Analysis for the Fiscal Year Ended September 30, 2020
(Unaudited)

Outstanding Debt

At the end of the current fiscal year the City had total debt (bonds and notes) of \$152,666,597 outstanding compared to \$153,422,588 last year, a 0% decrease.

TABLE 4 - OUTSTANDING DEBT
September 30, 2020 and 2019

	Governmental Activities		Business-Type Activities		Totals	
	2020	2019	2020	2019	2020	2019
Revenue Bonds	\$ -	\$ -	\$ -	\$ 2,990,000	\$ -	\$ 2,990,000
Certificates of Participation	-	-	23,775,000	23,875,000	23,775,000	23,875,000
General Obligation Bonds	101,105,600	102,865,880	-	-	101,105,600	102,865,880
Tax increment bonds	9,280,000	10,045,000	-	-	9,280,000	10,045,000
Notes payable	4,553,693	5,023,439	8,284,671	5,913,561	12,838,364	10,937,000
Capital lease payable	5,219,150	2,404,730	448,483	304,978	5,667,633	2,709,708
Total	<u>\$ 120,158,443</u>	<u>\$ 120,339,049</u>	<u>\$ 32,508,154</u>	<u>\$ 33,083,539</u>	<u>\$ 152,666,597</u>	<u>\$ 153,422,588</u>

At September 30, 2020, the City's Certificates of Participation maintained a credit rating of AA- from Standard and Poor's and A-1 from Moody's. The Series 2018 Bonds maintained a credit rating of AA from Standard and Poor's and Aa2 from Moody's. None of the City's other long term obligations were required to carry a credit rating at fiscal year end.

Required principal, interest and reserves on outstanding debt were provided for during the year. The City's Water & Sewer Bonds are pledged with the revenues from the water and sewer system. The Series 2018 Bonds are pledged with the property taxes levied by the debt service millage. The City fully anticipates that it will meet future debt service requirements for outstanding bond issues based on these pledged revenue sources. Additional information on the City's long-term debt can be found in the notes to the financial statements, Note II (F).

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET RATES

The City's fiscal year runs from October 1st to September 30th. The City begins its budget cycle in November. From November to May, workshops and meetings are held with department heads to determine the upcoming fiscal needs of the City while ensuring adherence to City's policies. Upon establishing a fiscal blueprint for the upcoming fiscal year, the City Manager presents the recommended budget to the City Commission and public in June and then a second workshop is held in July. If necessary, resources and/or policies are modified by the Commission and subsequently adopted in the final public budget hearing in September. Two public budget hearings are held in September to adopt the millage rates and the budgets.

The City has been, and continues to be, impacted by the global outbreak of the Coronavirus pandemic (COVID-19), which poses a serious public health risk and looming economic crisis. With anticipated loss of state revenues due to the pandemic, the City implemented strict financial measures. The City will continue to pursue federal assistance through the emergency CARES Act, the American Rescue Plan Act and other grant sources. Despite these funding challenges, the City, through prudent fiscal management, maintains a healthy financial position ensuring that our residents and businesses will continue to receive the value and quality services they have trusted from their City.

The City's tax base for the upcoming FY increased by \$830M; for a total of \$14,489,080,522. New construction totals \$247,153,690. As the City continues to invest in its infrastructure, more private

City of Pompano Beach, Florida
Management Discussion and Analysis for the Fiscal Year Ended September 30, 2020
(Unaudited)

investments will be attracted which will increase the City's tax base. Business cycles aside, an increasing tax base allows the City to annually maintain the service levels while maintaining a competitive tax rate.

The adopted millage rates for FY 2021 are as follows: General Fund operating millage 5.1875, Emergency Medical Services District (EMS) millage rate 0.5000, and voted debt service millage rate (2018) 0.4194. When compared to FY 2020 adopted millage rates, the FY 2021 adopted operating and EMS remain unchanged. The adopted aggregate millage rate (City and EMS) of 5.6875 is approximately 0.2249 mills above the rollback rate of 5.4626. The rollback rate is the millage rate at which the City would levy the same amount of ad-valorem revenues as in the previous fiscal year.

The adopted operating millage rate is anticipated to levy approximately \$71.44M in property taxes to support and maintain service levels for the City's residents. Property taxes support about 46% of the total General Fund budget of \$154,932,071. The FY 2021 adopted debt service millage rate of 0.4194 represents a decrease of -0.0257 mills, or -5.77% when compared to the FY 2020 adopted debt service millage rate of 0.4451. Compared to the FY 2020 adopted aggregate millage rate (City, EMS, and Voted Debt Service) of 6.1326, FY 2021 adopted aggregate millage rate of 6.1069 represents a decrease of -0.0257 mills or -0.42%.

The total City of Pompano Beach adopted budget for FY 2021 is \$310,987,988; this represents a 0.9% increase or a \$2.89M increase over the FY 2020 adopted budget of \$308,097,547. The major reason for this increase is due to the increase in police services, salaries and benefits adjustments derived from firefighter union negotiations as well as, less pay-as-you-go capital improvement projects (CIP) for FY 2021.

The General Fund budget accounts for approximately 49.8% of the total FY 2021 adopted budget. This is the fund where the majority of tax dollars are appropriated and it is where some of the most visible and vital services are funded; public safety services account for 56% of the total General Fund budget; general government services such as finance, development services etc. 19%; public works 15%; and parks and recreation, tourism, marketing, cultural affairs 10%.

The FY 2021 adopted General Fund budget is \$154,932,071. This is approximately \$2.9M or 2% higher than the FY 2020 adopted General Fund budget of \$151,969,404. The increases in the General Fund budget for FY 2021 can primarily be attributed to operating expenses (\$1.98M): Broward Sheriff's Office (BSO) budget increased by \$1.2M, which includes New District 4 Patrol Zone Deputies (\$684K). The City's objective in implementing this program is to focus resources on reducing crime within high crime areas of the City. Other factors that contributed to the operating expenses increase include: maintenance and utility accounts (\$250K) and internal service charges (\$278K).

Personnel services had a net decrease of \$1.63M due to annual adjustments in salaries and benefits (\$721K), primarily related to Fire Fighter Union negotiations. Other factors include general employees and firefighter pension net increase of \$685K; and FICA and Veba benefits (\$188K). These increases were offset by eleven (11) frozen vacant positions in the General Fund (-\$518K). Staff has recommended the use of \$1.16M in fund balance from the General Fund to the Solid Waste Fund (\$800K) and Airpark Capital Fund (\$365K), in order to offset operating costs within these funds. Capital decreases (-\$649K) are due to the deferral of capital outlay for FY 2021 associated with debt service for capital lease (-\$300K) and due to the net effect of less capital outlay (pay-as-you-go) items (-\$349K).

City of Pompano Beach, Florida
Management Discussion and Analysis for the Fiscal Year Ended September 30, 2020
(Unaudited)

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have any questions about this report or need any additional financial information, contact the City's Finance Department, at the City of Pompano Beach, 100 W. Atlantic Boulevard, Pompano Beach, Florida 33060.

BASIC FINANCIAL STATEMENTS

CITY OF POMPANO BEACH, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2020

	Governmental Activities	Business- type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 34,628,006	\$ 8,159,950	\$ 42,787,956
Unrestricted investments	102,517,849	46,297,313	148,815,162
Restricted cash and cash equivalents	1,379,883	1,850,050	3,229,933
Restricted investments	86,238,775	463,103	86,701,878
Interest receivable	695,390	161,596	856,986
Accounts receivables (net)	5,445,348	6,980,107	12,425,455
Notes Receivable	90,000	-	90,000
Internal balances	727,258	(727,258)	-
Due from other governments	6,534,346	635,745	7,170,091
Inventories	1,679,705	201,236	1,880,941
Prepays	4,324,583	8,554	4,333,137
Other assets	131,013	-	131,013
Assets held for resale and redevelopment	44,732,659	-	44,732,659
Capital assets:			
Land and construction in progress	103,035,100	6,788,025	109,823,125
Other capital assets net of accumulated depreciation	243,423,616	158,611,619	402,035,235
Total capital assets net of accumulated depreciation	<u>346,458,716</u>	<u>165,399,644</u>	<u>511,858,360</u>
Total assets	<u>635,583,531</u>	<u>229,430,040</u>	<u>865,013,571</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	32,147,512	7,621,976	39,769,488
Deferred outflows related to OPEB	206,587	43,080	249,667
Total deferred outflows of resources	<u>32,354,099</u>	<u>7,665,056</u>	<u>40,019,155</u>

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

CITY OF POMPANO BEACH, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2020

	<u>Governmental Activities</u>	<u>Business- type Activities</u>	<u>Total</u>
LIABILITIES			
Accounts payable	\$ 3,024,163	\$ 2,538,361	\$ 5,562,524
Accrued expenses	3,586,727	700,442	4,287,169
Accrued interest payable	1,080,223	320,091	1,400,314
Due to other governments	-	55,018	55,018
Customer deposits payable	45,959	-	45,959
Unearned revenue	3,205,202	-	3,205,202
Liabilities payable from restricted assets:			
Customer deposits payable	-	1,914,985	1,914,985
Accounts payable	2,310,749	43,891	2,354,640
Noncurrent liabilities:			
Due within one year:			
Long term obligations	2,681,558	-	2,681,558
Notes Payable	478,021	1,203,110	1,681,131
Claims and judgments	2,604,210	-	2,604,210
Compensated absences	198,637	32,915	231,552
Capital lease payable	1,200,530	102,638	1,303,168
Certificates of participation payable	-	500,000	500,000
Due in more than one year:			
Long term obligations	107,704,042	-	107,704,042
Notes Payable	4,075,672	7,081,561	11,157,233
Claims and judgments	12,300,790	-	12,300,790
Compensated absences	8,340,310	1,592,348	9,932,658
Total OPEB liability	11,147,184	2,365,055	13,512,239
Capital lease payable	4,018,620	345,845	4,364,465
Certificates of participation payable	-	23,275,000	23,275,000
Net pension liability	170,104,449	23,574,043	193,678,492
Total liabilities	<u>338,107,046</u>	<u>65,645,303</u>	<u>403,752,349</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	7,502,221	125,261	7,627,482
Deferred inflows related to OPEB	<u>261,492</u>	<u>55,480</u>	<u>316,972</u>
Total deferred inflows of resources	<u>7,763,713</u>	<u>180,741</u>	<u>7,944,454</u>
NET POSITION			
Net investment in capital assets	308,830,055	133,354,593	442,184,648
Restricted for:			
Renewal and replacement/rate stabilization	-	3,824,452	3,824,452
Capital projects	1,101,484	463,103	1,564,587
Building permit function	17,027,320	-	17,027,320
Community Redevelopment	55,979,952	-	55,979,952
Cultural Arts	482	-	482
Public Safety	1,740,422	-	1,740,422
Debt Service	72,734	-	72,734
Transportation	154,920	-	154,920
Unrestricted	(62,840,498)	33,626,904	(29,213,594)
Total net position	<u>\$ 322,066,871</u>	<u>\$ 171,269,052</u>	<u>\$ 493,335,923</u>

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

CITY OF POMPANO BEACH, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

<u>Functions/Programs</u>	<u>Program Revenues</u>			
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Governmental Activities:				
General government	\$ 37,978,927	\$ 17,153,700	\$ 412,427	\$ -
Public safety	107,901,370	36,590,137	6,981,947	574,339
Physical environment	24,979,725	198,304	396,067	1,900,051
Transportation	5,130,383	-	332,755	-
Economic environment	7,744,963	127,760	-	2,397,714
Culture and recreation	16,715,211	3,597,721	138,522	10,000
Interest on long-term debt	4,568,201	-	-	-
Total governmental activities	<u>205,018,780</u>	<u>57,667,622</u>	<u>8,261,718</u>	<u>4,882,104</u>
Business-Type Activities:				
Utility	47,070,652	48,026,838	-	511,358
Sanitation	9,101,133	8,611,428	-	-
Stormwater	2,923,971	3,897,360	-	266,840
Airpark	2,825,625	1,325,267	115,174	69,850
Parking	3,660,441	2,606,977	-	-
Total business-type activities	<u>65,581,822</u>	<u>64,467,870</u>	<u>115,174</u>	<u>848,048</u>
Total government	<u>\$ 270,600,602</u>	<u>\$ 122,135,492</u>	<u>\$ 8,376,892</u>	<u>\$ 5,730,152</u>

General revenues:

- Taxes:
 - Property taxes, levied for general purposes
 - Sales and use taxes
 - Business tax receipts
 - Utility taxes
 - Communication service taxes
 - Tax increment fees - Community Redevelopment Agency
- Pari Mutuel
- Franchise fees
- State revenue sharing
- Gain on sale of capital assets
- Investment earnings
- Miscellaneous revenue
- Transfers
 - Total General Revenues and Transfers
- Changes in Net Position
- Net position-beginning
- Net position, ending

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

Net (Expense) Revenue and Changes in Net Position

Governmental Activities	Business-Type Activities	Total
\$ (20,412,800)	\$ -	\$ (20,412,800)
(63,754,947)	-	(63,754,947)
(22,485,303)	-	(22,485,303)
(4,797,628)	-	(4,797,628)
(5,219,489)	-	(5,219,489)
(12,968,968)	-	(12,968,968)
(4,568,201)	-	(4,568,201)
<u>(134,207,336)</u>	<u>-</u>	<u>(134,207,336)</u>
-	1,467,544	1,467,544
-	(489,705)	(489,705)
-	1,240,229	1,240,229
-	(1,315,334)	(1,315,334)
-	(1,053,464)	(1,053,464)
<u>-</u>	<u>(150,730)</u>	<u>(150,730)</u>
<u>(134,207,336)</u>	<u>(150,730)</u>	<u>(134,358,066)</u>
80,403,039	-	80,403,039
1,753,141	-	1,753,141
2,120,326	-	2,120,326
12,798,580	-	12,798,580
4,152,264	-	4,152,264
13,893,061	-	13,893,061
1,273,349	-	1,273,349
7,944,147	-	7,944,147
10,257,422	-	10,257,422
1,015,017	99,710	1,114,727
5,233,458	1,883,328	7,116,786
717,449	112,504	829,953
<u>13,509,052</u>	<u>(13,509,052)</u>	<u>-</u>
<u>155,070,305</u>	<u>(11,413,510)</u>	<u>143,656,795</u>
20,862,969	(11,564,240)	9,298,729
301,203,902	182,833,292	484,037,194
<u>\$ 322,066,871</u>	<u>\$ 171,269,052</u>	<u>\$ 493,335,923</u>

CITY OF POMPANO BEACH, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2020

	<u>General</u>	<u>Northwest Community Redevelopment District</u>	<u>East Community Redevelopment District</u>
ASSETS			
Cash and cash equivalents	\$ 5,070,316	\$ 11,962,732	\$ 2,316,059
Restricted cash and cash equivalents	1,151,136	-	11,222
Restricted investments	-	-	-
Unrestricted investments	43,163,528	5,750,569	2,952,700
Interest receivable	157,000	5,902	2,675
Accounts receivables, net	2,727,255	-	-
Notes receivable	-	90,000	-
Assets held for resale and redevelopment	-	38,214,015	4,364,834
Advances to other funds	1,847,579	-	-
Due from other funds	4,137,901	-	-
Due from other governments	2,979,174	90,000	-
Inventories	232,663	-	-
Prepays	1,337,137	-	-
Other assets	122,539	-	-
Total assets	<u>\$ 62,926,228</u>	<u>\$ 56,113,218</u>	<u>\$ 9,647,490</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 1,089,616	\$ 75,081	\$ 39,126
Accrued expenditures	2,366,092	-	-
Due to other governments	1	-	-
Due to other funds	-	-	-
Advances from other funds	-	1,847,579	-
Deposits	9,296	29,624	6,605
Unearned revenue	1,138,297	4,500	-
Total liabilities:	<u>4,603,302</u>	<u>1,956,784</u>	<u>45,731</u>
Deferred inflows of resources:			
Unavailable revenue	<u>621,379</u>	<u>180,000</u>	<u>-</u>
Fund balances:			
Nonspendable	3,417,379	-	-
Restricted	-	53,976,434	9,601,759
Committed	-	-	-
Assigned	5,334,837	-	-
Unassigned	48,949,331	-	-
Total fund balances	<u>57,701,547</u>	<u>53,976,434</u>	<u>9,601,759</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 62,926,228</u>	<u>\$ 56,113,218</u>	<u>\$ 9,647,490</u>

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

<u>Emergency Medical Services District</u>	<u>Capital Projects</u>	<u>Capital Project 2018 GO Bonds</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 420,021	\$ 3,370,118	\$ 425,664	\$ 6,650,661	\$ 30,215,571
-	204,881	-	12,644	1,379,883
-	5,435,231	80,589,561	213,983	86,238,775
1,962,071	11,264,913	-	16,983,729	82,077,510
7,477	59,297	328,783	58,574	619,708
2,285,956	206,306	-	225,831	5,445,348
-	-	-	-	90,000
-	-	-	2,153,810	44,732,659
-	-	-	-	1,847,579
-	-	-	-	4,137,901
133,631	1,033,691	-	2,288,432	6,524,928
492,806	-	-	-	725,469
-	2,972,180	-	15,266	4,324,583
-	-	-	8,474	131,013
<u>\$ 5,301,962</u>	<u>\$ 24,546,617</u>	<u>\$ 81,344,008</u>	<u>\$ 28,611,404</u>	<u>\$ 268,490,927</u>
\$ 158,354	\$ 499,888	\$ 2,310,756	\$ 874,457	\$ 5,047,278
669,816	61,463	-	297,133	3,394,504
-	-	-	-	1
-	-	2,240,488	1,270,272	3,510,760
-	-	-	-	1,847,579
-	-	-	434	45,959
347,500	30,000	16,032	1,668,873	3,205,202
<u>1,175,670</u>	<u>591,351</u>	<u>4,567,276</u>	<u>4,111,169</u>	<u>17,051,283</u>
<u>1,893,064</u>	<u>814,833</u>	<u>-</u>	<u>1,377,195</u>	<u>4,886,471</u>
492,806	2,972,180	-	15,266	6,897,631
1,740,422	1,101,484	-	18,937,215	85,357,314
-	-	76,776,732	4,170,559	80,947,291
-	19,066,769	-	-	24,401,606
-	-	-	-	48,949,331
<u>2,233,228</u>	<u>23,140,433</u>	<u>76,776,732</u>	<u>23,123,040</u>	<u>246,553,173</u>
<u>\$ 5,301,962</u>	<u>\$ 24,546,617</u>	<u>\$ 81,344,008</u>	<u>\$ 28,611,404</u>	<u>\$ 268,490,927</u>

CITY OF POMPANO BEACH, FLORIDA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2020

Fund Balances - total governmental funds \$ 246,553,173

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

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

Governmental capital assets	\$ 579,408,934	
Less accumulated depreciation	<u>(234,274,293)</u>	345,134,641

Revenues in the statement of activities that do not provide current financial resources are reported as unavailable revenue in the governmental funds financial statements:

EMS transport fees	1,761,267	
FEMA - Hurricane IRMA	1,274,549	
Broward County - Ad Valorem	466,299	
Broward County - Old Pompano Streetscape	60,600	
Broward County - Traffic Signal - MLK Blvd.	591,923	
Broward County - Playground Grant	58,000	
Broward County - Coastal Dune	4,641	
ETA NU Education Foundation	90,000	
Florida Department Transportation	229,009	
CDBG/HOME Grants	102,646	
Communication service taxes	<u>247,537</u>	4,886,471

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

Tax increment & General Obligation bonds	(110,385,600)	
Net pension liability	(170,104,449)	
Deferred outflows of resources related to pensions	32,147,512	
Deferred outflows of resources related to OPEB	195,380	
Deferred inflows of resources related to pensions	(7,502,221)	
Deferred inflows of resources related to OPEB	(247,138)	
Total OPEB liability	(10,535,247)	
Notes payable	(4,553,693)	
Compensated absences	(7,895,609)	
Capital lease payable	(5,219,150)	
Accrued interest payable	<u>(1,080,223)</u>	(285,180,438)

Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds that are reported with governmental activities are as follows:

Assets and Deferred Outflows	27,227,393	
Liabilities and Deferred Inflows	<u>(17,281,627)</u>	9,945,766

Adjustment for Internal Service Funds look-back 727,258

Net position of governmental activities \$ 322,066,871

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

CITY OF POMPANO BEACH, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	<u>General</u>	<u>Northwest Community Redevelopment District</u>	<u>East Community Redevelopment District</u>
Revenues			
Taxes	\$ 85,498,462	\$ 10,206,599	\$ 3,686,462
Judgments, fines and forfeitures	749,169	-	-
Permits, fees and special assessments	29,250,595	-	-
Intergovernmental	15,525,085	100,000	-
Charges for services	18,352,165	66,229	61,531
Pari-Mutuel	1,273,349	-	-
Donations	18,228	-	28,000
Program income	-	-	-
Investment earnings	2,233,726	91,823	11,862
Other revenue	394,960	92,760	-
Total revenues	<u>153,295,739</u>	<u>10,557,411</u>	<u>3,787,855</u>
EXPENDITURES			
Current:			
General government	25,759,483	-	-
Public safety	75,610,054	-	-
Physical environment	20,661,710	-	-
Transportation	3,109,657	-	-
Economic environment	-	2,391,667	744,815
Culture and recreation	13,290,235	-	-
Debt Service:			
Principal	1,504,376	-	765,000
Interest	159,140	65,828	336,255
Capital outlay	<u>5,432,499</u>	<u>3,721</u>	<u>1,102,476</u>
Total expenditures	<u>145,527,154</u>	<u>2,461,216</u>	<u>2,948,546</u>
Excess (deficiency) of revenues over (under) expenditures	<u>7,768,585</u>	<u>8,096,195</u>	<u>839,309</u>
OTHER FINANCING SOURCES (USES)			
Proceeds from sale of capital assets	143,239	74,475	-
Initiation of a capital lease	3,034,050	-	-
Transfers in	1,217,605	-	-
Transfers out	<u>(9,775,472)</u>	<u>-</u>	<u>(450,000)</u>
Total other financing sources (uses)	<u>(5,380,578)</u>	<u>74,475</u>	<u>(450,000)</u>
Net change in fund balances	2,388,007	8,170,670	389,309
Fund balances - beginning	<u>55,313,540</u>	<u>45,805,764</u>	<u>9,212,450</u>
Fund Balances - ending	<u>\$ 57,701,547</u>	<u>\$ 53,976,434</u>	<u>\$ 9,601,759</u>

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

<u>Emergency Medical Services District</u>	<u>Capital Projects</u>	<u>Capital Project 2018 GO Bonds</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 6,521,710	\$ 3,605,249	\$ -	\$ 5,937,585	\$ 115,456,067
-	-	-	-	749,169
-	294,558	-	10,502,545	40,047,698
573,303	939,400	-	7,081,703	24,219,491
3,290,336	1,649,627	-	320,501	23,740,389
-	-	-	-	1,273,349
-	-	-	319	46,547
-	-	-	882,584	882,584
170,953	633,598	1,375,301	716,195	5,233,458
-	-	-	720	488,440
<u>10,556,302</u>	<u>7,122,432</u>	<u>1,375,301</u>	<u>25,442,152</u>	<u>212,137,192</u>
-	62,463	42,090	-	25,864,036
18,079,491	-	-	10,002,770	103,692,315
-	1,590,638	-	-	22,252,348
-	-	-	340,331	3,449,988
-	-	-	4,461,933	7,598,415
-	-	-	127,656	13,417,891
-	-	-	1,830,000	4,099,376
-	-	-	4,108,850	4,670,073
139,635	7,621,638	11,816,689	1,241,900	27,358,558
<u>18,219,126</u>	<u>9,274,739</u>	<u>11,858,779</u>	<u>22,113,440</u>	<u>212,403,000</u>
<u>(7,662,824)</u>	<u>(2,152,307)</u>	<u>(10,483,478)</u>	<u>3,328,712</u>	<u>(265,808)</u>
-	797,303	-	-	1,015,017
-	975,000	-	-	4,009,050
8,089,991	1,526,085	-	-	10,833,681
-	-	-	(821,675)	(11,047,147)
<u>8,089,991</u>	<u>3,298,388</u>	<u>-</u>	<u>(821,675)</u>	<u>4,810,601</u>
427,167	1,146,081	(10,483,478)	2,507,037	4,544,793
1,806,061	21,994,352	87,260,210	20,616,003	242,008,380
<u>\$ 2,233,228</u>	<u>\$ 23,140,433</u>	<u>\$ 76,776,732</u>	<u>\$ 23,123,040</u>	<u>\$ 246,553,173</u>

CITY OF POMPANO BEACH, FLORIDA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

Net change in fund balances - total governmental funds \$ 4,544,793

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets are capitalized and depreciated over their estimated useful lives.

Expenditures for capital assets	\$ 27,358,558	
Less depreciation	<u>(16,769,916)</u>	10,588,642

Some revenues and expenses reported in the statement of activities are not reported in the funds because they have no effect on current financial resources.

Change in unavailable revenue	(1,439,855)	
Transfer of residual equity from Pier Fund to General Fund	13,722,518	
Loss on disposal of capital assets	(1,004)	
Donation of land	640,329	
Change in compensated absences liability	(1,565,568)	
Change in accrued interest	<u>11,592</u>	11,368,012

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.

Amortization of G.O. Bond premiums	90,280	
Proceeds from capital lease	(4,009,050)	
Principal payments	<u>4,099,376</u>	180,606

Changes in the City's net pension liability, OPEB liability, deferred outflows and deferred inflows of resources for the current year are not reported in the governmental funds but are reported in the statement of activities.

Change in deferred outflows of resources related to pensions	7,172,239	
Change in deferred outflows of resources related to OPEB	149,338	
Change in net pension liability	(11,852,663)	
Change in OPEB liability	(253,099)	
Change in deferred inflows of resources related to pensions	8,643	-
Change in deferred inflows of resources related to OPEB	<u>(247,138)</u>	(5,022,680)

Internal service funds are used by management to charge the costs of certain activities to individual funds.

The change in net position in the internal service funds is reported with governmental funds in the government-wide statement of activities. (1,037,327)

Adjustment for Internal Service Funds look-back		<u>240,923</u>
Change in Net Position - Governmental Activities		<u>\$ 20,862,969</u>

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

CITY OF POMPANO BEACH, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2020

	Business-type Activities - Enterprise Funds					Governmental Activities
	Utility	Parking	Stormwater	Nonmajor Enterprise Funds	Total	Internal Service Funds
ASSETS						
Current assets:						
Cash and cash equivalents	\$ 5,259,759	\$ 559,914	\$ 2,028,270	\$ 312,007	\$ 8,159,950	\$ 4,412,435
Restricted cash and cash equivalents	1,850,050	-	-	-	1,850,050	-
Interest receivable	117,820	8,456	31,659	3,661	161,596	75,682
Accounts receivables, net	4,865,896	26,500	335,742	1,751,969	6,980,107	-
Due from other governments	92,805	-	138,766	404,174	635,745	9,418
Inventories	189,895	-	11,341	-	201,236	954,236
Prepays	8,554	-	-	-	8,554	-
Total current assets:	<u>12,384,779</u>	<u>594,870</u>	<u>2,545,778</u>	<u>2,471,811</u>	<u>17,997,238</u>	<u>5,451,771</u>
Noncurrent assets:						
Unrestricted investments	33,212,554	2,152,461	9,474,798	1,457,500	46,297,313	20,440,339
Restricted investments	-	463,103	-	-	463,103	-
Capital assets:						
Land	467,725	-	-	934	468,659	-
Construction in progress	3,291,572	-	2,906,599	121,195	6,319,366	-
Buildings	50,717,305	22,355,752	-	1,656,670	74,729,727	254,536
Infrastructure	109,686,372	-	8,912,136	4,222,359	122,820,867	-
Improvements	87,281,436	-	17,556,459	22,051,027	126,888,922	423,838
Machinery and equipment	28,590,578	115,828	1,989,696	1,817,632	32,513,734	6,649,997
Art Work	30,000	-	-	-	30,000	-
Less accumulated depreciation	(169,671,161)	(3,082,401)	(11,027,010)	(14,591,059)	(198,371,631)	(6,004,295)
Total capital assets (net of accumulated depreciation)	<u>110,393,827</u>	<u>19,389,179</u>	<u>20,337,880</u>	<u>15,278,758</u>	<u>165,399,644</u>	<u>1,324,076</u>
Total noncurrent assets:	<u>143,606,381</u>	<u>22,004,743</u>	<u>29,812,678</u>	<u>16,736,258</u>	<u>212,160,060</u>	<u>21,764,415</u>
Total assets	<u>155,991,160</u>	<u>22,599,613</u>	<u>32,358,456</u>	<u>19,208,069</u>	<u>230,157,298</u>	<u>27,216,186</u>
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows related to pensions	6,387,178	58,539	170,961	1,005,298	7,621,976	-
Deferred outflows related to OPEB	33,773	244	1,860	7,203	43,080	11,207
Total deferred outflows of resources	<u>6,420,951</u>	<u>58,783</u>	<u>172,821</u>	<u>1,012,501</u>	<u>7,665,056</u>	<u>11,207</u>

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

CITY OF POMPANO BEACH, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2020

	Business-type Activities - Enterprise Funds					Governmental Activities
	Utility	Parking	Stormwater	Nonmajor Enterprise Funds	Total	Internal Service Funds
LIABILITIES						
Current liabilities, unrestricted:						
Accounts payable	1,421,650	118,923	103,697	937,982	2,582,252	287,635
Accrued expenses	533,093	5,799	33,737	127,813	700,442	192,223
Accrued interest payable	10,998	309,093	-	-	320,091	-
Due to other funds	-	-	-	-	-	627,141
Due to other governments	-	-	55,018	-	55,018	-
Compensated absences	21,847	-	1,211	9,857	32,915	1,046
Claims and judgments	-	-	-	-	-	2,604,210
Notes payable	984,898	-	218,212	-	1,203,110	-
Capital lease payable	-	-	-	102,638	102,638	-
Certificates of participation payable	-	500,000	-	-	500,000	-
Total current liabilities, unrestricted	<u>2,972,486</u>	<u>933,815</u>	<u>411,875</u>	<u>1,178,290</u>	<u>5,496,466</u>	<u>3,712,255</u>
Current liabilities payable from restricted assets:						
Deposits payable	<u>1,850,050</u>	<u>64,935</u>	<u>-</u>	<u>-</u>	<u>1,914,985</u>	<u>-</u>
Total current liabilities payable from restricted assets	<u>1,850,050</u>	<u>64,935</u>	<u>-</u>	<u>-</u>	<u>1,914,985</u>	<u>-</u>
Total current liabilities	<u>4,822,536</u>	<u>998,750</u>	<u>411,875</u>	<u>1,178,290</u>	<u>7,411,451</u>	<u>3,712,255</u>
Noncurrent liabilities:						
Compensated absences	1,201,808	5,746	84,508	300,286	1,592,348	642,291
Total OPEB liability	1,819,273	16,539	99,233	430,010	2,365,055	611,937
Claims and judgments	-	-	-	-	-	12,300,790
Notes payable	2,051,730	-	5,029,831	-	7,081,561	-
Capital lease payable	-	-	-	345,845	345,845	-
Certificates of participation payable	-	23,275,000	-	-	23,275,000	-
Net pension liability	<u>19,660,111</u>	<u>229,344</u>	<u>475,805</u>	<u>3,208,783</u>	<u>23,574,043</u>	<u>-</u>
Total noncurrent liabilities	<u>24,732,922</u>	<u>23,526,629</u>	<u>5,689,377</u>	<u>4,284,924</u>	<u>58,233,852</u>	<u>13,555,018</u>
Total liabilities	<u>29,555,458</u>	<u>24,525,379</u>	<u>6,101,252</u>	<u>5,463,214</u>	<u>65,645,303</u>	<u>17,267,273</u>
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows related to pensions	110,753	-	4,766	9,742	125,261	-
Deferred inflows related to OPEB	<u>42,677</u>	<u>388</u>	<u>2,328</u>	<u>10,087</u>	<u>55,480</u>	<u>14,354</u>
Total deferred inflows of resources	<u>153,430</u>	<u>388</u>	<u>7,094</u>	<u>19,829</u>	<u>180,741</u>	<u>14,354</u>
NET POSITION						
Net investment in capital assets	107,357,199	(3,922,718)	15,089,837	14,830,275	133,354,593	1,324,076
Restricted:						
Renewal & replacement/rate stabilization	3,824,452	-	-	-	3,824,452	-
Capital Projects	-	463,103	-	-	463,103	-
Unrestricted	<u>21,521,572</u>	<u>1,592,244</u>	<u>11,333,094</u>	<u>(92,748)</u>	<u>34,354,162</u>	<u>8,621,690</u>
Total net position	<u>\$ 132,703,223</u>	<u>\$ (1,867,371)</u>	<u>\$ 26,422,931</u>	<u>\$ 14,737,527</u>	<u>\$ 171,996,310</u>	<u>\$ 9,945,766</u>

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

CITY OF POMPANO BEACH, FLORIDA
RECONCILIATION OF THE ENTERPRISE FUNDS STATEMENT OF NET POSITION
TO THE GOVERNMENTWIDE STATEMENT OF NET POSITION
SEPTEMBER 30, 2020

Net Position - Enterprise Funds	\$171,996,310
Adjustment to Enterprise Funds for Internal Service Funds look-back	<u>(727,258)</u>
Net Position - Business-type Activities	<u>\$171,269,052</u>

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

CITY OF POMPANO BEACH, FLORIDA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	Business-type Activities - Enterprise Funds					Governmental Activities
	Utility	Parking	Stormwater	Nonmajor Enterprise	Total	Internal Service Funds
				Funds		
OPERATING REVENUES						
Charges for services	\$ 48,026,838	\$ 2,251,549	\$ 3,836,672	\$ 9,936,695	\$ 64,051,754	\$ 26,315,810
Fines and forfeitures	-	268,582	-	-	268,582	-
Miscellaneous	-	134,917	-	64,433	199,350	13,225
Total operating revenues	<u>48,026,838</u>	<u>2,655,048</u>	<u>3,836,672</u>	<u>10,001,128</u>	<u>64,519,686</u>	<u>26,329,035</u>
OPERATING EXPENSES						
Personnel services	12,998,313	344,222	717,884	2,486,765	16,547,184	4,155,468
Other current expenses	26,071,388	1,295,671	1,245,101	7,811,493	36,423,653	23,680,467
Depreciation and amortization	7,633,075	768,357	884,779	1,580,497	10,866,708	412,346
Total operating expenses	<u>46,702,776</u>	<u>2,408,250</u>	<u>2,847,764</u>	<u>11,878,755</u>	<u>63,837,545</u>	<u>28,248,281</u>
Operating income (loss)	<u>1,324,062</u>	<u>246,798</u>	<u>988,908</u>	<u>(1,877,627)</u>	<u>682,141</u>	<u>(1,919,246)</u>
NONOPERATING REVENUES (EXPENSES)						
Investment earnings	1,392,812	89,799	357,575	43,142	1,883,328	873,341
Miscellaneous revenue	-	-	-	-	-	651
Interest expense and fiscal agent fees	(183,614)	(1,249,686)	(1,671)	(7,694)	(1,442,665)	-
Operating grants and contributions	107,000	-	-	115,174	222,174	-
Gain or (loss) from disposition of capital assets	25,688	-	68,731	5,291	99,710	7,928
Assets and liabilities transferred to governmental activities	-	-	-	(14,169,782)	(14,169,782)	-
Total nonoperating revenues (expenses)	<u>1,341,886</u>	<u>(1,159,887)</u>	<u>424,635</u>	<u>(14,013,869)</u>	<u>(13,407,235)</u>	<u>881,920</u>
Income (loss) before contributions and transfers	2,665,948	(913,089)	1,413,543	(15,891,496)	(12,725,094)	(1,037,326)
Capital grants and contributions	404,358	-	266,840	69,850	741,048	-
Transfers in	415,251	450,000	-	19,145	884,396	-
Transfers out	-	-	(223,667)	-	(223,667)	-
Change in net position	<u>3,485,557</u>	<u>(463,089)</u>	<u>1,456,716</u>	<u>(15,802,501)</u>	<u>(11,323,317)</u>	<u>(1,037,326)</u>
Total net position - beginning	<u>129,217,666</u>	<u>(1,404,282)</u>	<u>24,966,215</u>	<u>30,540,028</u>	<u>183,319,627</u>	<u>10,983,092</u>
Total net position - ending	<u>\$ 132,703,223</u>	<u>\$ (1,867,371)</u>	<u>\$ 26,422,931</u>	<u>\$ 14,737,527</u>	<u>\$ 171,996,310</u>	<u>\$ 9,945,766</u>

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

CITY OF POMPANO BEACH, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION OF ENTERPRISE FUNDS TO THE
STATEMENT OF ACTIVITIES FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

Net change in Net Position - Enterprise Funds	\$(11,323,317)
Adjustment to Enterprise Funds for Internal Service Funds look-back	<u>(240,923)</u>
Change in Net Position - Business-type Activities	<u><u>\$(11,564,240)</u></u>

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

CITY OF POMPANO BEACH, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	Business-type Activities - Enterprise Funds				Governmental
	Utility	Parking	Stormwater	Nonmajor Enterprise Funds	Internal Service Funds
CASH FROM OPERATING ACTIVITIES					
Receipts from other funds for charges for services	\$ -	\$ -	\$ -	\$ -	\$ 23,157,213
Receipts from customers	47,796,129	2,706,902	4,120,933	10,727,325	65,351,289
Payments to suppliers/Insurer	(28,605,414)	(1,230,978)	(2,197,140)	(7,650,413)	(21,735,508)
Payments to employees	(11,007,360)	(143,072)	(570,268)	(2,440,783)	(3,977,758)
Claims Paid	-	-	-	-	979,144
Net cash provided (used) by operating activities	<u>8,183,355</u>	<u>1,332,852</u>	<u>1,353,525</u>	<u>636,129</u>	<u>1,596,300</u>
CASH FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers to other funds	-	-	(223,667)	(174,394)	(398,061)
Transfers from other funds	415,251	450,000	-	19,145	884,396
Interest paid on utility deposits	(14,409)	-	-	-	(14,409)
Advances from (to) other funds	-	-	-	(50,000)	(50,000)
Net cash provided (used) by noncapital financing activities	<u>400,842</u>	<u>450,000</u>	<u>(223,667)</u>	<u>(205,249)</u>	<u>12,432</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition and construction of capital assets	(13,042,173)	-	(1,477,358)	(556,295)	(15,075,826)
Operating grants and contributions	107,000	-	-	115,174	222,174
Capital grants and contributions	-	-	-	69,850	69,850
Proceeds from capital debt	-	-	3,431,764	225,000	3,656,764
Proceeds from the sale of surplus materials/capital assets	28,714	-	69,120	5,291	103,125
Principal paid on bonds/notes	(2,990,000)	-	(102,097)	-	(3,092,097)
Principal paid on capital lease	(958,558)	-	-	(81,495)	(1,040,053)
Payments to fiscal agents	-	(1,350)	-	-	(1,350)
Interest paid on bonds/notes	(185,235)	(1,348,336)	(1,671)	(7,694)	(1,542,936)
Net cash provided (used) by capital and related financing activities	<u>(17,040,252)</u>	<u>(1,349,686)</u>	<u>1,919,758</u>	<u>(230,169)</u>	<u>(16,700,349)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of investments	6,242,656	(408,567)	(2,726,547)	(331,492)	2,776,050
Interest earnings	1,447,165	90,017	358,116	43,621	1,938,919
Net cash provided (used) by investing activities	<u>7,689,821</u>	<u>(318,550)</u>	<u>(2,368,431)</u>	<u>(287,871)</u>	<u>4,714,969</u>
Net increase (decrease) in cash and cash equivalents	(766,234)	114,616	681,185	(87,160)	(57,593)
Cash and cash equivalents, beginning of the year	7,876,043	445,298	1,347,085	399,167	10,067,593
Cash and cash equivalents, end of the year	<u>\$ 7,109,809</u>	<u>\$ 559,914</u>	<u>\$ 2,028,270</u>	<u>\$ 312,007</u>	<u>\$ 10,010,000</u>
Cash and cash equivalents, unrestricted	\$ 5,259,759	\$ 559,914	\$ 2,028,270	\$ 312,007	\$ 8,159,950
Cash and cash equivalents, restricted	1,850,050	-	-	-	1,850,050
Cash and cash equivalents, end of the year	<u>\$ 7,109,809</u>	<u>\$ 559,914</u>	<u>\$ 2,028,270</u>	<u>\$ 312,007</u>	<u>\$ 10,010,000</u>
Non-cash transactions (capital & related financing activities):					
Contribution of capital assets from developers	404,358	-	266,840	-	671,198
Transfer of residual equity from Pier Fund to General Fund	-	-	-	(13,722,518)	(13,722,518)
Non-cash transactions (investing activities):					
Changes in fair value in investments	359,753	25,820	96,669	11,178	493,420
Total non-cash activities	<u>\$ 764,111</u>	<u>\$ 25,820</u>	<u>\$ 363,509</u>	<u>\$ (13,711,340)</u>	<u>\$ (12,557,900)</u>

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

CITY OF POMPANO BEACH, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	Business-type Activities - Enterprise Funds				Governmental	
	Utility	Parking	Stormwater	Nonmajor Enterprise Funds	Internal Service Funds	
Reconciliation of operating income (loss) to net cash provided (used) by operating activities						
Operating income(loss)	\$ 1,324,062	\$ 246,798	\$ 988,908	\$ (1,877,627)	\$ 682,141	\$ (1,919,246)
Depreciation and amortization expense	7,633,075	768,357	884,779	1,580,497	10,866,708	412,346
Changes in assets and liabilities:						
Accounts receivable	(389,403)	(13,081)	(19,466)	(56,555)	(478,505)	-
Due from other governments	191,989	-	303,727	782,752	1,278,468	1,389
Inventories	48,133	-	2,550	-	50,683	(210,407)
Other assets and prepaids	(8,554)	-	-	-	(8,554)	-
Deferred charges	44,428	-	-	-	44,428	-
Deferred outflows and inflows pensions	(220,572)	(33,783)	19,015	(178,084)	(413,424)	(8,696)
Increase (decrease) in liabilities						
Deferred outflows and inflows related to OPEB	(1,354,032)	388	(39,576)	(168,384)	(1,561,604)	14,354
Accounts and other payables	(2,608,372)	48,154	(1,006,868)	(47,992)	(3,615,078)	(39,582)
Accrued expenses	117,159	648	9,294	31,582	158,683	42,399
Due to other governments	-	-	55,018	-	55,018	-
Customer deposits payable	(77,723)	64,935	-	-	(12,788)	-
Net pension liability	3,164,972	229,344	117,138	307,844	3,819,298	-
Other post employment benefits (OPEB)	34,767	16,539	(2,739)	209,072	257,639	51,094
Compensated absences	283,426	4,553	41,745	53,024	382,748	129,649
Estimated claims payable	-	-	-	-	-	3,123,000
Net cash provided (used) by operating activities:	<u>\$ 8,183,355</u>	<u>\$ 1,332,852</u>	<u>\$ 1,353,525</u>	<u>\$ 636,129</u>	<u>\$ 11,505,861</u>	<u>\$ 1,596,300</u>

Noncash Investing, Capital, and Financing Activities:

The Pier Fund was closed on 10/1/2019 and its capital assets and deferred outflows were transferred in the amounts of \$13,719,561 and \$2,957 respectively.

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

CITY OF POMPANO BEACH, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2020

	Employee Retirement Plans	Agency Fund
ASSETS		
Cash and cash equivalents	\$ 31,137	\$ 1,581,625
Receivables:		
Accrued interest and dividends	655,484	-
Other	290,085	-
Total receivables	<u>945,569</u>	<u>-</u>
Other assets	<u>3,780</u>	<u>-</u>
Investments:		
US Government obligations	25,317,297	-
Mortgage backed securities	17,869,310	-
Municipal obligations	335,098	-
Corporate obligations	39,380,191	-
Equity securities	155,903,435	-
Mutual funds and collective trusts	92,928,535	-
Hedge funds & private equity funds	71,009,642	-
Real estate funds	29,706,710	-
Money market funds	18,345,805	-
Total investments	<u>450,796,023</u>	<u>-</u>
Prepayments and other assets	1,807,427	-
Property & equipment, net of accumulated depreciation	<u>134,893</u>	<u>-</u>
Total assets	<u>453,718,829</u>	<u>1,581,625</u>
LIABILITIES		
Accounts payable and accrued expenses	406,318	-
Deposits, sales tax & payroll taxes payable	-	1,581,625
Total liabilities	<u>406,318</u>	<u>\$ 1,581,625</u>
NET POSITION		
Restricted for pension benefits	<u>\$ 453,312,511</u>	<u>\$ -</u>

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

CITY OF POMPANO BEACH, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	Employee Retirement Plans
ADDITIONS	
Contributions:	
Employer	\$ 15,929,986
Broward County Sheriff's Office	5,126,860
Broward County - Library	17,717
Members	5,099,376
State	2,750,611
Total contributions:	<u>28,924,550</u>
Investment income	
Net appreciation in fair value of investments	19,695,125
Interest and dividends	8,745,361
Other	66,752
Total investment income	<u>28,507,238</u>
Less: investment expenses	<u>2,082,727</u>
Net Investment Income	<u>26,424,511</u>
Total	<u>55,349,061</u>
DEDUCTIONS	
Participant benefit payments	35,892,015
Benefits paid from DROP	1,608,442
Refunds of participant contributions	382,478
Administrative expenses	1,176,847
Total	<u>39,059,782</u>
Net change in net position	16,289,279
Net position restricted for pension benefits	
Beginning of the year	<u>437,023,232</u>
End of the year	<u>\$ 453,312,511</u>

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

Notes to the Financial Statements

**CITY OF POMPANO BEACH, FLORIDA
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NOTES TO THE FINANCIAL STATEMENTS
FISCAL YEAR ENDED SEPTEMBER 30, 2020**

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CITY OF POMPANO BEACH, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

(I) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of the City of Pompano Beach, Florida's (the "City") Significant Accounting Policies is presented to assist the reader in interpreting the financial statements and other data in this report. These policies are considered essential and should be read in conjunction with the accompanying financial statements.

The accompanying financial statements present the City and its component units, entities for which the City is considered to be financially accountable. Component units, although legally separate entities, are in substance part of the City's operations. The basic financial statements include both government-wide and fund financial statements. The government-wide focus is more on the sustainability of the City as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. The fund financial statements focus on short-term results of operations and financing decisions at a specific fund level.

Internal service funds of a government (which provide services primarily to other funds of the government) are presented as part of the proprietary fund financial statements. Since the principal users of the internal services are the City's governmental activities, financial statements of internal service funds are primarily included in the governmental column when presented at the government-wide level. The costs of these services are allocated to the appropriate functional activity.

The City's fiduciary funds are presented in the basic financial statements by type (i.e. Pension). Since, by definition, these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the City, these funds are not incorporated into the government-wide statements.

The following is a summary of significant accounting policies of the City.

(A) The Financial Reporting Entity

The City, located in Broward County, Florida, was incorporated in 1947. The legal authority by which the City was created and is governed by its charter, which was derived from Chapter 57-1754, Special Acts 1957, as amended. The City is governed by an elected five member district commission and a mayor at large and provides services to residents in many areas, including law enforcement and community enrichment. As required by accounting principles generally accepted in the United States of America, the accompanying financial statements present the reporting entity, which consists of the primary government and its component units. The component units discussed in Note 1 (B) below are included in the City's reporting entity because of the significance of their operational and financial relationships with the City. The City also has the following retirement plans:

- City of Pompano Beach General Employees' Retirement System (GERS), established in 1972 by Ordinance 73-3;
- Pompano Beach Police and Firefighter's Retirement System, established in 1973 by Ordinance 73-11; and
- Defined Contribution Retirement System, established in 1996 by Ordinance 96-84.

CITY OF POMPANO BEACH, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

(B) Blended Component Unit Disclosure

The reporting entity of the City includes the following component units:

The Pompano Beach Community Redevelopment Agency (the "CRA"), comprised of the Northwest and East Districts (the "Districts"), was established in 1988 by Ordinance 89-27 and in 2001 by Resolution 2002-12, respectively, pursuant to the authority set forth in Florida Statutes, Chapter 163, Part III. These Districts are dependent special districts governed by a five member board comprised of the City Commission and a mayor at large. Although legally separate from the City, each District is reported as part of the primary government as a special revenue fund, because each District is governed by the members of the City Commission and management of the City has operational responsibility for the CRA. The CRA issues separate financial statements that may be obtained by writing to the City of Pompano Beach, 100 W. Atlantic Blvd, Suite 480, Pompano Beach, Florida 33060.

The Pompano Beach Emergency Medical Services District (the "EMS District"), established in 1974 by Ordinance 75-18, is a dependent special district created to provide emergency medical care and transportation to the residents of the City. EMS is reported as a blended component unit because it is governed by the City Commission and there is a financial benefit or burden relationship between the City and EMS. EMS is reported as a special revenue fund. The EMS District does not issue separate financial statements.

Herb Skolnick Cultural Arts Foundation (the "CAF"), established in 1999 by Resolution 99-13, is reported as a blended component unit because it is governed by the City Commission and management of the City has operational responsibility for the CAF. The CAF is reported as a special revenue fund. The CAF does not issue separate financial statements.

The criterion used for including component units in the reporting entity of the City consist of identification of legally separate organizations for which the elected officials of the City are financially accountable. This criterion also includes identification of organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Under the blended method, component unit balances and transactions are reported in a manner similar to the balances and transactions of the primary government itself. The City has no discretely presented component units.

(C) 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 City and its component units.

For the most part, the effect of interfund activity has been removed from these financial statements to avoid distorted financial results, with the exception of interfund services provided and used. Governmental activities, which primarily 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.

CITY OF POMPANO BEACH, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. 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 and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items, which are not classified as program revenues, are reported instead as general revenues.

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

(D) Measurement focus, basis of accounting, and financial statement presentation

The government-wide, proprietary and fiduciary funds (with the exception of the agency fund which has no measurement focus) financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. 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 type items are recognized as revenue as soon as all eligibility requirements have been met, except in the governmental funds which follow modified accrual basis of accounting. Unbilled service revenue is accrued in the enterprise funds.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, consistent with accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments are recorded only when payment is due. Expenditures related to pensions and other post employment benefits are recognized when the City has made a decision to fund those obligations with current available resources.

Property taxes when levied for, and other taxes (such as franchise taxes, utility taxes and sales tax), fees and fines, charges for services, interest and intergovernmental revenue for which eligibility requirements have been met are all considered to be measurable, and accordingly, have been recognized as revenues of the current fiscal period, if available.

All other revenue items are considered to be measurable only when cash is received by the City.

CITY OF POMPANO BEACH, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

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.

The Northwest Community Redevelopment District Fund (NW CRA) accounts for a City agency which uses tax-increment financing to encourage development and the resources accumulated therein are restricted to those activities.

The East Community Redevelopment District Fund (East CRA) accounts for a City agency which uses tax-increment financing to encourage development and the resources accumulated therein are restricted to those activities.

The Emergency Medical Services District Fund (EMS) accounts for ad valorem taxes and emergency transport fees collected for emergency medical services provided by the City and the resources therein are committed to support that function.

The Capital Projects Fund accounts for the resources accumulated and expenditures made for the acquisition or construction of long term capital assets other than for amounts accounted for in proprietary funds.

Capital Project 2018 GO Bonds accounts for the resources accumulated and expenditures made for the acquisition or construction of long term capital assets for the General Obligation Bonds – Series 2018.

The City reports the following major proprietary funds:

The Utility Fund which accounts for the provision of water and sewer services to residents of the City and surrounding areas.

The Parking Fund which accounts for parking operation activities throughout the City.

The Stormwater Fund which accounts for the provision of stormwater services to residents of the City and surrounding areas.

The City also has certain funds (Building Permit Fund, Special Purpose Fund, Law Enforcement Trust Fund (LETF), State Housing Initiative Partnership Grant Fund (SHIP), Other Grants Fund, Cultural Arts Foundation, Cemetery, Affordable Housing Fund, Capital Project 2018 GO Bonds, Pier, Airpark and Sanitation) that do not meet the GASB Statement No. 34 criteria for major fund classification.

Additionally, the City reports the following fund types:

Internal Service Funds:

The Internal Service Funds account for central stores, information technology, central services, risk management (health), risk management (general) and vehicle services provided to other departments or agencies of the government, on a cost reimbursement basis.

CITY OF POMPANO BEACH, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

Fiduciary Funds:

The City of Pompano Beach General Employees' Retirement System Pension Trust Fund accounts for the accumulation of resources to be used for retirement benefit payments to the majority of City employees. Resources are contributed by employees at rates fixed by contract and by the City at amounts determined by an annual actuarial valuation.

The Pompano Beach Police and Firefighters' Retirement System Pension Trust Fund accounts for the accumulation of resources to be used for retirement benefit payments to City police officers and firefighters. Resources are contributed by employees at rates fixed by contract and by the City at amounts determined by an annual actuarial valuation.

The General Agency Fund accounts for the receipt of monies from various funds for sales tax, payroll taxes, refundable deposits, and unclaimed checks.

The effect of interfund activity has been eliminated from the government-wide financial statements, except for charges between the enterprise funds activity and various other functions of the government.

Amounts reported as program revenues include 1) charges for service, 2) operating grants and contributions, and 3) capital grants and contributions.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the proprietary funds are charges to customers for sales and services. The City also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the water and sewer system. Operating expenses for the proprietary 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 nonoperating revenues and expenses.

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

(E) Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, time and demand deposits and short term investments with original maturity dates within three months of the date acquired by the City.

(F) Investments

Investments in participating interest-earning contracts that have a remaining maturity at the time of purchase of one year or less are reported at amortized cost. All other investments, including pension trust fund and component unit investments, are reported at fair value or amortized cost. Fair value is 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

CITY OF POMPANO BEACH, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

measurement date. The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure fair value of the assets. Level 1 inputs are quoted prices in an active market for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

(G) Inventories/Prepays

Inventories consist of supplies and equipment replacement parts, valued using the weighted average cost. Prepays represent goods and services which are paid for in one period, but benefit a future period. Inventories and prepays are recorded as an expenditure/expense in the fund level and government-wide financial statements in the period benefited. Inventories/prepays for governmental fund types are reported as an asset of the fund with a corresponding amount recorded as non-spendable fund balance.

(H) Due to/from other funds and Advances to/from other funds

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due to/from other funds" and are expected to be repaid within one year of the balance sheet date. Activities between funds that are representative of long-term lending/borrowing arrangements (not expected to be repaid within one year from the balance sheet date) outstanding at the end of the fiscal year are referred to as "advances to/from other funds."

(I) Capital Assets

Capital assets recorded in the government-wide and proprietary fund statements are stated at historical cost or estimated historical cost and include, land, buildings, improvements, equipment, infrastructure and intangible assets (such as right-of-way easements, utility easements, land use rights, computer software etc.). Contributed capital assets are recorded at acquisition value when received.

In governmental fund financial statements, the cost associated with the acquisition or construction of capital assets are shown as capital outlay expenditures. Capital assets are not shown on the governmental fund balance sheets and no depreciation expense is recognized in the governmental fund statement of revenues, expenditures and changes in fund balances.

Depreciation on all assets meeting the City's capitalization threshold of \$1,000 including those obtained through contributions is charged to operations. A \$25,000 threshold is maintained for additions to infrastructure and intangible capital assets.

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Depreciation is provided using the straight-line method over the estimated useful lives of the respective assets. Estimated useful lives are as follows:

Buildings/Infrastructure	15-50 Years
Improvements other than buildings	5-50 Years
Machinery and equipment	3-15 Years
Art Work	5-50 Years

Major outlays for capital assets and improvements are capitalized as projects are constructed

(J) Deferred Inflows & Outflows of Resources

The statement of net position and balance sheet includes a separate section for deferred inflows of resources and deferred outflows of resources. Deferred Inflows of resources represent the acquisition of net position that is applicable to a future accounting period and will not be recognized as revenue until the future period to which it applies. Deferred outflows of resources represents the consumption of net position applicable to future periods and will not be recognized as expenditures or expenses until the future period to which it applies.

(K) Risk Management

The City is self-insured for automobile liability, general liability, including public official's liability and property damage claims pursuant to Florida Statute Section 768.28 (Waiver of Sovereign Immunity in Tort Actions; Recovery Limits; Limitation on Attorney Fees; Statute of Limitations; Exclusions; Indemnification; Risk Management Programs).

The City has purchased insurance to cover its property exposures in excess of a \$100,000 per occurrence / 5% windstorm deductible. In addition, the City has purchased primary liability insurance coverage for the airport. In 2003/2004, the City's retention for workers' compensation claims increased from \$200,000 per occurrence to \$350,000 per occurrence. This was reduced to \$250,000 effective March 1, 2013. Florida Statute 768.28 limits general liability and automobile liability claims to \$100,000 per person/\$200,000 per occurrence. Effective October 1, 2011, however, the statutory limit increased to \$200,000 per person/\$300,000 per occurrence. These limits do not apply to actions brought in federal courts or to claim relief bills approved by the Florida legislature.

The risk management funds charge the operating funds insurance premiums. The accrued liability for estimated insurance claims represents an estimate of the ultimate cost of settling claims arising prior to year end including claims incurred but not yet reported. The City has insurance coverage for health claims with a commercial carrier. The City accounts for its Risk Management activities in the internal service funds.

(L) Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. When terminated, an employee is paid for accumulated vacation leave and a percent of unused sick leave hours, subject to certain limitations. All vacation and sick pay is accrued when earned in the government-wide and proprietary fund financial

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statements. A liability for those amounts is reported in governmental funds only if they have matured, as a result of employee resignations or retirements.

(M) 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. Bond premiums and discounts and gain/loss on bond refunding are deferred and amortized over the life of the bonds using the straight line method, which is not materially different than the effective interest method. Bonds payable are reported net of the unamortized amount of the applicable bond premium/discount. Bond issuance costs are expensed as incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Payments on debt are recorded as expenditures. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Debt issuance costs, except any portion related to prepaid insurance costs, are recognized as an expense in the period incurred in government-wide and proprietary fund statements. Prepaid insurance costs are reported as an asset and recognized as an expense over the duration of the related debt.

(N) Employee Benefit Plans and Net Pension Liability

The City provides separate defined benefit pension plans for general employees and for uniformed police and fire department personnel, as well as an optional defined contribution pension plan created in accordance with Internal Revenue Code Section 401(a) for certain employees. The defined contribution plan is not included in the the City's financial statements. The City also offers an optional deferred compensation plan created in accordance with Internal Revenue Code Section 457. The 457 Plan is not included in the City's financial statements.

The Police and Firefighters' Retirement Plan (PFRS) is a single employer plan with the City being named as the Plan sponsor. In August 1999, the City contracted with the Broward County Sheriff's Office ("BSO") whereby the BSO would provide policing services in Pompano Beach. As a result, all of the City's police officers were employed by the BSO. Participating police officers were given the option to either remain in the Plan or switch to the BSO's retirement plan and the Plan was closed to new police officers. The City contracted with BSO to make annual contributions to the PFRS as actuarially determined. However, the City is ultimately obligated to ensure that the Plan is funded each year, despite its contract with BSO.

At September 30, 2020 the City recorded a net pension liability related to the General Employees Retirement Plan and a net pension liability related to the Police and Firefighters' Retirement Plan in its government-wide and enterprise fund statements of net position, as applicable. For governmental activities it is expected that the net pension liability will be liquidated by the General and EMS Funds. For business-type activities, the enterprise funds will be responsible for liquidating that component of the City's net

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pension liability and the net pension liability is recorded within these individual fund financial statements to reflect this, in accordance with accounting recognition criteria. The net pension liability is the difference between the total pension liability (the present value of projected benefit payments to employees based on their past service) and the assets (mostly investments reported at fair value) set aside in a trust and restricted to paying benefits to current employees, retirees and their beneficiaries). Please refer to Note (III) for further information.

(O) Post Employment Benefits Other Than Pensions (OPEB)

Pursuant to Section 112.0801, Florida Statutes, the City is mandated to permit participation in the health insurance program by retirees and their eligible dependents at a cost to the retiree that is no greater than the cost at which coverage is available for active employees. Retirees pay 100% of the blended (active and retiree combined) equivalent premium rates. The blended rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the plan on average than those of active employees.

The City currently provides these benefits in accordance with the vesting and retirement requirements for its General Employees Retirement System (GERS) and Police and Firefighters Retirement System (PFRS).

The City is financing other post employee benefits (OPEB) on a pay-as-you go basis. As determined by an actuarial valuation, the City records a total OPEB liability in its proprietary and government-wide financial statements related to the implicit subsidy. Please refer to Note II (J) for further information.

(P) Pollution Remediation Obligations

Once any one of five specified obligating events below occurs, the City is required to estimate the components of expected pollution remediation outlays and determine whether outlays for those components should be accrued as a liability or, if appropriate, capitalized when goods and services are acquired. Components of a liability (for example, legal services, site investigation, or required post-remediation monitoring) should be recognized as they become reasonably estimable. Obligating events include the following:

- The City is compelled to take pollution remediation action because of an imminent endangerment to the public.
- The City violates a pollution prevention-related permit or license.
- The City is named, or evidence indicates that it will be named, by a regulator as a responsible party or potentially responsible party (PRP) for remediation, or as a government responsible for sharing costs.
- The City is named, or evidence indicates that it will be named, in a lawsuit to compel participation in pollution remediation.
- The City commences or legally obligates itself to commence pollution remediation.

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The City measures pollution remediation obligations using the expected cash flow technique. Estimates of a pollution remediation liability are adjusted when benchmarks are met or when new information indicates changes in estimated outlays due to, for example, changes in the remediation plan or operating conditions. These changes may include the type of equipment, facilities, and services that will be used, price increases or reductions for specific outlay elements such as ongoing monitoring requirements, changes in technology, and changes in legal or regulatory requirements. The City has adopted a minimum reporting threshold of \$100,000, per obligating event. Therefore only remediation sites with outlays estimated to meet or exceed that amount are reported in the financial statements. The City has not recorded any pollution remediation obligations at September 30, 2020.

(Q) Unearned/Unavailable

Resources that do not meet revenue recognition requirements (not earned) are recorded as unearned revenue in the government-wide and the governmental and proprietary fund financial statements. In addition, amounts related to governmental fund receivables that are measurable, but not available (not received within 60 days from fiscal year end), are recorded as unavailable (a deferred inflow of resources) in the governmental fund financial statements.

(R) Fund Equity/Net Position

In the governmental fund financial statements, fund balance classifications are as follows:

- Nonspendable Fund Balance – amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.
- Restricted Fund Balance - amounts that are restricted to specific purposes when constraints placed on the use of resources are either by (a) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.
- Committed Fund Balance - amounts that can only be used for specific purposes pursuant to constraints imposed by formal City Ordinance or Resolution which are equally binding by the City Commission, which is the City's highest level of legal authorization. Constraints may only be removed by similar City Commission action.
- Assigned Fund Balance – amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. Assignments are made directly by the City Commission via formal action.
- Unassigned Fund Balance – includes residual positive fund balance within the General Fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any

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governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

The City considers restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents/contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the City would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

The government-wide and proprietary fund financial statements utilize a net position presentation. Net position is categorized as follows:

- Net Investment in Capital Assets – consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, notes, or other obligations that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related obligations are also included in this component of net position.
- Restricted Net Position – amounts that are restricted to specific purposes when constraints placed on the use of resources are either by (a) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation's. These amounts are reduced by liabilities and deferred inflows of resources related to those assets.
- Unrestricted Net Position – have no third party limitations on their use. While City management may have categorized and segmented portions for various purposes, the City Commission has the unrestricted authority to revisit or alter these managerial decisions.

(S) Restricted Net Position

Restricted Net Position consists of amounts restricted to comply with grant contracts and other externally imposed constraints or by legislation that are legally enforceable. At September 30, 2020, the Government-wide statement of net position reports \$80,364,869 in restricted net position. Of this amount, \$74,902,614 is restricted as a result of enabling legislation.

(T) Accounting Estimates

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

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(II) DETAILED NOTES ON ALL FUNDS

(A) Cash and Cash Equivalents and Investments

The City maintains pooled cash, cash equivalents and investments that are available for use by all funds except for those in which the cash and investments must be segregated due to bond indenture or other legal restrictions such as the Pension Trust Funds.

Interest earned on pooled cash, cash equivalents and investments is allocated to funds based on average daily balances.

The following are components of the cash, cash equivalents and investments at September 30, 2020:

	Unrestricted		Restricted		Total cash, cash equivalents and investments
	Cash and cash equivalents	Investments	Cash and cash equivalents	Investments	
Governmental activities:					
General	\$ 5,070,316	\$ 43,163,528	\$ 1,151,136	\$ -	\$ 49,384,980
Northwest Community					
Redevelopment District	11,962,732	5,750,569	-	-	17,713,301
East Community					
Redevelopment District	2,316,059	2,952,700	11,222	-	5,279,981
Emergency Medical Services					
District	420,021	1,962,071	-	-	2,382,092
Capital Projects	3,370,118	11,264,913	204,881	5,435,231	20,275,143
Capital Project 2018 GO Bonds	425,664	-	-	80,589,561	81,015,225
Nonmajor Governmental Funds	6,650,661	16,983,729	12,644	213,983	23,861,017
Internal Service Funds	4,412,435	20,440,339	-	-	24,852,774
Total governmental	34,628,006	102,517,849	1,379,883	86,238,775	224,764,513
Business-type activities:					
Utility	5,259,759	33,212,554	1,850,050	-	40,322,363
Parking	559,914	2,152,461	-	463,103	3,175,478
Stormwater	2,028,270	9,474,798	-	-	11,503,068
Nonmajor Enterprise Funds	312,007	1,457,500	-	-	1,769,507
Total business-type	8,159,950	46,297,313	1,850,050	463,103	56,770,416
Fiduciary Funds	1,612,762	450,796,023	-	-	452,408,785
Total	\$ 44,400,718	\$ 599,611,185	\$ 3,229,933	\$ 86,701,878	\$ 733,943,714

Public Deposits:

Florida Statutes, Chapter 280, Florida Security for Public Deposits Act (the Act) prescribes depository authority of the City. Deposits whose balance exceeds the limits of federal depository insurance are collateralized pursuant to Florida Statutes, Chapter 280, Florida Security for Public Deposits Act. Under this Act, financial institutions which are qualified as public depositories place with the State Board of Administration (“SBA”), securities which have a market value equal to 50 percent of the average daily balance for each month of all public deposits in excess of applicable deposit insurance. The Public Deposit

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Security Trust Funds have a procedure to allocate and recover losses in the event of default or insolvency. When public deposits are made in accordance with Chapter 280, no public depositor shall be liable for any loss thereof. It is the City's practice to ensure that all its public deposits are maintained with a qualified depository and as a result, all City depositories at fiscal year end were designated as qualified public depositories in accordance with Florida Statute.

Investment Authorization:

The City's investment program is established in accordance with the City's investment policy, which was adopted via resolution by the City Commission, and Florida State Statute Chapter 218.415, Local Government Investment Policies, which establishes investment plan guidelines for local governments in Florida. The City's investment Funds Trust Fund, United States Treasury securities, United States Government Agency securities with the full faith and credit of the United States Government, Federal Instrumentalities (Government Sponsored Enterprises), Corporate Notes, Commercial Acceptances, State and/or Local Government Taxable and/or Tax-Exempt Debt, Money Market Mutual Funds, Intergovernmental Investment Pools and Savings Accounts of financial institutions that are Qualified Public Depositories, in accordance with Florida State Statute Chapter 280.01, Security for Public Deposits.

The City has a General Employees' Retirement System and a Police and Firefighters' Retirement System (the plans) whose investments are held separately from those of other City funds. The Plan's adopted investment policies (as adopted by the Board of Trustees for each Plan) comply with guidelines stipulated in Florida Statutes, Chapter 280, Florida Security for Public Deposits Act and Chapter 112, Local Retirement System Investment Policies.

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The Pompano Beach Police and Firefighters' Retirement System's investment policy is also governed by Chapter 175, (Firefighter Pensions) and 185 (Municipal Police Pensions), Florida Statutes. Both Plans also apply the "Prudent Person Rule" when executing investment strategies.

The City's investment policy stipulates the following maximum portfolio percentages:

Authorized Investments	Maximum % Portfolio Composition	Maximum % Individual Issuers	Maximum % Individual Sectors
Florida Local Government Surplus Funds Trust Fund	25%	NA	NA
U.S. Government Securities	100% (1)	NA	NA
U.S. Government Agencies	50%	10%	NA
U.S. Sponsored Agencies	80%	25%	NA
Interest Bearing Time Deposit	10%	10%	NA
Repurchase Agreements	20% (2)	5%	NA
Commercial Paper	25%	2%	10%
Corporate Notes	25%	2%	10%
Asset Backed Securities	10%	2%	5%
Bankers' Acceptances	15%	5%	NA
State/Local Government Taxable/Tax Exempt general obligation bonds	25%	NA	NA
State/Local Government Taxable/Tax Exempt revenue/excise tax bonds	10%	NA	NA
Money Market Mutual Funds	35%	15%	NA
Intergovernmental Investment Pools	25%	NA	NA

(1) 10% for treasury strips

(2) excludes one (1) business day agreements and overnight sweep agreements

NA-not applicable

Florida Statutes and the investment policy authorize the Board of Trustees for the City of Pompano Beach General Employees' Retirement System to acquire any kind of investment property, real, personal or mixed, and every kind of investment specifically including, but not by way of limitation, bonds, debentures, and other corporate obligations and stocks, preferred or common, which persons of prudence, discretion and intelligence acquire or retain for their own account.

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The investment policy stipulates the following maximum portfolio percentages:

Authorized Investments	Maximum % Portfolio Composition
Domestic Equities	30-70%
International Equities	5-25%
Fixed Income	10-35%
Real Estate	5-25%
Alternatives	5-20%
Cash and Cash Equivalents	0-10%

Florida Statutes and Plan policy authorize the Board of Trustees to invest in marketable debt securities issued or guaranteed by either the United States Government or its agencies, domestic corporations (including industrial and utilities), Israeli bonds, asset backed and commercial mortgage backed securities, domestic banks and other financial institutions, exchange traded funds, equity securities listed on the New York, American and principal regional and foreign (for foreign securities) exchanges, over the counter securities for which there is an active market maker regulated by National Association of Securities Dealers, American Depository Receipts, and real estate investment trusts (REIT) listed on the New York, American, and principal regional and foreign exchanges, Funds of Hedge Funds, and private real estate through institution vehicles or direct ownership.

The investment policy establishes asset classes and stipulates the following maximum portfolio percentages:

Authorized Investments	Effective July 16, 2020	
	Allowable Range %	Target %
Fixed Income Securities	17.5%-30%	22.5%
Equity Securities	40%-60%	50%
Real Estate	0%-10%	7.5%
Funds of hedge funds	0%-10%	10%
Infrastructure	0%-7.5%	5%
Private Equity	0%-7.5%	5%

Authorized Investments	October 1, 2019 - July 15, 2020	
	Allowable Range %	Target %
Fixed Income Securities	17.5% - 27.5%	22.50%
Equity Securities	42.5% - 57.5%	50.00%
Real Estate	2.5% - 10%	7.5%
Funds of hedge funds	0% - 10%	10.00%
Master limited partnerships	0% - 7.5%	5.00%
Private Equity	0% - 7.5%	5.00%

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Security:

The City and the Pension Plans have a third party custodial arrangement with certain financial institutions to accept securities on a delivery vs. payment basis for direct purchase agreements. Securities purchased in the City's or Pension Plan's name are registered in the name of the City or Pension Plans by an agent of these entities and are confirmed with safekeeping statements.

Fair Value Measurement

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure fair value of the assets. Level 1 inputs are quoted prices in an active market for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

Most of the security prices were obtained from a pricing service, Interactive Data Corporation (IDC). 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. As such, this is reported as level 2, since the value is based on market-corroborated data. The City does not value any of its investments using level 1 or level 3 inputs.

The City has the following recurring fair value measurements as of September 30, 2020:

	Reported Value	Fair Value Hierarchy		
		Quotes Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level				
U.S. Treasury Notes	\$ 74,859,770	\$ -	\$ 74,859,770	\$ -
U.S. Sponsored Agencies	103,220,704	-	103,220,704	-
Asset Backed Securities	10,030,012	-	10,030,012	-
Corporate Bonds	41,920,647	-	41,920,647	-
Municipal Bonds	5,485,907	-	5,485,907	-
Total investments by fair value level	235,517,040	\$ -	\$ 235,517,040	\$ -
Demand Deposits	42,110,447			
Money Market Mutual Funds	5,489,067			
Total Government-wide & Agency Fund	<u>\$ 283,116,554</u>			

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GERS Fair Value Measurements

The GERS categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The GERS utilizes various valuation methodologies for fair value asset measurement:

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.

Following is a description of the valuation methodologies used for asset measured at fair value.

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

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

Mutual funds: Valued at the daily closing price as reported by the Plan. Mutual funds 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.

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.

Private equity funds: Valued based on the net asset value (NAV). The most significant input into the NAV is the fair value of its investment holdings. These holdings are valued by the general partners on a quarterly basis, in conjunction with management and investment advisors. The Plan has holdings in two limited partnerships.

Real estate funds: Valued at the net asset value of shares held by the Plan at year end. The Plan has investment in a private market real estate investment 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.

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The following table presents the Plan's fair value hierarchy for investments at fair value as of September 30, 2020:

Investments by fair value level	Reported Value	Fair Value Hierarchy		
		(Level 1)	(Level 2)	(Level 3)
Equity securities:				
Common stocks	\$ 30,870,324	\$ 30,870,324	\$ -	\$ -
Mutual funds	92,928,535	92,928,535	-	-
Total equity securities	123,798,859	123,798,859	-	-
Debt securities:				
U.S. treasury securities	4,877,846	4,877,846	-	-
U.S. agency securities	6,889,584	-	6,889,584	-
Corporate bonds	14,745,480	-	14,745,480	-
Total debt securities	26,512,910	4,877,846	21,635,064	-
Total investments by fair value level	150,311,769	\$ 128,676,705	\$ 21,635,064	\$ -
Investments measured at the net asset value (NAV) (1)				
Real estate	29,706,710			
Private equity	12,881,548			
Total investments measured at NAV	42,588,258			
Money market funds (exempt)	7,748,039			
Total investments	\$ 200,648,066			

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

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

Investment Type	Reported Value	Unfunded Commitment	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
Real estate (1)	\$ 22,699,124	\$ -	Quarterly	45 Days
Real estate (2)	7,007,586	-	Quarterly	10 Days
Private equity (3)	2,368,744	136,594	N/A	N/A
Private equity (4)	10,512,804	-	N/A	N/A
Total investments measured at the NAV	\$ 42,588,258	\$ 136,594		

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(1) Real estate fund: This fund is an open-end, commingled real-estate fund consisting primarily of real estate properties in the multifamily, industrial, office, retail and hotel sector. The investment is valued at NAV and redemption requests must be received by the fund 45 days prior to quarter end.

(2) Real estate fund: This fund is an open-end, commingled investment vehicle with a multi-disciplinary investment strategy. Diversified nationally, the foundation of the portfolio is to acquire yield-driven assets consisting of all property types. The investment is valued at NAV and redemption request must be received by the fund 10 days prior to quarter end.

(3) Private equity fund: These funds seeks to acquire and structure private equity portfolios of private equity partnerships and underlying portfolio companies. These investment are valued at NAV.

(4) Private equity fund: These funds seeks to acquire and structure private equity portfolios of private equity partnerships and underlying portfolio companies. These investment are valued at NAV.

PFRS Fair Value Measurements

The Plan categorizes its fair value measurements with 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.

Level 1 – Investments' fair values based on prices quoted in active markets for identical assets

Level 2 – Investments' fair values based on 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 – Investments' fair values based upon unobservable inputs.

The following is a description of the fair value techniques for the Plan's investments:

Level 1 and 2 prices are obtained from various pricing sources by the Plan's custodian bank.

Money market funds are reported at amortized cost.

Equity securities traded on national or international exchanges are valued at the last reported sales price or current exchange rates (Level 1). This includes common stock, American Depository Receipts, foreign stock, mutual fund equities and REITs.

Debt securities are valued using pricing inputs that reflect the assumptions market participants would use to price an asset or liability and are developed based on market data obtained from sources independent of the reporting entity (Level 2). This includes

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U.S. Treasury bonds and notes, inflation-indexed bonds, U.S. federal agencies, mortgage backed and collateralized securities, municipal bonds, mutual bond funds and corporate obligations, foreign bonds and notes, and private placements.

The Plan has investments in alternative asset classes including funds of hedge funds, private equity fund of funds and a core real estate fund which hold a variety of investment vehicles that do not have readily available market quotations. These investments are measured at net asset value based on their proportionate share of the value of the investments as determined by the fund managers and are valued according to methodologies which include pricing models, discounted cash flow models and similar techniques.

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The following is a summary of the fair value hierarchy of the fair value of investments as of September 30, 2020:

Investments by fair value level	Reported Value	Fair Value Hierarchy		
		(Level 1)	(Level 2)	(Level 3)
Debt securities:				
U.S. Government agency obligations	\$ 13,549,867	\$ -	\$ 13,549,867	\$ -
Mortgage backed securities	17,869,310	-	17,869,310	-
Municipal obligations	335,098	-	335,098	-
Corporate obligations	24,634,711	-	24,634,711	-
Total debt securities	56,388,986	-	56,388,986	-
Equity securities:				
Common stock	78,512,283	78,512,283	-	-
ADR's	30,706,077	30,706,077	-	-
Foreign stock	10,153,114	10,153,114	-	-
Mutual fund equities	3,670,744	3,670,744	-	-
Preferred stock	976,886	976,886	-	-
REITS	1,014,007	1,014,007	-	-
Total equity securities	125,033,111	125,033,111	-	-
Total investments by fair value level	181,422,097	\$ 125,033,111	\$ 56,388,986	\$ -
Investments measured at the net asset value (NAV)				
Fund of hedge funds	19,875,904			
Real estate fund	17,601,424			
Infrastructure fund	12,246,804			
Private equity fund of funds	8,403,962			
Total investments measured at NAV	58,128,094			
Money market funds (exempt)	10,597,766			
Total investments	\$ 250,147,957			

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

Investments measured at the (NAV)	Reported Value	Unfunded Commitment	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
Fund of hedge funds - multi strategy (1)	\$ 13,309,995	\$ -	Semi-Annual	95 Days
Fund of hedge funds - multi strategy (2)	478,045	-	Quarterly	95 Days
Core real estate fund (3)	17,601,424	-	Quarterly	45 Days
Private equity fund of funds (4)	3,490,229	1,725,000	N/A	N/A
Private equity fund of funds (4)	3,117,726	870,000	N/A	N/A
Private equity fund of funds (5)	1,180,696	340,190	N/A	N/A
Private equity fund of funds (6)	615,311	713,638	N/A	N/A
Liquid Alternative - Multi Strategy (7)	3,053,917	-	N/A	N/A
Liquid Alternative - Global Long/Short Credit (7)	3,033,947	-	N/A	N/A
Global Listed Infrastructure Fund (8)	12,246,804	-	N/A	N/A
Total investments measured at the NAV	<u>\$ 58,128,094</u>			

(1) Multi-strategy fund of hedge fund. Aims to pursue varying strategies in order to diversify risks and reduce volatility. This fund is a diversified portfolio of relative value, equity market neutral and low net equity, event driven and distressed and credit securities.

(2) Multi-strategy fund of hedge fund. Aims to pursue varying strategies in order to diversify risks and reduce volatility. This fund is a diversified portfolio of relative value and event driven hedge funds with a focus on credit strategies.

(3) Core real estate fund. This fund is an open-end core real estate fund with a diversified portfolio of income producing institutional properties throughout the US.

(4) Private equity fund of funds. These two funds are globally diversified private equity programs that invest in large, mid and small-cap buyouts, venture and growth capital, and special situations.

(5) Private equity fund of fund. This fund seeks to find undervalued opportunities in a differentiated platform of private equity, real estate, credit, hedge fund solutions and secondary solutions.

(6) Private equity fund of fund. The fund seeks to acquire and structure private equity portfolios of private equity partnerships and underlying portfolio companies across leveraged buyout, credit, distressed, growth capital, real assets and venture capital strategies.

(7) Liquid Alternative – Multi Strategy and Global Long/Short Credit Funds. The multi-strategy fund is a multi-manager vehicle that seeks to provide a lower risk profile than traditional stock and bond markets by investing in hedged strategies including equity hedged, event driven, relative value, managed futures and global macro. The global

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long/short credit fund combines directional allocations to investment grade and high yield corporate bonds, bank loans, structured credit with tactical long/short strategies and may include smaller allocations to sovereign bonds, asset-backed securities and equities.

(8) Global Listed Infrastructure Fund. The Fund seeks to achieve total return through investments in the US and non-US equity securities issued by infrastructure companies. Investments may include utilities, pipelines, toll roads, airports, railroads, marine ports and telecommunication companies.

Risk Disclosures:

Interest Rate Risk – Interest rate risk is the risk that changes in market 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 market interest rates.

The City employs multiple investment duration and investment management strategies which seek to minimize the City’s portfolio interest rate risk. The City maintains sixty days or more of liquidity in overnight investments and remaining assets are invested in short term securities with maturity and diversification limitations to further minimize changes in market price, as interest rates change.

Information about the sensitivity of the fair values of the City’s investments to market interest rate fluctuations is provided by the following table that shows the distribution of the City’s investments by maturity at September 30, 2020:

Investment Type	Reported Value	Remaining Maturity (in years)					
		Less than 1	1 to 2	2 to 3	3 to 4	4 to 5	5+ Years
U.S. Treasury Notes	\$ 74,859,770	\$30,166,514	\$10,744,248	\$19,305,037	\$12,669,655	\$1,974,316	\$-
U.S. Sponsored Agencies	103,220,704	43,591,210	9,681,293	7,573,991	5,145,309	8,288,806	28,940,095
Asset Backed Securities	10,030,012	368,314	4,741,091	2,955,226	1,332,651	632,730	-
Corporate Bonds	41,920,647	20,251,884	7,749,658	11,828,924	2,090,181	-	-
Municipal Bonds	5,485,907	-	-	1,945,838	3,540,069	-	-
	<u>\$ 235,517,040</u>	<u>\$94,377,922</u>	<u>\$32,916,290</u>	<u>\$43,609,016</u>	<u>\$24,777,865</u>	<u>\$10,895,852</u>	<u>\$28,940,095</u>
Breakdown Government-wide Investments --							
(subject to interest rate risk)	\$ 235,517,040						
Deposits --							
(not subject to interest rate risk)							
Money Market Savings	7,883,650						
Cash & Cash Equivs. (other deposits)	<u>39,715,864</u>						
Total Government-wide & Agency Fund	<u>\$ 283,116,554</u>						

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Foreign Currency Risk – Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit.

The General Employees Retirement System (the GERS) plan exposure to foreign currency risk derives mainly from its investments in international equity funds. The Plan owns participation in international equity funds as well as individual securities. The investment policy limits the foreign investments to no more than 25% of the Plan's investment balance. As of year-end, the foreign investments represented 11.66% of total investments.

As a means of limiting its exposure to interest rate risk over time, the General Employees Retirement Plan diversifies its investments by security type and durations of maturities. Information about the sensitivity of the fair values of the investments for the plan to market interest rate fluctuations is provided by the following table which shows the distribution of the plan's debt type investments by remaining maturity at September 30, 2020:

Investment Type	Remaining Maturity (in years)				
	Reported Value	Less than 1	1 to 5	6 to 10	More than 10
Corporate Bonds	\$ 14,745,480	\$ 1,913,815	\$ 8,798,802	\$ 3,787,740	\$ 245,123
US Treasuries	4,877,846	-	1,249,905	3,627,941	-
US Agencies	6,889,584	853	308,219	116,147	6,464,365
	<u>26,512,910</u>	<u>\$ 1,914,668</u>	<u>\$ 10,356,926</u>	<u>\$ 7,531,828</u>	<u>\$ 6,709,488</u>
Investment types not subject to interest rate risk:					
Common Stock	30,870,324				
Real Estate	29,706,710				
Mutual Funds	92,928,535				
Private Equity	12,881,548				
Money Market funds	7,748,039				
Total Investments	<u>\$ 200,648,066</u>				

As a means of limiting its exposure to fair value losses, the investment guidelines for the Pompano Beach Police and Firefighters' Retirement System (PFRS) look to control impacts from interest rate risk in both rising and declining interest rate environments considering such factors as credit quality and duration for losses in rising rate environments, and credit quality in declining rate environments. The benchmarks are monitored and changed when warranted by the investment market environment. Debt portfolios are structured and managed to produce returns based on risks inherent in the selected benchmarks.

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Information about the sensitivity of the fair values of the investments for the PFRS to market interest rate fluctuations is provided by the following table which shows the distribution of the plan's investments by remaining maturity at September 30, 2020:

Investment Type	Remaining Maturity (in years)				
	Reported Value	Less than 1	1 to 5	6 to 10	More than 10
U.S. Treasuries, notes and bonds	\$ 12,008,890	\$ 894,973	\$ 6,569,849	\$ 576,263	\$ 3,967,805
U.S. Federal agencies	493,604	110,252	383,352	-	-
US Mortgage backed securities	12,854,480	262	20,412	281,794	12,552,012
U.S. Treasury/Inflation protected securities	1,047,373	-	316,245	659,953	71,175
Municipal obligations	335,098	-	10,619	96,029	228,450
Corporate obligations	24,634,711	53,139	8,692,120	9,391,631	6,497,821
Collateralized mortgage obligations	5,014,830	-	-	1,487,829	3,527,001
	56,388,986	<u>\$ 1,058,626</u>	<u>\$ 15,992,597</u>	<u>\$ 12,493,499</u>	<u>\$ 26,844,264</u>
Investment types not subject to interest rate risk:					
Equity securities	125,033,111				
Infrastructure fund	12,246,804				
Hedge funds & private equity	28,279,866				
Real estate	17,601,424				
Money market funds	10,597,766				
Total Investments	<u>\$ 250,147,957</u>				

Credit Risk – This is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. One measure of the perceived credit risk of an issuer is the credit rating. The City's investment policy provides strict guidelines and limits investments to highly rated securities with minimum ratings of AAA for money market funds, AA for corporate notes, A-1 for commercial paper and AAA for U.S. Agencies and U.S. Treasuries. To further minimize credit risk the City's investment policy also provides asset allocation limits for each security type. Issuer limits are also provided for certain investment types.

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Corporate notes limits (25%) and commercial paper limits (25%) are established with additional asset allocation limits for the sector (10%) and issuer (2%). The following table discloses composite credit ratings by investment type for the City as rated by Moody's or Standard & Poor's (Fitch for LGIP) at September 30, 2020:

Investment Type	Rating at September 30, 2020				
	Reported Value	AAAm	P-1	Aaa/AAA/Aa1/ Aa2 Aa3/A1/A 2/A3	AAAf/S2
U.S. Treasury Notes	\$ 74,859,770	\$ -	\$ -	\$ 74,859,770	\$ -
U.S. Sponsored Agencies	103,220,704	-	16,231,505	86,989,199	-
Asset Backed Securities	10,030,012	-	-	10,030,012	-
Corporate Bonds	41,920,647	-	-	41,920,647	-
Municipal Bonds	5,485,907	-	-	5,485,907	-
Money Market Mutual Funds	5,489,067	5,489,067	-	-	-
Total Investments with Credit Risk	241,006,107	<u>\$ 5,489,067</u>	<u>\$ 16,231,505</u>	<u>\$ 219,285,535</u>	<u>\$ -</u>
Demand Deposits	42,110,447				
Total City Portfolio	<u>\$ 283,116,554</u>				

The City's General Employees Retirement Plan utilizes portfolio diversification, as well as minimum credit ratings in order to control credit risk. The Plan limits investment in the securities of any one issuer, other than the U.S. Government and its agencies, to no more than 5% of fiduciary net position. The Plan had no such investments as of September 30, 2020.

The following table discloses credit ratings by investment type for the General Employees Retirement Plan at September 30, 2020, as applicable:

	Reported Value	Percentage of Portfolio
Quality rating of credit risk debt securities		
A1	\$ 800,650	3.02%
A2	5,194,245	19.59%
A3	3,872,775	14.61%
AA1	-	0.00%
AA2	595,707	2.25%
AA3	587,460	2.22%
AAA	5,109,126	19.27%
BAA1	2,321,394	8.76%
BAA2	1,066,969	4.02%
BAA3	-	-%
WR	75,000	0.28%
Not rated	6,889,584	25.98%
Total credit risk debt securities	<u>26,512,910</u>	<u>100.00%</u>
Total fixed income securities	<u>\$ 26,512,910</u>	<u>100.00%</u>

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The City's Police and Firefighters Retirement Plan also utilize portfolio diversification in order to control credit risk. The Plan's investment policy requires all fixed income investments to hold a credit rating in one of the four highest classifications by a major rating service. Commercial paper, if used, must be of only the highest quality (rating of A-1 or P-1). Investments in fixed income securities with a rating of Baa3 are limited to 15% of the fixed income portfolio. The fixed income investments credit ratings for the fiscal year ended September 30, 2020 ranged between AAA and Baa3 and below ratings. Positions rated below Baa3 by Moody's may hold a BBB equivalent rating by S&P or Fitch. All of the fixed income investments for the fiscal year ended September 30, 2020 met the ratings requirements of the investment policy or an approved exception thereto.

	<u>Reported Value</u>	<u>Corporate</u>	<u>Bond Fund</u>	<u>Municipal</u>	<u>U.S. Government</u>
U.S. government guaranteed*	\$29,146,248	\$ -	\$ -	\$ -	\$ 29,146,248
Quality rating of credit risk debt securities:					
Aaa	2,647,912	2,647,912	-	-	-
Aa1	509,695	424,514	-	85,181	-
Aa2	492,275	412,449	-	79,826	-
Aa3	672,600	572,864	-	99,736	-
A1	1,950,691	1,940,072	-	10,619	-
A2	3,797,252	3,797,252	-	-	-
A3	4,592,607	4,532,871	-	59,736	-
Baa1 and Below	11,019,415	11,019,415	-	-	-
Not rated	1,560,291	1,560,291	-	-	-
Total credit risk debt securities	<u>27,242,738</u>	<u>26,907,640</u>	<u>-</u>	<u>335,098</u>	<u>-</u>
Total fixed income securities	<u>\$56,388,986</u>	<u>\$26,907,640</u>	<u>\$ -</u>	<u>\$ 335,098</u>	<u>\$ 29,146,248</u>

*Obligations are backed by the full faith and credit of the U.S. Government

Concentration of Credit Risk – Concentration of credit risk is defined as the risk of loss attributed to the magnitude of an investment in a single issuer.

The investment policy of the City includes limitations on the amount that can be invested in any one issuer as stated in the maximum portfolio percentages stated earlier. There were no individual investments that represent 5% or more of the City's total investments (excluding investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments) at September 30, 2020.

The investment policy of the General Employees Retirement Plan includes limitations on the amount that can be invested in any one issuer, as well as maximum portfolio allocation percentages. There were no individual investments that represent 5% or more

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of plan net position (excluding investments issued or explicitly guaranteed by the U.S government and investments in mutual funds, external investment pools, and other pooled investments) at September 30, 2020.

The investment policy of the Police and Firefighters Retirement Plan utilizes limitations on securities of a single issuer to manage this risk. The System's investment policy limits investments in the fixed income portion of the portfolio to 10% of a given issuer and limits equity investments in any one company to 10% of the equity portion of each portfolio manager (at market). The Invesco Core Real Estate U.S.A. LP investment is 7.0% of the System's net position restricted for pension benefits and the Ironwood Institutional Ltd Investments was approximately 5.2% of the System's net position restricted for pension benefits.

Custodial Credit Risk – This is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are held by the counterparty. It is the City's policy that all investments purchased by the City be designated as an asset of the City in the City's name, despite being held in safekeeping by the City's custodial bank or a third party custodial institution, chartered by the United States Government or the State of Florida. Consistent with the Plans' investment policies, investments are held by the Plans' custodial bank and registered in the Plans' name. Investments in mutual funds and external investment pools are not subject to custodial credit risk.

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(B) Receivables and Other Assets, net

Receivables at fiscal year-end for the City's governmental individual major funds, non-major governmental funds in the aggregate and internal service funds, including the applicable allowances for uncollectible accounts of \$1,252,014 are as follows:

Governmental	General	NW CRA	EMS	Capital Projects	Non- Major Govt'l	Internal Service	Total
Receivables:							
Electric franchise tax	\$ 1,569,789	\$ -	\$ -	\$ -	\$ -	\$ -	1,569,789
Electric utility tax	825,225	-	-	206,306	-	-	1,031,531
EMS transport fees	-	-	3,526,054	-	-	-	3,526,054
Utility tax	165,641	-	-	-	-	-	165,641
Affordable housing developer fees	-	-	-	-	225,831	-	225,831
Slot machine revenue	106,662	-	-	-	-	-	106,662
Other	71,854	90,000	-	-	-	-	161,854
Less: Allowance for uncollectibles	(11,916)	-	(1,240,098)	-	-	-	(1,252,014)
Total governmental receivables (net)	<u>\$ 2,727,255</u>	<u>\$ 90,000</u>	<u>\$ 2,285,956</u>	<u>\$ 206,306</u>	<u>\$ 225,831</u>	<u>\$ -</u>	<u>\$ 5,535,348</u>
Due from other governments:							
State half cents sales tax	\$ 1,096,811	\$ -	\$ -	\$ -	\$ -	\$ -	1,096,811
State local option gas tax	163,960	-	-	92,411	104,700	-	361,071
Motor fuel tax	-	-	-	-	-	9,418	9,418
State of Florida - Division of Emergency Mgmt	-	-	-	-	1,817,960	-	1,817,960
FL Communications service tax	705,230	-	-	316,116	-	-	1,021,346
Broward County court fines	3,438	-	-	-	-	-	3,438
Broward County - ad valorem taxes	379,259	-	133,631	-	1,028	-	513,918
Broward County - OES	57,067	-	-	-	-	-	57,067
Broward County - Old Pompano Streetscape	-	-	-	60,600	-	-	60,600
Broward County - Coastal Dune	-	-	-	4,641	-	-	4,641
Broward County - COVID 19 (CE Program)	53,000	-	-	-	-	-	53,000
Broward County - Playground Grant	-	-	-	58,000	-	-	58,000
State of Florida - PEMT	291,400	-	-	-	-	-	291,400
FDOT	229,009	-	-	-	-	-	229,009
LETF - BSO	-	-	-	-	6,372	-	6,372
Broward County - Traffic Signal Improvements	-	90,000	-	501,923	-	-	591,923
CDBG - HUD	-	-	-	-	351,930	-	351,930
Home - HUD	-	-	-	-	6,442	-	6,442
Total due from other governments	<u>\$ 2,979,174</u>	<u>\$ 90,000</u>	<u>\$ 133,631</u>	<u>\$ 1,033,691</u>	<u>\$ 2,288,432</u>	<u>\$ 9,418</u>	<u>\$ 6,534,346</u>

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Business-type	Utility	Parking	Storm Water	Nonmajor Enterprise	Total
Receivables:					
Water /sewer customer charges	\$5,228,976	\$ -	\$ -	\$ -	\$5,228,976
Solid waste service charges	-	-	-	1,813,433	1,813,433
Stormwater customer charges	-	-	439,438	-	439,438
Parking Fees	-	185,585	-	-	185,585
Less: Allowance for uncollectibles	(363,080)	(159,085)	(103,696)	(61,464)	(687,325)
Total business-type receivables (net)	<u>\$4,865,896</u>	<u>\$ 26,500</u>	<u>\$ 335,742</u>	<u>\$1,751,969</u>	<u>\$6,980,107</u>
Due from other governments:					
Broward County OES	\$ 9,775	\$ -	\$ 138,766	\$ 233,003	\$ 381,544
State of Florida - Dept of Environmental Protection	74,030	-	-	-	74,030
US Dept of Transportation	-	-	-	30,373	30,373
FDOT -Aviation Grant	-	-	-	140,798	140,798
US Dept of Health & Human Services	9,000	-	-	-	9,000
Total due from other governments	<u>\$ 92,805</u>	<u>\$ -</u>	<u>\$ 138,766</u>	<u>\$ 404,174</u>	<u>\$ 635,745</u>

Mortgages

The Northwest Community Redevelopment District (the Northwest District) provided qualified individuals with loans/grants to build new homes at the Canal Point (10 year amortization period), Sabal Chase (30 year amortization period), and Ortanique Estates (30 year amortization period) subdivisions which were reported as community redevelopment expenses/expenditures. In addition, the Northwest District also provided similar grants for various infill housing projects during the current fiscal year. The Northwest District has placed a mortgage lien on these new homes with a covenant that the owner must reside at the property for the respective period of time in order to remain eligible for the grant. The Northwest District's reasonable assumption is that the homeowner will reside at the home for the stipulated period. The Northwest District maintains a memorandum record of the outstanding mortgage amounts related to these grants. These amounts are reduced ratably over the 10 year period as it relates to the grants for the Canal Point subdivision and the infill housing projects. Should the homeowner move, sell or refinance, the Northwest District is paid a prorated amount of the initial grant. After the 10 year period the amounts relating to these mortgages are forgiven. As it relates to the Sabal Chase and Ortanique Estates grants, these amounts are not amortized over the 30 year period. After the 30 year period the amounts relating to these mortgages are forgiven. During fiscal year 2020, no one defaulted on the terms of the grants and consequently, the Northwest District did not receive any repayments related to these grants. At September 30, 2020 the unamortized amount outstanding related to these grants was \$2,077,463. Due to the reasonable assumption made above of expected homeowner residence for the grant period a receivable has not been recorded.

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Notes Receivable

- On May 15, 2018 the City provided a \$150,000 economic development loan to the ETA NU Education Foundation. The loan is non-interest bearing as it is provided to carry out the objectives for the NW Community Redevelopment Agency.

The loan payments are as follows:

Fiscal Year Ending	Principal	Interest	Total
2021	\$ 20,000	\$ -	\$ 20,000
2021	20,000	-	20,000
2022	20,000	-	20,000
2023	20,000	-	20,000
2024	10,000	-	10,000
Total	<u>\$ 90,000</u>	<u>\$ -</u>	<u>\$ 90,000</u>

Assets Held for Resale for Redevelopment

The City and the Agency acquires and develops property in economically depressed areas, for the intention of rendering the property suitable for economic development and then reselling it to private sector purchasers meeting certain criteria. Since these properties are acquired with the express intent of resale and development, they are reported at lower of cost/donated value or net realizable value. Assets donated from the City or other related entities are recorded at the carrying value of the donor entity. Donated assets from other sources are recorded at lower of cost/donated value or net realizable value. The cost basis of assets held for resale and development include costs incurred to acquire the asset and prepare the asset for resale and development, such as purchase price, closing fees, surveys, lot clearing, demolition, judgments levied through suits, costs of construction, permits etc. These assets include land, land improvements and buildings. Upon the sale of these assets, a gain or loss is recognized. When the net realizable amount is less than the carrying amount a loss would be recognized. Gains are recorded as a gain from sale of capital assets in the government-wide statements and proceeds from sale of capital assets in the fund financial statements and losses are recorded as economic environment expenses/expenditures.

Additionally the City participates in the Neighborhood Stabilization Program (NSP) funded by the United States Department of Housing and Urban Development (HUD). The Housing and Economic Recovery Act signed into law on July 30, 2008 provided Neighborhood Stabilization funds to assist local governments to acquire foreclosed, vacant and abandoned properties to address neighborhood decline. HUD awarded NSP funds to the City to stabilize City neighborhoods through the purchase of foreclosed properties. Through this program, the City purchases foreclosed homes in targeted neighborhoods with the intention of rehabilitating and selling back to the public. The homes are available for purchase by eligible residents meeting certain income

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requirements. The cost basis of assets held for resale and development in this category include all costs incurred by the City to acquire and redevelop or rehabilitate the homes or properties up to a marketable, safe, and habitable condition. These assets are recorded at the lower of cost or net realizable value.

Assets held for resale and redevelopment activity for the year ended September 30, 2020 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Assets held for resale and redevelopment	\$ 41,203,685	\$ 4,209,245	\$ 680,271	\$ 44,732,659
Total	<u>\$ 41,203,685</u>	<u>\$ 4,209,245</u>	<u>\$ 680,271</u>	<u>\$ 44,732,659</u>

(C) Capital Assets and Construction Commitments

Capital asset activity for the fiscal year ended September 30, 2020 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets, not being depreciated				
Land	\$ 72,678,948	\$ 3,851,740	\$ 100	\$ 76,530,588
Construction in progress	22,190,439	34,216,502	29,902,429	26,504,512
Total capital assets, not being depreciated	<u>94,869,387</u>	<u>38,068,242</u>	<u>29,902,529</u>	<u>103,035,100</u>
Capital assets, being depreciated:				
Buildings	75,503,906	11,773,705	-	87,277,611
Infrastructure	157,381,382	1,755,725	-	159,137,107
Improvements other than buildings	172,981,581	18,243,065	-	191,224,646
Machinery and equipment	43,487,932	3,850,535	1,406,975	45,931,492
Art Work	123,349	8,000	-	131,349
Total capital assets being depreciated	<u>449,478,150</u>	<u>35,631,030</u>	<u>1,406,975</u>	<u>483,702,205</u>
Less accumulated depreciation for:				
Buildings	35,402,555	2,037,562	-	37,440,117
Infrastructure	75,939,096	5,609,920	-	81,549,016
Improvements other than buildings	77,082,116	7,917,126	-	84,999,242
Machinery and equipment	34,329,134	3,320,633	1,403,299	36,246,468
Art Work	20,943	22,803	-	43,746
Total accumulated depreciation	<u>222,773,844</u>	<u>18,908,044</u>	<u>1,403,299</u>	<u>240,278,589</u>
Total capital assets being depreciated, net	<u>226,704,306</u>	<u>16,722,986</u>	<u>3,676</u>	<u>243,423,616</u>
Governmental activities capital assets, net	<u>\$ 321,573,693</u>	<u>\$ 54,791,228</u>	<u>\$ 29,906,205</u>	<u>\$ 346,458,716</u>

CITY OF POMPANO BEACH, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Utility Fund:				
Capital assets, not being depreciated:				
Land	\$ 467,725	\$ -	\$ -	\$ 467,725
Construction in progress	7,357,652	11,434,445	15,500,525	3,291,572
Total capital assets, not being depreciated	<u>7,825,377</u>	<u>11,434,445</u>	<u>15,500,525</u>	<u>3,759,297</u>
Capital assets, being depreciated:				
Buildings	50,717,305	-	-	50,717,305
Infrastructure	109,282,014	404,358	-	109,686,372
Improvement other than buildings	72,505,778	14,775,658	-	87,281,436
Machinery and equipment	26,742,133	2,332,592	484,147	28,590,578
Art Work	30,000	-	-	30,000
Total capital assets being depreciated	<u>259,277,230</u>	<u>17,512,608</u>	<u>484,147</u>	<u>276,305,691</u>
Less accumulated depreciation for:				
Buildings	28,452,821	1,448,197	-	29,901,018
Infrastructure	67,822,320	2,653,870	-	70,476,190
Improvements other than buildings	45,212,428	1,760,773	-	46,973,201
Machinery and equipment	21,031,638	1,764,735	481,121	22,315,252
Art Work	-	5,500	-	5,500
Total accumulated depreciation	<u>162,519,207</u>	<u>7,633,075</u>	<u>481,121</u>	<u>169,671,161</u>
Utility Fund capital assets, being depreciated, net	<u>96,758,023</u>	<u>9,879,533</u>	<u>3,026</u>	<u>106,634,530</u>
Utility Fund capital assets, net	<u>\$ 104,583,400</u>	<u>\$ 21,313,978</u>	<u>\$ 15,503,551</u>	<u>\$ 110,393,827</u>
Parking Fund:				
Capital assets, being depreciated:				
Buildings	\$ 22,355,752	\$ -	\$ -	\$ 22,355,752
Machinery and equipment	115,828	-	-	115,828
Total capital assets being depreciated	<u>22,471,580</u>	<u>-</u>	<u>-</u>	<u>22,471,580</u>
Less accumulated depreciation for:				
Buildings	2,226,796	745,191	-	2,971,987
Machinery and equipment	87,248	23,166	-	110,414
Total accumulated depreciation	<u>2,314,044</u>	<u>768,357</u>	<u>-</u>	<u>3,082,401</u>
Parking Fund capital assets, being depreciated, net	<u>20,157,536</u>	<u>(768,357)</u>	<u>-</u>	<u>19,389,179</u>
Parking Fund capital assets	<u>\$ 20,157,536</u>	<u>\$ (768,357)</u>	<u>\$ -</u>	<u>\$ 19,389,179</u>

CITY OF POMPANO BEACH, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Stormwater:				
Capital assets, not being depreciated:				
Construction in progress	\$ 5,415,875	\$ 1,434,085	\$ 3,943,361	\$ 2,906,599
Capital assets, being depreciated:				
Infrastructure	8,645,296	266,840	-	8,912,136
Improvements other than buildings	13,613,098	3,943,361	-	17,556,459
Machinery and equipment	<u>2,270,692</u>	<u>43,273</u>	<u>324,269</u>	<u>1,989,696</u>
Total capital assets being depreciated	24,529,086	4,253,474	324,269	28,458,291
Less accumulated depreciation for::				
Infrastructure	697,859	105,376	-	803,235
Improvements other than buildings	8,212,613	503,905	-	8,716,518
Machinery and equipment	<u>1,555,639</u>	<u>275,498</u>	<u>323,880</u>	<u>1,507,257</u>
Total accumulated depreciation	<u>10,466,111</u>	<u>884,779</u>	<u>323,880</u>	<u>11,027,010</u>
Stormwater Fund capital assets, being depreciated, net	<u>14,062,975</u>	<u>3,368,695</u>	<u>389</u>	<u>17,431,281</u>
Stormwater Fund capital assets	<u>\$ 19,478,850</u>	<u>\$ 4,802,780</u>	<u>\$ 3,943,750</u>	<u>\$ 20,337,880</u>
Nonmajor Enterprise Funds:				
Capital assets, not being depreciated				
Land	\$ 60,992	\$ -	\$ 60,058	\$ 934
Construction in progress	<u>13,914,815</u>	<u>199,950</u>	<u>13,993,570</u>	<u>121,195</u>
Total capital assets, not being depreciated	<u>13,975,807</u>	<u>199,950</u>	<u>14,053,628</u>	<u>122,129</u>
Capital assets, being depreciated:				
Buildings	1,656,670	-	-	1,656,670
Infrastructure	6,655,933	-	2,433,574	4,222,359
Improvements other than buildings	21,009,168	1,041,859	-	22,051,027
Machinery and equipment	<u>1,609,055</u>	<u>356,345</u>	<u>147,768</u>	<u>1,817,632</u>
Total capital assets being depreciated	<u>30,930,826</u>	<u>1,398,204</u>	<u>2,581,342</u>	<u>29,747,688</u>
Less accumulated depreciation for:				
Buildings	809,460	36,880	-	846,340
Infrastructure	6,288,847	217,522	206,055	6,300,314
Improvements other than buildings	6,139,241	1,082,323	1,519,727	5,701,837
Machinery and equipment	<u>1,646,564</u>	<u>243,772</u>	<u>147,768</u>	<u>1,742,568</u>
Total accumulated depreciation	<u>14,884,112</u>	<u>1,580,497</u>	<u>1,873,550</u>	<u>14,591,059</u>
Nonmajor Enterprise Funds capital assets, being depreciated, net	<u>16,046,714</u>	<u>(182,293)</u>	<u>707,792</u>	<u>15,156,629</u>
Nonmajor Enterprise Funds capital assets, net	<u>30,022,521</u>	<u>17,657</u>	<u>14,761,420</u>	<u>15,278,758</u>
Business-type activities capital assets, net	<u>\$ 174,242,307</u>	<u>\$ 25,366,058</u>	<u>\$ 34,208,721</u>	<u>\$ 165,399,644</u>

CITY OF POMPANO BEACH, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
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Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	\$ 8,813,885
Public safety	3,123,161
Transportation	1,387,338
Physical environment	1,287,713
Culture and recreation	2,570,165
Total depreciation expense - governmental activities	<u>\$ 17,182,262</u>
Business-type activities:	
Utilities	\$ 7,633,075
Parking	768,357
Airpark	1,393,183
Sanitation	187,314
Stormwater	884,779
Total depreciation expense - business-type activities	<u>\$ 10,866,708</u>

CITY OF POMPANO BEACH, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
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The City has active construction projects as of September 30, 2020. Significant projects that were ongoing as of September 30, 2020 for governmental activities with significant commitments, were as follows:

Project	Expended through September 30, 2020	Remaining Commitment
Old Pompano Area Improvements	\$ 4,686,572	\$ 224,327
A1A Underground Electric	1,336,000	-
Martin Luther King Jr. Boulevard Reconstruction	1,152,060	-
Aquatic Center Pump Room	1,411,857	7,954
Aquatic Center Relining	647,885	-
CRA McNab House	772,733	208,691
GOB AIA Improvements	408,121	1,269,892
GOB Collier City Improvements	744,022	-
GOB Dixie HWY Improvement	901,423	2,131,963
GOB Martin Luther King Jr. Boulevard Improvements	2,283,035	3,984,120
GOB McNab Road Improvement	394,533	718,871
GOB Palm Aire Improvement	484,665	111,307
GOB McNair Pk Improvement	509,142	265,661
GOB Amphitheater Renovation	1,904,105	1,705,596
GOB North Pompano Park Renovation	434,700	81,585
GOB Senior Citizens	614,067	209,724
GOB Ultimate Sports Park	234,936	277,285
GOB Youth Sports	638,983	76,833
GOB Fire Emergency Operations	191,434	1,378,431
GOB Fire Station 114	563,608	5,233,489
GOB Fire Station 61	1,304,212	4,541,492
GOB Public Safety Complex	248,258	606,533
GOB Lifeguard Tower	1,162,757	317,813
	<u>\$ 23,029,108</u>	<u>\$ 23,351,567</u>

CITY OF POMPANO BEACH, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

Significant projects that were ongoing as of September 30, 2020 for business-type activities with significant commitments were as follows:

Project	Expended through September 30, 2020	Remaining Commitment
Lyons Park Improvement	\$ 777,629	\$ 38,452
HUD Old Pompano Area	660,537	54,546
Kendall Lakes	439,361	131,778
Stormwater Getaway Drive	313,037	96,163
Hurricane Hardening For Water Plant Facilities	456,128	208,807
Water Treatment Plant Street Rehabilitation	2,288,243	178,263
	<u>\$ 4,934,935</u>	<u>\$ 708,009</u>

CITY OF POMPANO BEACH, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

(D) Unearned/Unavailable Revenue

Unearned/Unavailable revenue at fiscal year end for the City's governmental individual major funds and non-major governmental funds in the aggregate are as follows:

Governmental Activities	General Fund	N.W. CRA	EMS Fund	Capital Project	Capital Projects 2018 GO Bonds	Non Major Gov't'l Funds	Total
Unearned revenue:							
Local Business Taxes	\$ 1,089,002	\$ -	\$ -	\$ -	\$ -	\$ -	1,089,002
Law Enforcement Trust Fund	-	-	-	-	-	1,136,619	1,136,619
Unredeemed Gift Cards	47,216	-	-	-	-	-	47,216
Prepaid Rent	-	4,500	-	-	-	-	4,500
Cultural Foundation	2,079	-	-	-	-	-	2,079
Community Foundation of Broward- Crossword Connection	-	-	-	30,000	-	-	30,000
Broward County - CARES ACT	-	-	-	-	-	277,655	277,655
SHIP Grant Funds	-	-	-	-	-	254,599	254,599
AFG Grant 2018 SCBA Units	-	-	347,500	-	-	-	347,500
Health Foundation FL	-	-	-	-	16,032	-	16,032
Total unearned revenue	\$ 1,138,297	\$ 4,500	\$ 347,500	\$ 30,000	\$ 16,032	\$ 1,668,873	\$ 3,205,202
Unavailable revenue:							
Broward County -Martin Luther King Blvd	\$ -	\$ 90,000	\$ -	\$ 501,923	\$ -	\$ -	\$ 591,923
Broward County - Ad Valorem	334,502	-	131,797	-	-	-	466,299
Florida Dept of Transportation	229,009	-	-	-	-	-	229,009
Communications Service Tax	57,868	-	-	189,669	-	-	247,537
EMS Transport Fees	-	-	1,761,267	-	-	-	1,761,267
ETA Nu	-	90,000	-	-	-	-	90,000
CDBG - HUD	-	-	-	-	-	96,204	96,204
Home - HUD	-	-	-	-	-	6,442	6,442
Florida Division of Emergency Management	-	-	-	-	-	1,274,549	1,274,549
Broward County - Old Pompano Streetscape	-	-	-	60,600	-	-	60,600
Broward County - Coastal Dune	-	-	-	4,641	-	-	4,641
Broward County -Playground Grant	-	-	-	58,000	-	-	58,000
Total unavailable revenue	\$ 621,379	\$ 180,000	\$ 1,893,064	\$ 814,833	\$ -	\$ 1,377,195	\$ 4,886,471

CITY OF POMPANO BEACH, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
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(E) Interfund Loans and Transfers

The composition of interfund balances as of September 30, 2020, is as follows:

Due to/from other funds:

<u>Receivable</u>	<u>Payable</u>	<u>Amount</u>
General Fund	Internal Service Fund	\$ 627,141 (a)
General Fund	Other Grants	1,270,272 (b)
General Fund	Capital Projects 2018 GO Bonds	<u>2,240,488 (c)</u>
		<u>\$ 4,137,901</u>

- (a) This is a short-term non-interest bearing receivable and payable to cover a negative cash balance at fiscal year end in the central stores fund.
- (b) These amounts represents a short-term non-interest bearing receivable and payable to cover negative cash balances related to cost reimbursement grants for which the City has not yet received reimbursement from the grantor at fiscal year end.
- (c) These amounts represents a short-term non-interest bearing receivable and payable to cover negative cash balances related to cost reimbursement for GO Bonds Projects.

Advances to/from other funds:

<u>Advances to Fund</u>	<u>Advances From Fund</u>	<u>Amount</u>
Northwest CRA District Fund	General Fund	\$ 1,847,579

This amount represents a long-term receivable and payable to cover the purchase of two (2) properties that would enable the development of a 30 acre Commerce Park at the northeast quadrant of Atlantic Boulevard and Interstate 95. The loan has a fixed annual interest rate of 2.91%, amortized over a 20 year term.

CITY OF POMPANO BEACH, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
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The annual requirements to pay on the advance from the General Fund to the NW CRA District Fund are as follows.

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 323,522	\$ 56,869	\$ 380,391
2022	336,041	44,350	380,391
2023	345,820	34,571	380,391
2024	355,883	24,508	380,391
2025	366,239	14,152	380,391
2026	120,074	3,494	123,568
	<u>\$ 1,847,579</u>	<u>\$ 177,944</u>	<u>\$ 2,025,523</u>

In the government-wide statement of net position, interfund balances between governmental activities and business-type activities have been summarized and reported on a single line called "internal balances" (net amount of \$727,258), which includes a short-term loan from the General Fund to the Sanitation Fund and the internal service fund look-back adjustment to enterprise funds.

Transfers in/out are as follows:

	Transfers In:							Total
	General	EMS	Capital	Subtotal	Utility	Parking	Nonmajor	
Transfers out	Fund		Projects	Gov'tl	Fund	Fund	Enterprise	
				Activities			Funds	
General Fund	\$ -	\$8,089,991	\$ 1,251,085	\$ 9,341,076	\$415,251	\$ -	\$ 19,145	\$ 9,775,472
East District Fund	-	-	-	-	-	450,000	-	450,000
Nonmajor								
Gov'tl Funds	546,675	-	275,000	821,675	-	-	-	821,675
Stormwater	223,667	-	-	223,667	-	-	-	223,667
Nonmajor Enterprise								
Funds	<u>447,263</u>	<u>-</u>	<u>-</u>	<u>447,263</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>447,263</u>
	<u>\$1,217,605</u>	<u>\$8,089,991</u>	<u>\$ 1,526,085</u>	<u>\$ 10,833,681</u>	<u>\$415,251</u>	<u>\$450,000</u>	<u>\$ 19,145</u>	<u>\$ 11,718,077</u>

The transfer from the General Fund to the Emergency Management Services (EMS) Fund was required to support operating costs, as the General Fund subsidizes the EMS Fund. Transfers from the General Fund to the Capital Projects Fund is due to potential future CIP projects as needed. Transfer from General Fund to Utility Fund was due to a temporarily 20% rate reduction for certain water services due to the Covid-19 pandemic. Transfer from East CRA to the Parking Fund was to assist the July 1, 2020 debt service payment for the Pier Parking Garage due to the impact of Covid-19. Transfers from Special Purpose/Law Enforcement Fund to the General Fund was due to the increase in operating expenses to fund the COPS SRO program.

Transfers from Nonmajor Enterprise Fund to the General Fund were primarily due to the transfer of residual equity associated with the transfer of the Pier Fund to the General

CITY OF POMPANO BEACH, FLORIDA
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Fund. Due to the measurement focus of the General Fund; Interest receivable, long-term obligations and the net book value of capital assets transferred totaling \$13,722,518 are reflected in the government-wide financial statements.

(F) Long-term Obligations

Summarized below are the City's debt issued to finance the acquisition of properties for community development and capital projects, which were outstanding at September 30, 2020.

Governmental Activities Debt:

- On June 26, 2018 the City Commission authorized the issuance of General Obligation Bonds – Series 2018 (the "Series 2018 Bonds"), per City Ordinance No 2018-58. The Series 2018 Bonds were subsequently issued on October 2, 2018. The Series 2018 Bonds were issued in order to (i) finance certain capital projects of the City, and (ii) pay costs of issuance on the bonds. The Series 2018 Bonds were issued in the par amount of \$99,375,000.

The Series 2018 Bonds are payable solely from Ad Valorem Taxes levied each year by the City and payable through 2048. Interest on the Series 2018 Bonds range from 4% to 5% with a true interest cost of 3.65% through July 1, 2048, the scheduled maturity of the bonds.

At September 30, 2020, the City had \$95,130,000 outstanding related to this obligation. Principal and interest paid for the current fiscal year and total tax revenues were \$5,778,850 and \$5,809,018, respectively. At September 30, 2020, total principal and interest remaining on the bonds is \$161,714,600 payable through February 2030.

- On April 23, 2013 the Pompano Beach Community Redevelopment Agency Board authorized the issuance of tax increment revenue bonds – Series 2013A and B (collectively known as the Series 2013 bonds). The Series 2013 bonds were subsequently issued on June 20, 2013. The Series 2013A bonds were issued at a fixed rate of 3.48%, with a final maturity of February 1, 2030, for the purpose of refunding and redeeming the Agency's outstanding tax increment revenue bonds, Series 2010A, which bore an interest rate of 5.13% and had outstanding balance of \$9,055,000. As a result of the refunding the Series 2010A bonds are considered fully refunded and the outstanding balance has been removed from the financial statements. The Series 2013B bonds were issued at a fixed interest rate of 2.83% and a final maturity of February 1, 2030, to finance the cost of community projects in the East District Redevelopment Area and to cover related costs of issuance in the original aggregate principal amount of \$5,000,000.

At September 30, 2020, the City had \$9,280,000 outstanding related to this obligation. Principal and interest paid for the current fiscal year and total tax increment revenues were \$1,101,255 and \$3,686,462, respectively. At September 30, 2020, total principal and interest remaining on the bonds is \$10,987,288

CITY OF POMPANO BEACH, FLORIDA
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payable through February 2030.

Business-type Activities Debt:

- On September 23, 2014, the City Commission authorized the issuance of Water and Sewer Revenue Refunding Bonds – Series 2014 (Series 2014 bonds), per City Ordinance No. 2014-50. The Series 2014 bonds were subsequently issued on September 26, 2014. The Series 2014 bonds were issued for the purpose of providing funds sufficient to accomplish the current refunding of the City's outstanding Water and Sewer Revenue Bonds, Series 2006B, which had an outstanding balance in the amount of \$17,945,000. As a result of the refunding the Series 2006B bonds are considered fully refunded and the outstanding balance has been removed from the financial statements.

The City has pledged future water and sewer customer gross revenues, net of specified operating expenses (net revenues), to repay the Series 2014 bonds. The bonds are payable solely from water and sewer customer net revenues and are payable through 2020. The interest on the Series 2014 bonds is 1.68% through July 1, 2020, the scheduled maturity of the bonds.

Principal and interest payments on the Series 2014 bonds are due semi-annually through maturity. Annual principal and interest payments on the Series 2014 bonds are expected to require less than 30 percent of net revenues. Principal and interest paid for the current fiscal year and total water and sewer net revenue were \$2,990,000 and \$50,232, respectively. At September 30, 2020, total principal and interest remaining on the bond is \$0 as fiscal year 2020 was the final year of debt payment.

- On April 14, 2015 the City Commission authorized the issuance of Taxable Certificates of Participation (Parking Garage Project) – Series 2015 (the "Certificates"), per City Ordinance No. 2015-30. The Certificates were subsequently issued on June 10, 2015. The Certificates were issued for the purpose of providing funds to finance the acquisition, construction and installation of a new public garage structure and surrounding public improvements, pay capitalized interest on the Certificates through July 1, 2018 and pay costs of issuance on the Certificates. The Certificates were issued in the par amount of \$23,875,000.

The Certificates are payable solely from legally available revenues as budgeted and appropriated each year by the City to make rent payments under the lease agreement and are payable through 2040. Interest on the Certificates range from 3.058% to 5.579% through January 1, 2040, the scheduled maturity of the Certificates. The total principal and interest remaining to be paid on the Certificates is \$40,455,565.

Governmental/Business-type Activities Obligation:

The City contracted with Siemens Industry, Inc. (Siemens) under an energy performance

CITY OF POMPANO BEACH, FLORIDA
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contract to perform an audit of City facilities in order to identify energy performance projects which, if implemented, would result in energy savings to the City. As a mechanism to finance the projects identified by Siemens, the City entered into a loan agreement with Chase Equipment Finance on November 12, 2010 for the purchase of energy efficiency equipment for various City facilities. It is anticipated that the savings from these projects will be utilized to cover the obligation for the note. At September 30, 2020, total principal and interest remaining related to Governmental Activities was \$876,223 and \$3,172,515 was related to Business-type Activities. Interest on the loan is fixed at 2.72%, with a final maturity date of August 12, 2023. Principal and interest is due and payable quarterly.

Conduit Debt:

- On December 14, 2010 the City Commission authorized the issuance of Health Facilities Revenue Refunding Bonds, Series 2010, in an amount not exceeding \$30 million, for the purpose of loaning the proceeds to John Knox of Village, Inc. (the Village), as borrower, to be applied to (I) refund and defease all of the Broward County Health Facilities Authority Revenue and Revenue Refunding bonds, Series 2002, outstanding as of the date of issuance of the Series 2010 Bonds, and (II) pay costs of issuance of the Series 2010 Bonds. The 2010 Series bonds were subsequently issued on December 30, 2010 in the amount of \$29,045,000. The bonds are limited obligations of the City payable from the loan payments due from the Village. The City is not obligated to pay the principal or interest on the bonds except from the loan payments made by the Village, and neither the faith and credit nor the taxing power of the City is pledged to the payment of the principal and interest on the bonds. At September 30, 2020, total principal and interest outstanding related to this debt issue was \$19,075,000, and \$4,593,500 respectively.
- On January 13, 2015 the City Commission authorized the issuance of Revenue Bonds, Series 2015, in an amount not exceeding \$40 million, for the purpose of loaning the proceeds to John Knox Village of Florida, Inc. (the Village) in order to finance or reimburse the costs of certain capital improvements to the senior living and healthcare facilities owned and operated by the Village, fund any necessary reserves, and pay the costs of issuance of the bonds. The 2015 Series bonds were subsequently issued on February 12, 2015 in the amount of \$29,470,000. The bonds are limited obligations of the City payable from the loan payments due from the Village. The City is not obligated to pay the principal or interest on the bonds except from the loan payments made by the Village, and neither the faith and credit nor the taxing power of the City is pledged to the payment of the principal and interest on the bonds. At September 30, 2020, total principal and interest outstanding related to this debt issue was \$26,550,000 and \$18,136,025 respectively.

CITY OF POMPANO BEACH, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

Changes in long-term liabilities

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities:					
General Obligation Bonds					
Series 2018	\$ 96,800,000	\$ -	\$ 1,670,000	\$ 95,130,000	\$ 1,750,000
Add: Bond premiums	6,065,880	-	90,280	5,975,600	141,558
Total GO bonds payable	102,865,880	-	1,760,280	101,105,600	1,891,558
Direct borrowings and direct placements					
Bonds payable CRA:					
Tax increment bonds-East District	10,045,000	-	765,000	9,280,000	790,000
Notes payable:					
Energy Equipment	1,103,439	-	264,746	838,693	272,021
HUD Section 108	3,920,000	-	205,000	3,715,000	206,000
Total notes payable	5,023,439	-	469,746	4,553,693	478,021
Capital lease payable:					
Fleet Equipment 2016	579,345	-	462,665	116,680	116,680
Fleet Equipment 2019	1,631,028	-	329,462	1,301,566	336,733
Enterprise capital lease	194,357	534,051	86,564	641,844	137,490
Fleet Equipment Series 2020	-	3,474,999	315,939	3,159,060	609,627
Total capital lease payable	2,404,730	4,009,050	1,194,630	5,219,150	1,200,530
Total direct borrowings	17,473,169	4,009,050	2,429,376	19,052,843	2,468,551
Claims and judgments	11,782,000	5,266,856	2,143,856	14,905,000	2,604,210
Net pension liability:					
PFRS	106,385,501	21,958,551	20,261,134	108,082,918	-
GERS	51,866,285	22,934,450	12,779,204	62,021,531	-
Total net pension liability	158,251,786	44,893,001	33,040,338	170,104,449	-
Total OPEB liability	10,842,991	826,843	522,650	11,147,184	-
Compensated absences	6,843,728	6,933,865	5,238,646	8,538,947	198,637
Long-term liabilities	<u>\$ 308,059,554</u>	<u>\$ 61,929,615</u>	<u>\$ 45,135,146</u>	<u>\$ 324,854,023</u>	<u>\$ 7,162,956</u>
Business-type activities:					
Direct borrowings and direct placements					
Water & sewer revenue bonds	\$ 2,990,000	\$ -	\$ 2,990,000	\$ -	\$ -
Certificates of Participation	23,875,000	-	100,000	23,775,000	500,000
Capital lease payable:					
Fleet Equipment 2019	274,072	-	55,361	218,711	56,583
Enterprise capital lease	30,906	-	5,678	25,228	6,583
Fleet Equipment Series 2020	-	225,000	20,456	204,544	39,472
Capital lease payable:	304,978	225,000	81,495	448,483	102,638
Notes payable	5,913,561	3,431,764	1,060,654	8,284,671	1,203,110
Total direct borrowings and direct placements	33,083,539	3,656,764	4,232,149	32,508,154	1,805,748
Net pension liability (GERS)	19,754,745	8,625,443	4,806,145	23,574,043	-
Total OPEB liability	2,107,416	700,302	442,663	2,365,055	-
Compensated absences	1,242,515	1,058,352	675,604	1,625,263	32,915
Business-type activity					
Long-term liabilities	56,188,215	14,040,861	10,156,561	60,072,515	1,838,663
Total long-term liabilities	<u>\$ 364,247,769</u>	<u>\$ 75,970,476</u>	<u>\$ 55,291,707</u>	<u>\$ 384,926,538</u>	<u>\$ 9,001,619</u>

CITY OF POMPANO BEACH, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

Direct borrowings and direct placements

The City's outstanding liabilities from direct borrowings and direct placements related to governmental activities was \$19,052,843 as of September 30, 2020.

The tax increment bonds are secured by a gross lien on tax increment revenues generated within the Agency's East District's Redevelopment Area on parity with the 2013A Bonds. The bond resolution contains events of default provisions such as payment defaults; and breaches of bond covenant, agreements and provisions in the bonds. The occurrence of a material adverse effect and certain bankruptcy events provides the bondholders the authority to pursue action in court to enforce collection, however it is not construed as granting the Bondholder to lien on any real property of the City.

The energy, fleet equipment, and enterprise a lease/note obligations are subject to annual appropriation by the City. The lease-purchase agreement contains events of default provisions such as payment defaults and breach of terms in the agreement. In the event of a default the lessor may demand immediate possession of any and all equipment in the lease.

The HUD section 108 note is secured by grant allocations made by the U.S. Department of Housing and Urban Development (HUD) for the Community Development Block Grant to the City. The note agreement contains events of default provisions such as payment defaults and breach of terms in the agreement. In the event of a default HUD may withhold future funding and pursue action in court to enforce collection.

The City's outstanding liabilities from direct borrowings and direct placements related to business-type activities was \$32,508,154 as of September 30, 2020.

The Certificates of Participation are payable solely from legally available revenues as budgeted and appropriated each year by the City. The lease-purchase agreement contains events of default provisions such as payment defaults; and breaches of bond covenant, agreements and a provision that in the event of any default all outstanding amounts would be due and payable immediately upon written request of the majority of the owners of the certificates. In the event of a default the City would be required to return possession of the parking garage to the Pompano Beach Finance Corporation.

The energy, fleet equipment and enterprise lease/note obligations are subject to annual appropriation by the City. The lease-purchase agreement contains events of default provisions such as payment defaults and breach of terms in the agreement. In the event of a default the lessor may demand immediate possession of any and all equipment in the lease.

The City has pledged future stormwater revenues, net of specified operating expenses (net revenues), to repay the State Revolving Fund (SRF) loan. The loan agreement contains events of default provisions such as payment defaults and breach of terms in the agreement. In the event of a default the lender has several remedies available which include establishing rates, collecting fees, accelerating the repayment schedule and pursuing action in court to enforce collection.

The City has no lines of credit. Debt service requirements on long-term debt at September 30, 2020, are as follows:

CITY OF POMPANO BEACH, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

Fiscal Year	Governmental Activities				Business-Type Activities	
	Bonds		Direct Borrowings and Direct Placements		Direct Borrowings and Direct Placements	
	Principal	Interest	Principal	Interest	Principal	Interest
2021	\$ 1,750,000	\$ 4,025,350	\$ 5,959,923	\$ 426,541	\$ 1,804,609	\$ 1,322,380
2022	1,840,000	3,937,850	2,184,046	372,316	1,888,162	1,275,981
2023	1,925,000	3,845,850	2,235,414	316,977	1,918,250	1,227,326
2024	2,025,000	3,749,600	1,930,625	261,909	909,016	1,186,378
2025	2,125,000	3,648,350	1,697,835	208,045	920,980	1,161,032
2026 - 2030	12,350,000	16,535,000	5,045,000	451,095	5,522,434	5,281,059
2031 - 2035	15,445,000	13,436,000	-	-	8,049,797	3,881,234
2036 - 2040	18,795,000	10,089,800	-	-	11,494,906	1,534,891
2041 - 2045	22,855,000	6,018,600	-	-	-	-
2046 - 2048	16,020,000	1,298,200	-	-	-	-
	<u>\$ 95,130,000</u>	<u>\$ 66,584,600</u>	<u>\$ 19,052,843</u>	<u>\$ 2,036,883</u>	<u>\$ 32,508,154</u>	<u>\$ 16,870,281</u>

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities.

For the governmental activities; pension liabilities, compensated absences and OPEB liabilities are generally liquidated by the General Fund and EMS Funds. Pension contributions are paid by the General Fund and EMS Funds as actuarially determined by the actuaries of the pension plans.

Bond indentures for the water and sewer bonds contain provisions relating to annual debt service payments, restricted account transactions, minimum sinking fund requirements, and minimum revenue levels. The City believes that it is in compliance with all bond provisions and maintained reserves totaling \$3,824,452 at September 30, 2020.

The City Charter limits the amount of net general obligation bonded debt to 15% of the assessed property valuation. At September 30, 2020, the statutory limit for the City was approximately \$1.9 million providing a legal debt margin of approximately \$1.9 million, as the City had no general obligation debt outstanding at September 30, 2020.

The Tax Reform Act of 1986 arbitrage rebate regulations require earnings from investment of tax-exempt debt proceeds which exceed the yield on the debt to be remitted to the federal government every five years. As of September 30, 2020 the City had negative arbitrage related to all outstanding bond issues. Amounts to be rebated, if any, depend on net results of arbitrage calculations in future years.

CITY OF POMPANO BEACH, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

The annual requirements to pay principal and interest on bonds and notes at September 30, 2020 are as follows:

GO Bonds Series 2018

	Governmental Activities		
	Principal	Interest	Total
2021	\$ 1,750,000	\$ 4,025,350	\$ 5,775,350
2022	1,840,000	3,937,850	5,777,850
2023	1,925,000	3,845,850	5,770,850
2024	2,025,000	3,749,600	5,774,600
2025	2,125,000	3,648,350	5,773,350
2026 - 2030	12,350,000	16,535,000	28,885,000
2031 - 2035	15,445,000	13,436,000	28,881,000
2036 - 2040	18,795,000	10,089,800	28,884,800
2041 - 2045	22,855,000	6,018,600	28,873,600
2046 - 2048	16,020,000	1,298,200	17,318,200
	<u>\$ 95,130,000</u>	<u>\$ 66,584,600</u>	<u>\$161,714,600</u>

CRA Bonds:

	Governmental Activities		
	East CRA District		
	Principal	Interest	Total
2021	\$ 790,000	\$ 309,198	\$ 1,099,198
2022	820,000	281,184	1,101,184
2023	845,000	252,213	1,097,213
2024	875,000	222,285	1,097,285
2025	905,000	191,313	1,096,313
2026 - 2030	5,045,000	451,095	5,496,095
	<u>\$ 9,280,000</u>	<u>\$ 1,707,288</u>	<u>\$ 10,987,288</u>

CITY OF POMPANO BEACH, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

Notes:

On November 12, 2010 the City entered into a loan agreement which allowed the City to be reimbursed for the purchase of energy equipment up to a maximum of \$13,500,000. At September 30, 2020, the City's obligation under the note, inclusive of accrued interest was \$4,048,738 and allocated between Governmental and Business-type Activities was as follows:

	<u>Governmental Activities</u>			<u>Business-type Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 272,021	\$ 20,054	\$ 292,075	\$ 984,898	\$ 72,607	\$ 1,057,505
2022	279,496	12,579	292,075	1,011,961	45,543	1,057,504
2023	287,176	4,897	292,073	1,039,769	17,737	1,057,506
	<u>\$ 838,693</u>	<u>\$ 37,530</u>	<u>\$ 876,223</u>	<u>\$ 3,036,628</u>	<u>\$ 135,887</u>	<u>\$ 3,172,515</u>

On November 23, 2015 the City received a \$4,308,000 loan commitment from the U.S. Department of Housing and Urban Development (HUD) Section 108 Loan Guarantee Program. HUD will raise the funds via a public offering of its trust certificates at a future date. In the interim the City may elect to be advanced funds via interim financing from a financial institution selected by HUD. As of September 30, 2020, the City has received \$4,308,000 in interim financing related to the \$4,308,000 loan commitment from HUD. The balance on the loan as of September 30, 2020 is \$3,715,000. The purpose of this loan is to maximize existing right-of-ways to add sidewalks where they may be missing or widen existing sidewalks wherever possible to provide a better pedestrian experience; improve and upgrade existing water, sewer and drainage facilities that promote opportunities for future growth and encourage private investment; add lush landscaping features and pedestrian-friendly light fixtures; and, implement traffic calming features to inspire a safer environment. The project will expand on recent improvements carried out by the Pompano Beach Community Redevelopment Agency (CRA) in Downtown Pompano and will span the following areas:

- NE 1st Street
- Flagler Ave
- NE 3rd Street
- NE 4th Street
- NE 2nd Ave
- NE 3rd Ave

The interest rate is variable (3 month Libor plus 20 basis points) until the date HUD converts it into a permanent loan or the redemption date, whichever is earlier. These dates have not been determined. During the interim period, interest will be billed to the City on the first day of each February, May, August and November. A schedule of principal and interest will be provided by HUD after the conversion of the loan.

CITY OF POMPANO BEACH, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

Certificates of Participation

The annual requirements to pay principal and interest on certificates of participation at September 30, 2020 are as follows:

	Business-type Activities		
	Principal	Interest	Total
2021	\$ 500,000	\$ 1,238,335	\$ 1,738,335
2022	500,000	1,220,700	1,720,700
2023	500,000	1,201,990	1,701,990
2024	540,000	1,181,528	1,721,528
2025	605,000	1,158,135	1,763,135
2026-2030	4,150,000	5,271,595	9,421,595
2031-2035	6,670,000	3,875,452	10,545,452
2036-2040	10,310,000	1,532,830	11,842,830
	<u>\$ 23,775,000</u>	<u>\$ 16,680,565</u>	<u>\$ 40,455,565</u>

CITY OF POMPANO BEACH, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

State Revolving Loan

On October 10, 2016 the City adopted Resolution No. 2017-25 approving a construction loan to the City in the amount of \$3,465,528 from the State of Florida Department of Environmental Protection Clean Water State Revolving Fund Program. The City has received \$2,685,932 as of September 30, 2020. The construction loan was provided for the Avondale Stormwater Improvements project. The annual interest rate on the loan is 0%.

The annual requirements to pay principal on the loan at September 30, 2020 are as follows:

	Principal
2021	\$ 134,890
2022	134,890
2023	134,890
2024	134,890
2025	134,890
2026-2030	674,450
2031-2035	674,450
2036-2040	472,115
	\$ 2,495,465

On May 9, 2017 the City adopted Resolution No. 2017-240 approving a construction loan to the City in the amount of \$3,230,287 from the State of Florida Department of Environmental Protection Clean Water State Revolving Fund Program. The City has received \$2,752,579 as of September 30, 2020. The construction loan was provided for Esquire Lake Neighborhood Drainage Improvement project. The annual interest rate on the loan is .105%.

	Principal	Interest	Total
2021	\$ 83,322	\$ 2,513	\$ 85,835
2022	137,849	2,767	140,616
2023	138,139	2,622	140,761
2024	138,429	2,477	140,906
2025	138,720	2,331	141,051
2026-2030	697,984	9,464	707,448
2031-2035	705,347	5,782	711,129
2036-2040	712,789	2,061	714,850
	\$ 2,752,579	\$ 30,017	\$ 2,782,596

CITY OF POMPANO BEACH, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

Capital Leases

On October 27, 2015 the City entered into an agreement as lessee for the lease of equipment and approximately thirty-one (31) vehicles of various types to be used for the City's fire services, grounds and parks maintenance, recreation activities, public works and code compliance operations. The lease is for five (5) years with an annual interest rate on the lease at 1.40%. The lease agreement qualifies as a capital lease for accounting purposes and therefore has been recorded at the present value of the future minimum lease payments as of the inception date.

Future minimum lease obligations are as follows:

Fiscal Year Ending September 30,	Governmental Activities
2021	\$ 117,088
Less: Amount represent interest	408
Present value of minimum lease payments	\$ 116,680

On February 12, 2019 the City entered into a Master Lease Purchase agreement as lessee for the lease of approximately thirteen (13) vehicles of various types to be used for the City's various departments. The lease is for five (5) years with an annual interest rate on the lease based on the 3 year T-bill rate at acquisition plus 300 basis points. The lease agreement qualifies as a capital lease for accounting purposes and therefore has been recorded at the present value of the future minimum lease payments as of the inception date.

Future minimum lease obligations are as follows:

Fiscal Year Ending September 30,	Governmental Activities	Business-type Activities	Total
2021	\$ 137,490	\$ 6,583	\$ 144,073
2022	137,490	6,583	144,073
2023	137,490	6,583	144,073
2024	160,255	9,452	169,707
2025	146,427	-	146,427
Total minimum lease payments	719,152	29,201	748,353
Less: Amount represent interest	77,308	3,973	81,281
Present value of minimum lease payments	\$ 641,844	\$ 25,228	\$ 667,072

On May 14, 2019 the City entered into an agreement as lessee for the lease of certain equipment to be used for certain equipment for Fire, Parks & Recreation, Solid Waste and Public Works functions operations. The lease is for five (5) years with an annual interest rate on the lease is 2.19%. The lease agreement qualifies as a capital lease for accounting purposes and therefore has been recorded at the present value of the future minimum lease payments as of the inception date.

CITY OF POMPANO BEACH, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

Future minimum lease obligations are as follows:

<u>Fiscal Year Ending September 30,</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
2021	\$ 362,474	\$ 60,909	\$ 423,383
2022	362,474	60,909	423,383
2023	362,474	60,909	423,383
2024	<u>271,855</u>	<u>45,681</u>	<u>317,536</u>
Total minimum lease payments	1,359,277	228,408	1,587,685
Less: Amount represent interest	<u>57,711</u>	<u>9,697</u>	<u>67,408</u>
Present value of minimum lease payments	<u>\$ 1,301,566</u>	<u>\$ 218,711</u>	<u>\$ 1,520,277</u>

On January 31, 2020 the City entered into an agreement as lessee for the lease of equipment to be used for the City's fire services, grounds and parks maintenance, recreation activities, public works, cemetery and solid waste. The lease is for five (5) years with an annual interest rate on the lease is 1.7794%. The lease agreement qualifies as a capital lease for accounting purposes and therefore has been recorded at the present value of the future minimum lease payments as of the inception date.

Future minimum lease obligations are as follows:

<u>Year Ending September 30,</u>	<u>Governmental Activities</u>	<u>Business- type Activities</u>	<u>Total</u>
2021	\$ 663,139	\$ 42,937	\$ 706,076
2022	663,139	42,937	706,076
2023	663,139	42,937	706,076
2024	663,140	42,937	706,077
2025	<u>663,140</u>	<u>42,938</u>	<u>706,078</u>
Total minimum lease payments	<u>3,315,697</u>	<u>214,686</u>	<u>3,530,383</u>
Less: Amount represent interest	<u>156,637</u>	<u>10,142</u>	<u>166,779</u>
Present value of minimum lease payments	<u>\$ 3,159,060</u>	<u>\$ 204,544</u>	<u>\$ 3,363,604</u>

CITY OF POMPANO BEACH, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

(G) Operating Leases

The City is a lessee in a long-term land lease in order to receive access to a tract of land at the Hillsboro Inlet. The lease expires in 54 years and is adjusted for changes in the Consumer Price Index every three years.

The lease payments are as follows:

Fiscal Year Ending September 30,	Governmental Activities
2021	\$ 377,418
2022	377,418
2023	377,418
2024	377,418
2025	377,418
2026 - 2030	1,887,090
2031 - 2035	1,887,090
2036 - 2040	1,887,090
2041 - 2045	1,887,090
2046 - 2050	1,887,090
2051 - 2055	1,887,090
2056 - 2060	1,887,090
2061 - 2065	1,887,090
2066 - 2070	1,887,090
2071 - 2073	1,132,254
Total lease payments	<u><u>\$ 20,003,154</u></u>

(H) Governmental Fund - Fund Balance

Fund balances for governmental funds are reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Please refer to Note (I)(R) for a description of these categories.

The City Commission has adopted a formal minimum unassigned fund balance policy for the General Fund via Resolution No. 2013-358, whereby a target equal to at least 17% of that fund's annual appropriation budget must be maintained.

CITY OF POMPANO BEACH, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

Below is a table of fund balance categories and classifications at September 30, 2020 for the City's governmental funds:

	<u>General</u>	<u>NW CRA District</u>	<u>East CRA District</u>	<u>Emergency Medical Services</u>	<u>Capital Projects</u>	<u>Capital Project 2018 GO Bonds</u>	<u>Non-major Govt'l Funds</u>
Fund Balances:							
Non-spendable							
Inventories	\$ 232,663	\$ -	\$ -	\$ 492,806	\$ -	\$ -	\$ -
Prepays	1,337,137	-	-	-	2,972,180	-	15,266
Advances to other funds	1,847,579	-	-	-	-	-	-
Restricted:							
Building Permit Function	-	-	-	-	-	-	17,027,320
Emergency Medical Services	-	-	-	1,740,422	-	-	-
GO Bonds Debt Service	-	-	-	-	-	-	72,734
Transportation	-	-	-	-	-	-	154,920
Community Parks	-	-	-	-	1,101,484	-	-
Cultural Arts	-	-	-	-	-	-	482
Community Redevelopment	-	53,976,434	9,601,759	-	-	-	1,681,759
Committed:							
Cemetery Care	-	-	-	-	-	-	1,046,717
Disaster Relief	-	-	-	-	-	-	410,449
Affordable Housing	-	-	-	-	-	-	1,907,239
Tree Canopy Landscape/ Tricentennial/Nautica Flea Mkt.	-	-	-	-	-	-	771,693
Beach Area Parking	-	-	-	-	-	-	5,995
Emergency Medical Services	-	-	-	-	-	-	28,466
Streets, Sidewalks, Bridges and Streetscaping	-	-	-	-	-	37,823,458	-
Public Safety	-	-	-	-	-	13,256,237	-
Parks, Recreation and Leisure	-	-	-	-	-	25,697,037	-
Assigned:							
Fire Stations	-	-	-	-	894,640	-	-
Culture, Recreation & Leisure	-	-	-	-	3,199,187	-	-
Canal Dredging/Seawall Repairs	-	-	-	-	235,781	-	-
Seawall Repairs	-	-	-	-	1,085,196	-	-
General Government Bldg. Improvs.	-	-	-	-	1,481,799	-	-
City Landscaping\Signage\Lighting	-	-	-	-	2,043,292	-	-
Bridge Repairs\Enhancements	-	-	-	-	2,538,784	-	-
Traffic Signals	-	-	-	-	3,923	-	-
Underground Utilities/Traffic Signals	-	-	-	-	1,726,779	-	-
Railroad Crossing Repairs	-	-	-	-	8,009	-	-
Road/Sidewalks/Parking Lots	-	-	-	-	4,857,031	-	-
Art in Public Places	-	-	-	-	531,056	-	-
Capital Reserves	-	-	-	-	461,292	-	-
General Government (Encumbrances)	1,629,140	-	-	-	-	-	-
Public Safety (Encumbrances)	1,196,727	-	-	-	-	-	-
Physical Environment (Encumbrances)	271,449	-	-	-	-	-	-
Culture & Recreation (Encumbrances)	415,276	-	-	-	-	-	-
Subsequent Year's Expenditures	1,822,245	-	-	-	-	-	-
Unassigned							
General Government	48,949,331	-	-	-	-	-	-
Total Fund Balances	\$ 57,701,547	\$ 53,976,434	\$ 9,601,759	\$ 2,233,228	\$ 23,140,433	\$ 76,776,732	\$ 23,123,040

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(I) Property Taxes

The City levies property taxes each October 1, which becomes a lien on real and personal property located in the City. Property taxes are based on the assessed values determined by the Broward County Property Appraiser as of the prior January 1. The current year's levy is based on assessed property values totaling approximately \$13.0 billion. Taxes are collected directly by Broward County and remitted to the City as collected.

The State of Florida permits the City to levy taxes up to 10 mills of assessed property valuation for the General Fund. The City levied taxes at 5.1875 mills for the General Fund and .5000 mills for the EMS District for the fiscal year ended September 30, 2020.

All taxes are due from property owners on March 31. Taxes become delinquent on April 1 and are subject to the issuance of tax sale certificates if unpaid by June 1. Gross tax collections for the year ended September 30, 2020 were approximately 89.3% of the total tax levy.

(J) Post Employment Benefits Other Than Pensions

Plan Description - The City as a single employer, maintains a Post Employment Benefits Plan, for benefits other than pension (OPEB). There are no assets accumulated in a trust that meet the criteria in paragraph 4 of GASB Statement 75. Pursuant to Section 112.0801, Florida Statutes, the City is mandated to permit participation in the health insurance program by eligible retirees (as defined in the City's pension plans as discussed in more detail at Note III) and their eligible dependents at a cost to the retiree that is no greater than the cost at which coverage is available for active employees.

Benefits Provided - Retirees pay 100% of the blended (active and retiree combined) equivalent premium rates. The blended rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the plan on average than those of active employees. The OPEB Plan does not issue a separate stand alone financial report. The City is financing the post employee benefits on a pay-as-you go basis. For fiscal year 2020, 58 retirees received health care benefits. Annual payments amounted to \$1,882,853 for the current fiscal year, towards which the City made \$611,781 (implicit subsidy) in benefit payments. Retirees made the remaining payments of \$1,271,072 for the fiscal year ended September 30, 2020.

At September 30, 2020, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	58
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	759
Total	817

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Total OPEB Liability

The City's total OPEB liability of \$13,512,239 was measured as of September 30, 2020, and was determined by an actuarial valuation as of October 1, 2019

Actuarial assumptions and other inputs. The total OPEB liability as of September 30, 2020 (reporting date) was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Discount rate

2.14% per annum; this rate was used to discount all future benefit payments and is based on the return on the S&P Municipal Bond 20-year High Grade Index as of the measurement date.

Salary increases

3.00% 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 7.00% for the 2019/20 fiscal year graded down by 0.50% per year to 5.00% for the 2023/24 and later fiscal years.

Age-related morbidity

Healthcare costs are assumed to increase at the rate of 3.50% for each year of age.

Implied subsidy

Because the insurance carrier charges the same monthly rate for health insurance regardless of age, an implied monthly subsidy for the retiree of \$450.00 under the HMO plan or \$575.00 under the PPO plan has been assumed at age 62 for the 2019/20 fiscal year; at other ages, the implied subsidy was developed based on the age-related morbidity assumption and, for other fiscal years, the implied subsidy was increased in accordance with the healthcare cost trend rates; the implied subsidy is assumed to disappear at age 65.

Retirement

For general employees, retirement is assumed to occur at the earlier of age 55 with 20 years of service or age 62 with three years of service, but no earlier than age 60; for firefighters and police officers, retirement is assumed to occur at age 47 with 20 years of service (if hired before May 27, 2014), age 50 with 20 years of service (if hired after May 26, 2014), or age 55 with 10 years of service, but no earlier than age 55.

Other decrements

Assumed employment termination is based on the Scale 155 table; assumed disability is based on the Wyatt 1985 Disability study (Class 1 for general employees and Class 4 for

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firefighters and police officers).

Coverage election

50% of eligible employees are assumed to elect medical coverage upon retirement or disability in accordance with their current election as to plan choice and spousal coverage; coverage for spouses is assumed to end upon the retiree's death.

Spouses and dependents

Husbands are assumed to be three years older than wives; retirees are not assumed to have any dependent children.

COBRA

Future healthcare coverage provided solely pursuant to COBRA was not included in the OPEB valuation; because the COBRA premium is determined periodically based on plan experience, the COBRA premium to be paid by the participant is assumed to fully cover the cost of providing healthcare coverage during the relevant period.

Mortality rates

Mortality rates were based on sex-distinct rates set forth in the PUB-2010 Mortality Table (without income adjustments) for general employees with full generational improvements in mortality using Scale MP-2017.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at 9/30/2019	<u>\$ 12,950,407</u>
Changes for the year:	
Service cost	1,012,407
Expected interest growth	292,293
Demographic experience	222,445
Benefit payments	(611,781)
Assumption changes	<u>(353,532)</u>
Net changes	<u>561,832</u>
Balance at 9/30/2020	<u><u>\$ 13,512,239</u></u>

Since the prior measurement date, the discount rate was changed from 3.58% per annum to 2.14% per annum.

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**NOTES TO THE FINANCIAL STATEMENTS
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Sensitivity of Total OPEB Liability

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.14 percent) or 1-percentage-point higher (3.14 percent) than the current discount rate:

	1% Decrease (1.14%)	Discount Rate (2.14%)	1% Increase (3.14%)
Total OPEB liability	\$ 14,733,662	\$ 13,512,239	\$ 12,414,247

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (6.0 percent decreasing to 4.0 percent) or 1-percentage-point higher (8.0 percent decreasing to 6.0 percent) than the current healthcare cost trend rates:

	1% Decrease (6.0% decreasing to 4.0%)	Healthcare Cost Trend Rates (7.0% decreasing to 5.0%)	1% increase (8.0% decreasing to 6.0%)
Total OPEB liability	\$ 11,982,362	\$ 13,512,239	\$ 15,323,139

For the year ended September 30, 2020, the City recognized OPEB expense of \$687,126. At September 30, 2020, the City reported deferred outflows and inflows of resources related to OPEB as follows.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions or other inputs	\$ 249,667	\$ 316,972

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ended September 30,	
2021	\$ (5,793)
2022	(5,793)
2023	(5,793)
2024	(5,793)
2025	(5,793)
Thereafter	<u>(38,340)</u>
	<u>\$ (67,305)</u>

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(III) OTHER INFORMATION

**(A) Employee Retirement System
Police and Firefighters' Retirement System**

1. Summary of Significant Accounting Policies

Basis of accounting – The PFRS’s financial statements are prepared using the accrual basis of accounting. Contributions from the Plan's members are recognized as revenue in the period in which the contributions are due. Contributions from the City and the Broward Sheriff's Office (BSO), as calculated by the System's actuary, are recognized as revenue when due and when the entities have made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Method used to value investments – Investments are reported at fair value except for the money market funds which are reported at amortized cost. Fair value is 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. Net appreciation (depreciation) in fair value of investments includes realized and unrealized gains and losses. Realized gains and losses are determined on the basis of specific cost. Interest and dividends are recorded as earned. Purchases and sales of investments are recorded on a trade date basis. Dividends are recorded on the ex-dividend date. For more detail regarding the methods used to measure the fair value of investments, refer to the fair value hierarchy discussed in Note II(A).

Use of estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) requires the plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

2. Plan Description and Contribution Information

The following brief description of the Plan is provided for general information purposes only. Participants should refer to City ordinances for more complete information.

Plan description – The Pompano Beach Police and Firefighters’ Retirement System (“PFRS”) was established by ordinance of the City of Pompano Beach, Florida (“City”) on August 15, 1972 (effective October 1972), to account for the financial activity of the Pompano Beach Police and Firefighters’ Retirement Plan (“Plan”). The PFRS is a single-employer defined benefit pension plan, which is administered by a nine member Board of Trustees comprised of three members appointed by the City Commission, three members elected by/from the Firefighter members, and three members elected by/from the Police members. Ordinance Section No. 34.047 provides the Board of Trustees sole and exclusive responsibility for the administration and operation of the PFRS, including the authority to establish and amend benefit terms and contribution requirements.

All full time employees of the police and fire departments, who are classified as sworn

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police officers and firefighters are covered by this single employer defined benefit pension plan. In August 1999, the City contracted with the Broward County Sheriff's Office ("BSO") whereby the BSO would provide policing services in Pompano Beach. As a result, all of the City's police officers were employed by the BSO. Participating police officers were given the option to either remain in the Plan or switch to the BSO's retirement plan and the Plan was closed to new police officers. The PFRS is an integral part of the primary government of the City and is included as a pension trust fund in the City's basic financial statements. However, the PFRS also issues a stand alone financial report that may be obtained by writing to the Pension Board, P.O. Box 610489, Pompano Beach, Florida 33061-0489.

The PFRS provides retirement, death and disability benefits for its members. Benefit provisions are established and may be amended by the City of Pompano Beach, in conjunction with the members' collective bargaining units. A member may retire with normal benefits after reaching age 47 and accumulating 20 or more years of credited service or age 55 and accumulating 10 or more years of credited service. Pursuant to Ordinance 2014-61, firefighters hired on or after May 27, 2014, may retire with normal benefits after reaching age 50 and accumulating 20 or more years of credited service or age 55 and accumulating 10 or more years of credited service. Pursuant to Ordinance 2008-54, a police officer with 25 years of credited service may elect to purchase unreduced normal retirement benefits regardless of age. Normal retirement benefits are stipulated in Section 34.055 of the City's Code of Ordinances and are contingent upon a member's employment classification, separation date, length of service and average monthly earnings. In general, normal retirement benefits are the member's average monthly earnings times the number of years of service multiplied by a factor ranging from 2.0% to 4.0%. Members with 20 or more years of service may receive an early retirement benefit at age 47 or an immediate benefit at a reduced amount. Members who have attained age 50 and have completed 10 years of service are also eligible for an early retirement benefit.

Each October 1, an automatic cost of living adjustment (COLA) of 2% is provided to those retirees who have been retired at least 5 years. An additional increase of up to 1% may be paid to those same retirees under certain circumstances.

A member attaining age 47 with 20 or more years of credited service is eligible for delayed retirement. These benefits begin upon application and are computed in the same manner as the normal retirement benefit.

Disability benefits for service related disabilities are paid to the member for at least 10 years or until recovery. Benefits are calculated as 75% of the member's final earnings in effect at the date the benefit is approved. Disability benefits for non-service related disabilities for members with 10 or more years of credited service are paid to a member for at least 10 years or until recovery. Benefits are calculated as 3% of the member's average monthly earnings times the number of credited service years, up to a maximum of 60% of the member's salary, plus 2% of average monthly earnings times the number of credited service years in excess of 25 years.

Pre-retirement death benefits for service related deaths are payable to the member's surviving spouse until death or remarriage (for life if the member was killed in the line of duty). Benefits are calculated as \$5,000 lump sum payment plus 75% of the member's

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final earnings. In addition, eligible children each receive 7.5% of the member's final earnings. If no eligible surviving spouse exists, eligible children each receive 15% of the member's final earnings not to exceed 50%. Pre-retirement death benefits for non-service related deaths of members with more than 10 years of credited service are payable to a designated beneficiary. The designated beneficiary may elect to receive a return of the member's contribution plus interest or an accrued benefit payable at normal retirement or early retirement. In addition, the designated beneficiary may elect the pre-retirement death benefit for non-service related deaths of members with 5 to 10 years of credited service. Pre-retirement death benefits for non-service related deaths of members with 5 to 10 years of credited service are paid to the member's surviving spouse for life. Benefits are computed as a \$5,000 lump sum plus 65% of the member's accrued benefits at the date of death, subject to a minimum of 20% of the member's average monthly salary. In addition, eligible children each receive 7.5% of the member's final earnings. If no eligible surviving spouse exists, eligible children each receive 15% of the member's final earnings. The pre-retirement death benefit for members with 1 to 5 years of credited service is a \$5,000 lump sum payment to the member's designated beneficiary. Post retirement death benefits are payable to the member's beneficiary in accordance with the terms of the payment method selected.

A member with less than 10 years of credited service who terminates employment is refunded his or her contributions, plus interest of 3%. A member with 10 or more years who terminates employment may receive his or her accrued benefit or a refund of contributions plus 3% interest.

Membership consisted of the following at October 1, 2018, the date of the latest actuarial valuation:

Inactive Plan members or beneficiaries currently receiving benefits	402
Inactive plan members entitled but not yet receiving benefits	3
Active plan members	186
Total	<u>591</u>

Deferred Retirement Option Plan (Drop) Plan - Any member who is eligible to receive a normal retirement pension and prior to attaining 25 years of service may elect to participate in a deferred retirement option plan ("DROP") while continuing his or her active employment as a police officer or firefighter. The maximum DROP participation period is five years for police officers and eight years for firefighters. A member with 25 years of credited service, who is not yet eligible for normal retirement may elect to participate in the DROP upon reaching normal retirement. Upon participation in the DROP, the member becomes a retiree for all PFRS purposes so that he or she ceases to accrue any further benefits under the pension plan. Normal retirement payments that would have been payable to the member as a result are accumulated and invested in the DROP plan to be distributed to the member upon his or her termination of employment. Participation in the DROP plan ceases for a member after 5 years for police officers and 8 years for firefighters. As of September 30, 2020, the balance in the DROP account was \$15,058,744 with 47 DROP participants. These amounts are included in the total investment balance presented on the statement of fiduciary net position.

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Drop Loan Program - The PFRS allowed participants to borrow from their DROP account. The loan limit is up to 50% of participant's account balance, subject to a minimum of \$5,000 and a maximum of \$50,000. The interest rate charged is the "prime rate" in effect on the day of loan application and the repayment schedule and maturity date may not exceed five years. At September 30, 2020, the balance of DROP loans outstanding was \$290,085.

Share Plan - A Supplemental Retirement Benefit Plan was established for firefighter members who were employed on October 1, 2010. Firefighters who were actively employed on that date were given a share, based on completed months of service, of the existing Chapter 175 reserves. Annually thereafter, Chapter 175 contributions exceeding \$821,230 are also allocated to members who are employed at the end of each fiscal year. In addition, earnings are posted to the share plan accounts each January 1. Firefighters become vested in their accounts at the rate of 50% after 10 years of service, 75% after 15 years of service and 100% after 20 years of service. As of September 30, 2020, the balance in the share plan account was \$6,447,404. This amount is included in the total investment balance presented on the statement of fiduciary net position.

Effective February 28, 2017, a Supplemental Retirement Benefit Plan for police officer members was established in accordance with Chapter 185, Florida statutes. Under this Plan, a portion of monies received from the Chapter 185 contributions is set aside to provide special benefits to eligible police officer members. Annually, Chapter 185 contributions exceeding \$876,088 are allocated 50% to a police Share Plan and 50% to reduce the unfunded actuarial liability of the Plan. In accordance with a policy adopted on July 10, 2018, police officer members who were vested with a minimum of ten years of service as of February 28, 2017 were each given a share. The Share Plan funds are allocated to all eligible police members at the end of each fiscal year and distributed to retired police officers annually on December 1. Share Plan funds are held in an account with posted earnings for the remaining active police members until retirement pay status is attained. As of September 30, 2020, the balance in the police officers' Share Plan account was \$287,189, and the manner of allocation and distribution has not yet been determined. This amount is included in the total investment balance presented on the statement of fiduciary net position.

Contributions – Contribution requirements are established and may be amended by the City in conjunction with the Broward County Police Benevolent Association and the Pompano Beach Professional Firefighters Local 1549. The contribution requirements are determined based on the benefit structure established by the City. The City is required to contribute amounts necessary to finance the benefits through periodic contributions at actuarially determined rates. Police officers are required to contribute 8.6% and firefighters 11.6% of their annual covered salary. Pursuant to chapters 175 and 185 of the Florida Statutes, a premium tax on certain property and casualty insurance contracts written on Pompano Beach properties is collected by the State and is remitted to the City for the PFRS. The City and BSO are required to contribute the remaining amounts necessary to fund the benefits through periodic contributions at actuarially determined rates. Administrative costs are funded through investment earnings.

In accordance with Florida Statutes, and in the absence of mutual consent, additional premium tax revenues in excess of a base amount are reserved 50%, to fund minimum

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benefits or benefits in excess of minimums, and 50% to fund a Share Plan. As of the October 1, 2019 actuarial valuation, the cumulative balance of additional premium tax revenues reserved to provide Share Plan benefits to firefighter members (Chapter 175 funds) totaled \$459,331 and was allocated to the members' Share Plan accounts on January 1, 2020. As of the October 1, 2019 actuarial valuation, the cumulative balance of additional premium tax revenues used to provide Share Plan benefits to police officer members (Chapter 185 funds) totaled \$201,642.

Chapter 185 premium tax funds in excess of the minimum received in 2020 totaled \$552,325 of which \$276,163 was allocated to reduce the unfunded actuarial liability of the Plan and \$201,644 was allocated to the members' Share Plan accounts on September 30, 2020.

(B) Employee Retirement System
General Employees' Retirement System

1. Summary of Significant Accounting Policies

Basis of Accounting – The GERS's financial statements are prepared using the accrual basis of accounting. Member contributions are recognized as revenues in the period in which employee contributions are due.

Use of Estimates – The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, benefit obligations and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

City and County contributions are recognized as revenues when due pursuant to actuarial valuations. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

Investments – Plan investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. (Please refer to Note (II)(A) for discussion of fair value measurements).

Purchases and sales of investments are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net (depreciation) appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

2. Plan Description

Organization – The City of Pompano Beach General Employees' Retirement System (the GERS) is a single employee defined benefit pension plan established by the City of Pompano Beach, Florida (the City), on December 8, 1972. The GERS reflects the provisions and requirements of Ordinance Section No. 34.010 through 34.040, as amended. In September 1991, the City contracted with Broward County for the operation

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of the Pompano Beach Public Library. As part of this agreement, all City employees who chose to remain in the library system became employees of Broward County. These employees were given the option of remaining in the GERS, in which case Broward County would make the required annual employer contributions as determined by the Plan actuary. In August 1999, the City also contracted with the Broward County Sheriff's Office ("BSO") whereby the BSO would provide policing services in Pompano Beach. As a result, certain code enforcement officers were employed by the BSO. Participating code enforcement officers were given the option to either remain in the Plan or switch to the BSO's retirement plan.

The GERS is administered by a seven member Board of Trustees comprised of three persons elected directly by the members, three persons who are not members appointed by the City Commission and one person elected by the other six trustees. Ordinance Section No. 34.012 provides the Board of Trustees sole and exclusive responsibility for the administration and operation of the GERS, including the authority to establish and amend benefit terms and contribution requirements.

Since the GERS is sponsored by the City, the GERS is included as a pension trust fund in the City's comprehensive annual financial report, as part of the City's financial reporting entity. The GERS issues a stand alone financial report that may be obtained by writing to the Pension Board, 555 S. Andrews Avenue, Suite 106, Pompano Beach, Florida 33069.

The following brief description of the GERS is provided for general information purposes only. Participants should refer to the Plan document for more detailed and comprehensive information.

Participants

Participants are all general employees with full-time status, elected officials and appointees and senior managers of the City of Pompano Beach who have met the requirements of the City's merit system. Members are further divided in the following two tiers:

Tier One members are those members hired prior to June 8, 2011.

Tier Two members are those members hired on or after June 8, 2011.

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Membership

At September 30, 2019, pension plan membership consisted of the following:

Inactive members or their beneficiaries currently receiving benefits	455
Inactive members entitled to but not yet receiving benefits	26
Active members	520
Total	<hr style="border-top: 1px solid black;"/> <hr style="border-top: 1px solid black;"/> 1,001

Pension Benefits

Normal retirement is at the earlier of attainment of age 55 and 20 completed years of credited service or age 62 and 3 completed years of credited service. Several benefit options are available to members that are elected at time of retirement. Early retirement, disability, death and other benefits are also provided. General employees have vested benefits after 7 years of creditable service in accordance with qualifications under the plan. Elected officials, appointees, and senior management have vested benefits after 5 years of creditable service in accordance with qualifications under the plan.

Tier One members

Normal retirement benefit is calculated using 2.75% of the Average Monthly Salary multiplied by the years of credited service. Average Monthly Salary is the average of the highest completed 78 bi-weekly pay periods times 1.0048.

Tier Two members

Normal retirement benefit is calculated using 2.00% of the Average Monthly Salary multiplied by the years of credited service. Average Monthly Salary is the average of the highest completed 130 bi-weekly pay periods times 1.0048.

Deferred Retirement Option Plan (DROP)

Any member who is eligible to receive a normal retirement pension may freeze their accrued benefits and elect to participate in a DROP while continuing their active employment. For members electing participation in the DROP, an individual DROP account shall be created. Payment shall be made by the Plan into the employee's DROP account in an amount equal to the regular monthly retirement benefit which the participant would have received had the participant separated from service and commenced receipt of pension benefits plus interest. Interest shall be at the same rate as the investment earnings assumption for the Plan. Participation in the DROP is limited to sixty months.

Cost of Living Adjustment (COLA)

Tier One members

The Plan allows for an annual guaranteed Cost of Living Adjustment (COLA) equal to two percent (2%) payable on October 1, plus an additional variable COLA equal to up to one percent (1%) if Plan earnings are sufficient (as certified by the Plan's actuary). The COLA is payable to each Retiree who has been retired for at least one year at the time of COLA

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payment (October 1). All retirees and their beneficiaries are eligible for the COLA once they have been retired for one year.

Tier Two members

The Plan allows for an annual guaranteed Cost of Living Adjustment (COLA) for eligible Retirees over the age of 55, payable to each Retiree who has been retired for five years at the time of the COLA payment (October 1). The amount is determined by the Retirees' age on October 1. The COLA amount is one percent (1%) for Retirees between the ages of 55 and 64. For Retirees age 65 and older, the COLA amount is two percent (2%). In addition, eligible Retirees may receive an additional variable COLA equal to up to one percent (1%) if Plan earnings are sufficient (as certified by the Plan's actuary).

Funding Requirements and Funding Status of Plan

Member Contributions:

Tier One members are required to contribute 10% of their earnings to the Plan. Tier Two members are required to contribute 7% of their earnings to the Plan. If a member terminates their employment before they become eligible to receive benefits, the accumulated contributions will be returned to the members plus interest at 3% per year.

City Contributions:

The City is to contribute such amounts as are necessary to maintain the actuarial soundness of the Plan and to provide the Plan with assets sufficient to meet the benefits to be paid to the participants.

County Contributions:

The County is to contribute such amounts as determined by the actuary to cover Broward Sheriff's Office employees.

Investments

The Plan contracts with investment managers who supervise and direct the investment of the assets. In addition, the Plan utilizes an investment monitor to evaluate and report on a quarterly basis, compliance by the investment managers with the investment policy of the Board and investment performance of the Plan. The investment policy statement was last amended on June 20, 2017.

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(C) Other Pension Information

1. Contribution Rates and Actual Contributions

	<u>Police and Firefighters'</u>	<u>General Employees</u>
Contributions:		
Plan members:		
General Employees	-	10.00% ⁽¹⁾
Police	8.60%	-
Fire	11.60%	-
Contributions made:		
Employer	\$ 10,943,984	\$ 10,130,579
Plan members	1,995,263	3,104,113
State	2,750,611 ⁽²⁾	-

⁽¹⁾ 7% for employees hired on or after June 8, 2011

⁽²⁾The Police and Firefighters Plan is also funded by contributions from the State of Florida under Chapters 175 (Firefighter Pensions) and 185 (Municipal Police Pensions) of Florida Statutes. This contribution consists of excise taxes collected on fire and casualty insurance premiums on policies written within the City.

Beginning in fiscal year 1998, the State, by passage of Chapters 175 and 185 of Florida Statutes, limited the allowable premium tax credit to the base amount received by the Plan in 1997 plus any fire supplemental payments received from the State subsequent to 1997. The City is allowed to take an additional credit for any improved benefits (approved by City Ordinance) provided to the firefighters resulting in additional costs to the Plan. The annual credit taken, which is equal to the sum of the 1997 base amount plus additional fire supplemental payments received and additional costs incurred from improved benefits cannot exceed the actual premium taxes received for that fiscal year. For the fiscal year ended September 30, 2020 the Plan received \$2,750,611 for the Police and Firefighters Plan. This amount is recorded as intergovernmental revenue and public safety expenditures (on behalf payments) in the City's General Fund and as operating grants and contributions and public safety expenses for governmental activities in the government-wide financial statements.

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2. Net Pension Liability

Police and Firefighters

The City's net pension liability was measured as of September 30, 2020 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of October 1, 2019. Update procedures were used to roll forward the total pension liability to the measurement date. The components of the net pension liability of the City at September 30, 2020 were as follows:

Total pension liability	\$360,679,005
Plan fiduciary net position	<u>252,596,087</u>
Net pension liability	<u>\$108,082,918</u>
Plan fiduciary net position as a percentage of the total pension liability	70.03%

General Employees

The City's net pension liability was measured as of September 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of October 1, 2018. Update procedures were used to roll forward the total pension liability to the measurement date. The components of the net pension liability of the City at September 30, 2020 were as follows:

Total pension liability	\$277,458,398
Plan fiduciary net position	<u>191,862,824</u>
Net pension liability	<u>\$ 85,595,574</u>
Plan fiduciary net position as a percentage of the total pension liability	69.15%

CITY OF POMPANO BEACH, FLORIDA
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SEPTEMBER 30, 2020

Actuarial Methods and Assumptions

Police and Firefighters

The total pension liability was determined by an actuarial valuation as of October 1, 2019 updated to September 30, 2020 using the following actuarial assumptions applied to all measurement periods:

Actuarial cost method	Entry Age Normal
Asset Method	Market Value of Assets
Interest rates:	
Discount rate	7.3%
Expected long-term rate of return	7.3%
Municipal bond rate	N/A
Inflation	2.0%
Annual salary increases, excluding inflation	0.99%-9.03%
Ad-hoc Cost of Living Increases	none

Mortality rates were based on the Florida Retirement System special risk mortality projected with scale BB generationally. Mortality rates for the disabled were based on the Florida Retirement System disabled mortality (no projection scale). The most recent study was completed in August 2019 taking into account 6 years of data experience.

The long-term expected rate of return on Plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2020 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equity	50.00%	6.39%
Fixed income	22.50%	1.62%
Real estate	7.50%	5.27%
Hedge funds and private equity	15.00%	3.80%
Short-term investments	-%	1.32%
Infrastructure	5.00%	5.69%
Cash	-%	0.88%
Total	100.00%	

CITY OF POMPANO BEACH, FLORIDA
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General Employees

The total pension liability was determined by an actuarial valuation as of October 1, 2018 updated to September 30, 2019 using the following actuarial assumptions applied to all measurement periods:

Actuarial cost method	Entry Age Normal
Amortization method	Level Dollar Closed
Remaining amortization period	1 to 30 years
Asset valuation method	5 year smoothed market
Inflation	2.50%
Salary increase	4.25 - 7.50%
Investment rate of return	7.65 percent, net of pension plan investment expense

Mortality rates were based on the RP2000 Generational for males and females.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2020 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
US Large Cap Equity	35.00%	6.19%
US Small/Mid Cap Equity	15.00%	7.37%
International Equity	10.00%	6.92%
US Direct Real Estate	15.00%	5.74%
Absolute Return	10.00%	3.93%
US Aggregate Bond	15.00%	0.84%
Total	<u>100.00%</u>	

Discount Rate:

Police and Firefighters

The discount rate used to measure the total pension liability was 7.30%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

General Employees

The discount rate used to measure the total pension liability was 7.65. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in the Net Pension Liability:

Changes in the City's net pension liability for the Police and Firefighters and General Employees Plans for the fiscal year ended September 30, 2020 is as follows:

	Police and Firefighters			General Employees		
	Total Pension Liability	Plan Fiduciary Net Position (a)	Net Pension Liability	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Beginning Balances	\$ 351,449,439	\$ 245,063,938	\$ 106,385,501	\$ 262,840,687	\$ 191,219,657	\$ 71,621,030
Changes for the year:						
Service cost	4,762,331	-	4,762,331	5,005,369	-	5,005,369
Interest	25,509,361	-	25,509,361	20,253,594	-	20,253,594
Changes of assumptions	(8,917,944)	-	(8,917,944)	4,333,704	-	4,333,704
Differences between expected and actual experience	10,857,184	-	10,857,184	1,394,230	-	1,394,230
Contributions - employer	-	10,943,984	(10,943,984)	-	9,330,496	(9,330,496)
Contributions - member	-	1,995,263	(1,995,263)	-	2,880,798	(2,880,798)
Contributions - nonemployer contributing member	-	2,750,611	(2,750,611)	-	-	-
Net investment income (loss)	-	15,361,708	(15,361,708)	-	5,374,056	(5,374,056)
Benefit payments, including refunds						
of member contributions	(22,981,366)	(22,981,366)	-	(16,084,009)	(16,084,009)	-
Refunds of contributions	-	-	-	(285,177)	(285,177)	-
Administrative expense	-	(604,803)	604,803	-	(572,997)	572,997
Other changes	-	66,752	(66,752)	-	-	-
Net changes	<u>9,229,566</u>	<u>7,532,149</u>	<u>1,697,417</u>	<u>14,617,711</u>	<u>643,167</u>	<u>13,974,544</u>
Ending Balances	<u>\$ 360,679,005</u>	<u>\$ 252,596,087</u>	<u>\$ 108,082,918</u>	<u>\$ 277,458,398</u>	<u>\$ 191,862,824</u>	<u>\$ 85,595,574</u>

The City's aggregate net pension liability for the Police and Firefighters Plan measured at September 30, 2020 and General Employees Plan measured at September 30, 2019 was \$193,678,492 for the fiscal year ended September 30, 2020.

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Sensitivity of the net pension liability to changes in the discount rate:

Police and Firefighters

The following presents the net pension liability, calculated using the discount rate of 7.30%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.30%) or 1-percentage-point higher (8.30%) than the current rate:

	1% Decrease (6.30%)	Current Discount Rate (7.30%)	1% Increase (8.30%)
City's net pension liability	\$ 145,690,771	\$ 108,082,918	\$ 76,590,459

General Employees

The following presents the net pension liability, calculated using the discount rate of 7.65%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.65%) or 1-percentage-point higher (8.65%) than the current rate:

	1% Decrease (6.65%)	Current Discount Rate (7.65%)	1% Increase (8.65%)
City's net pension liability	\$ 118,176,719	\$ 85,595,574	\$ 58,316,760

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

For the year ended September 30, 2020, the City recognized pension expense related to the pension plans as follows:

	Police and Firefighters	General Employees	Total
Pension expense	\$ 12,991,291	\$ 17,328,099	\$ 30,319,390

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

	<u>Police and Firefighters</u>		<u>General Employees</u>		<u>Total</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 7,238,123	\$ 1,149,947	\$ 4,458,655	\$ 532,239	\$ 11,696,778	\$ 1,682,186
Changes of assumptions	-	5,945,296	11,837,134	-	11,837,134	5,945,296
Net difference between projected and actual earnings on pension plan investments	4,381,499	-	1,723,498	-	6,104,997	-
Employer contributions subsequent to the measurement date	-	-	10,130,579	-	10,130,579	-
Total	<u>\$ 11,619,622</u>	<u>\$ 7,095,243</u>	<u>\$ 28,149,866</u>	<u>\$ 532,239</u>	<u>\$ 39,769,488</u>	<u>\$ 7,627,482</u>

The City reported \$10,130,579 as part of the deferred outflows of resources relating to pensions. This amount resulted from City contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the subsequent fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal year ending September 30:	<u>Police and Firefighters</u>		<u>General Employees</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
2021	\$ 3,770,258	\$ 4,122,595	\$ 6,713,875	\$ 332,650
2022	5,243,743	2,972,648	5,331,921	199,589
2023	2,122,801	-	3,465,739	-
2024	482,820	-	2,507,754	-
	<u>\$ 11,619,622</u>	<u>\$ 7,095,243</u>	<u>\$ 18,019,289</u>	<u>\$ 532,239</u>

**(D) Employee Retirement System
Defined Contribution Retirement System (Contribution Plan)**

Plan Description – The defined contribution retirement system (“DCRS”) is a defined contribution pension plan established by the City in 1996 by Ordinance 96-84. to provide benefits at retirement to certain professional and managerial employees of the City that were not part of the General Employees Retirement System (GERS). Contribution Plan provisions and contribution requirements are established and may be amended by City Commission Ordinance. In 2008 Ordinance 2008-16 provided for the inclusion of these

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same employees in the GERS plan.

The International City Management Association Retirement Corporation acts as agent for the City in administering the Contribution Plan. As a result of Ordinance 2008-16, there are no required contributions to the plan. For fiscal year 2020 employer contributions totaled \$0 and employee contributions also totaled \$0.

(E) Risk Management

The City is exposed to various risks and losses related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and group health. The City is self-insured except for commercial insurance purchased for airport liability and group health insurance, and purchases of excess commercial insurance beyond the self-insured retention for general liability, auto liability, property damage and workers' compensation and has not incurred a reduction in insurance coverage. No workers' compensation settlements exceeded the City's self-insured retention in fiscal year 2020.

There have been no settlements in excess of insurance coverage for the past three years.

All funds, except for the capital projects fund, participate in the program and make premium payments to the risk management fund based on actuarial estimates of the amounts needed to ultimately settle claims. The total estimated claims payable at September 30, 2020 reflect management's loss estimate of \$14,905,000, which includes reported claims and claims incurred but not reported (IBNR).

Changes in the fund's estimated claims payable amount in fiscal years 2020 and 2019 were:

Fiscal Year	Liability October 1	New Claims and Changes in Estimates	Claims Payments	Liability September 30
2020	\$ 11,782,000	\$ 5,266,856	\$ 2,143,856	\$ 14,905,000
2019	\$ 11,328,000	\$ 3,307,471	\$ 2,853,471	\$ 11,782,000

(F) Contingencies/Risks/Uncertainties

There are several pending claims and lawsuits in which the City is involved. The estimated liabilities related to all known pending claims have been accrued in the City's risk management fund. In the opinion of City management, the ultimate resolution of these claims will not materially exceed the amounts recorded in the financial statements.

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, might constitute a liability of the applicable funds. It is management's opinion that there are not any significant contingent liabilities relating to these grants.

The City's pension plans (PFRS and GERS-the Plans) invest in various investment

CITY OF POMPANO BEACH, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of the investment securities will occur in the near term, and those changes could materially affect the amounts reported in the statement of plan net position for each Plan. The Plans, through investment advisors, monitor plan investments and the risks associated therewith on a regular basis, which the Plans believe serve to minimize these risks.

The Plans' contributions are made and the net pension liability is reported based on certain assumptions pertaining to interest rates, inflation rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term could be material to the Plans' financial statements.

On September 10, 2017, the President issued a major disaster declaration (FEMA DR-4337) for the State of Florida as a result of Hurricane Irma. The declaration authorized public assistance and hazard mitigation grants for eligible states. The State of Florida received public assistance grant funds from the Federal Emergency Management Agency (FEMA) and is authorized to sub-grant a portion of such funds to the City of Pompano Beach pursuant to the requirements of federal and state law. As of September 30, 2020 the City has submitted \$5.5 million in claims for qualifying expenditures associated with costs incurred as a direct result of Hurricane Irma.

(G) New Accounting Pronouncements

GASB 87, Leases, was effective for financial statements for periods beginning after December 15, 2019. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The City is aware of this requirement and will assess its impact to ensure timely implementation for the fiscal year ending September 30, 2022, the new effective date.

GASB 90, Majority Equity Interests - An Amendment of GASB Statement No. 14 and No. 16, was effective for reporting periods beginning after December 15, 2018. The requirements should be applied retroactively, except for the provisions related to (1) reporting a majority equity interest in a component unit and (2) reporting a component unit if the government acquires a 100 percent equity interest. Those provisions should be applied on a prospective basis. The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. This Statement establishes that ownership of a majority equity interest in a legally separate organization results in the government being

CITY OF POMPANO BEACH, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2020

financially accountable for the legally separate organization and, therefore, the government should report that organization as a component unit. This Statement also requires that a component unit in which a government has a 100 percent equity interest account for its assets, deferred outflows of resources, liabilities, and deferred inflows of resources at acquisition value at the date the government acquired a 100 percent equity interest in the component unit. The City is aware of this requirement and will assess its impact to ensure timely implementation.

GASB Statement No. 91, Conduit Debt Obligations, is effective for reporting periods beginning after December 15, 2020. 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. This Statement also addresses arrangements—often characterized as leases—that are associated with conduit debt obligations. In those arrangements, capital assets are constructed or acquired with the proceeds of a conduit debt obligation and used by third-party obligors in the course of their activities. Payments from third-party obligors are intended to cover and coincide with debt service payments. During those arrangements, issuers retain the titles to the capital assets. Those titles may or may not pass to the obligors at the end of the arrangements. This Statement requires issuers to disclose general information about their conduit debt obligations, organized by type of commitment, including the aggregate outstanding principal amount of the issuers' conduit debt obligations and a description of each type of commitment. Issuers that recognize liabilities related to supporting the debt service of conduit debt obligations also should disclose information about the amount recognized and how the liabilities changed during the reporting period. The City is aware of this requirement and will assess its impact to ensure timely implementation.

GASB Statement No. 92, Omnibus 2020, is effective for reporting period beginning June 15, 2020. Earlier application is encouraged and is permitted. The primary objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics and includes specific provisions about the following the effective date of Statement No. 87, Leases, and Implementation Guide No. 2019-3, Leases, for interim financial reports. Reporting of intra-entity transfers of assets between a primary government employer and a component unit defined benefit pension plan or defined benefit other postemployment benefit (OPEB) plan. The applicability of Statements No. 73, Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68, as amended, and No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, as amended, to reporting assets accumulated for postemployment benefits. The City is aware of this requirement and will assess its impact to ensure timely implementation.

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**NOTES TO THE FINANCIAL STATEMENTS
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GASB Statement No. 93, Replacement of Interbank Offered Rates, is effective for reporting periods ending after December 31, 2021. All other requirements of this Statement are effective for reporting periods beginning after June 15, 2020. The primary objective of this Statement is to address those and other accounting and financial reporting implications that results from the replacement of an IBOR. This Statement achieves that objectives by providing exceptions for certain hedging derivative instruments to the hedge accounting termination provisions. Also removing LIBOR as an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap. The requirements of this Statement will enhance comparability in the application of accounting and financial reporting requirements and will improve the consistency of authoritative literature. This City is aware of this requirement and will assess its impact to ensure timely implementation.

GASB Statement No. 94, Public-Private and Public-Public Partnership and Availability Payment Arrangements, is effective for fiscal years beginning after June 15, 2022. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs.) The Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APA's). The Statement provides uniform guidance on accounting and financial reporting for transactions that meet those definitions. That uniform guidance will provide more relevant and reliable information for financial statement users and create greater consistency in practice. The City is aware of this requirement and will assess it s impact to ensure timely implementation.

GASB Statement No. 95 Postponement of the Effective Dates of Certain Authoritative Guidance, is effective immediately. The primary objective of this Statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. The objective is accomplished by postponing the effective dates of certain provisions in Statement Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later. The City is aware of the requirement and will assess whether to delay or implement Standards accordingly.

GASB Statement No. 96, Subscription-Based Information Technology Arrangements, is effective for fiscal year beginning after June 15, 2022. The primary objective of this Statement provides guidance on the accounting and financial reporting for subscriptions-based information technology (SBITA) arrangements for government end users. The Statement requires a government to disclose descriptive information about its SBITAs, such as the amount of subscription assets, accumulated amortization, other payments not included in the measurement of a subscription liability, principal and interest requirements of the subscription liability, and other essential information. The City is aware of this requirement and will assess its impact to ensure timely implementation.

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, is effective immediately. The primary objective of this Statement are to increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not

CITY OF POMPANO BEACH, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

have a governing board and the primary government performs the duties that a governing board typically would perform. It also mitigates costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefits (OPEB) plans and employee benefits plans other than pension plans or OPEB plans. It will also enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans that meet the definition of a pension plan and for benefits provided through those plans. The implementation of this pronouncement had no impact on the City's financial statements for the fiscal year ended September 30, 2020.

(H) Deficit Fund Equity

At September 30, 2020, the following funds had deficit fund equity:

	Amount
Enterprise funds	
Parking	\$ 1,867,371
Internal Service Funds	
Central Stores	\$ 11,330

Parking revenues will be increased as private parcel development around the Pier is completed, thereby generating increased parking revenue for the Parking Fund. The Beach House Restaurant opened in 2018 while Oceanic Restaurant, another major anchor to the Pompano Fishing Village opened in August 2019. It is anticipated that these two restaurants being open will increase parking revenues and reduce the deficit.

Central stores will be reduced as part of the fiscal year 2021 adopted budget by adjusting the charges currently charged to other City departments.

CITY OF POMPANO BEACH, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

(I) CARES ACT FUNDS

On March 27, 2020 the CARES Act was signed into law in response to the Novel Coronavirus Disease 2019 ("COVID-19"), in order to provide direct federal assistance to local governments with populations over 500,000. Broward County (the County) received funds to assist with the COVID-19 public health emergency for eligible expenses incurred from March 1, 2020 to December 31, 2020. The County was authorized to enter into agreements to share a portion of the funding with each city and unincorporated areas of the County. On October 23, 2020, the funding agreement between the County and the City was executed providing for reimbursement of eligible City expenditures up to \$7,584,536.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF POMPANO BEACH, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION - UNAUDITED
SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS
POLICE AND FIREFIGHTERS' RETIREMENT SYSTEM
LAST SEVEN FISCAL YEARS

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Total pension liability							
Service cost	\$ 3,645,948	\$ 3,645,948	\$ 3,703,207	\$ 4,117,315	\$ 4,342,954	\$ 4,367,560	\$ 4,762,331
Interest	21,340,649	21,555,235	21,977,143	24,421,412	25,088,027	25,340,433	25,509,361
Changes of benefit terms	-	(6,900)	-	-	-	-	-
Differences between expected and actual experience (1)	(1,213,699)	2,419,307	(983,846)	3,702,653	742,156	(3,449,843)	10,857,184
Changes of assumptions	-	-	29,606,755	-	3,537,718	-	(8,917,944)
Benefit payments, including refunds of member contributions	<u>(20,678,837)</u>	<u>(21,144,686)</u>	<u>(22,946,120)</u>	<u>(21,308,109)</u>	<u>(25,849,524)</u>	<u>(25,758,878)</u>	<u>(22,981,366)</u>
Net change in total pension liability	3,094,061	6,468,904	31,357,139	10,933,271	7,861,331	499,272	9,229,566
Total pension liability - beginning	<u>291,235,461</u>	<u>294,329,522</u>	<u>300,798,426</u>	<u>332,155,565</u>	<u>343,088,836</u>	<u>350,950,167</u>	<u>351,449,439</u>
Total pension liability - ending (a)	<u>294,329,522</u>	<u>300,798,426</u>	<u>332,155,565</u>	<u>343,088,836</u>	<u>350,950,167</u>	<u>351,449,439</u>	<u>360,679,005</u>
Plan fiduciary net position							
Contributions - employer	9,722,948	8,129,211	8,154,934	8,142,644	10,775,021	11,050,554	10,943,984
Contributions - employee	1,422,685	1,453,342	1,492,330	1,632,948	1,708,166	1,857,469	1,995,263
Contributions - nonemployer contributing member	2,219,537	2,255,095	2,273,774	2,336,040	2,501,946	2,559,937	2,750,611
Net investment income (loss)	22,149,737	(3,955,004)	16,233,979	23,717,202	19,886,454	9,533,689	15,361,708
Benefit payments, including refunds of member contributions	(20,678,837)	(21,144,686)	(22,946,120)	(21,308,109)	(25,849,524)	(25,758,878)	(22,981,366)
Administrative expenses	(581,767)	(563,224)	(604,460)	(530,291)	(626,768)	(623,074)	(604,803)
Other	17,738	43,955	10,775	75,815	18,569	92,615	66,752
Net change in plan fiduciary net position	14,272,041	(13,781,311)	4,615,212	14,066,249	8,413,864	(1,287,688)	7,532,149
Plan fiduciary net position - beginning	<u>218,765,571</u>	<u>233,037,612</u>	<u>219,256,301</u>	<u>223,871,513</u>	<u>237,937,762</u>	<u>246,351,626</u>	<u>245,063,938</u>
Plan fiduciary net position - ending (b)	<u>233,037,612</u>	<u>219,256,301</u>	<u>223,871,513</u>	<u>237,937,762</u>	<u>246,351,626</u>	<u>245,063,938</u>	<u>252,596,087</u>
City's net pension liability - ending (a) - (b)	<u>\$ 61,291,910</u>	<u>\$ 81,542,125</u>	<u>\$ 108,284,052</u>	<u>\$ 105,151,074</u>	<u>\$ 104,598,541</u>	<u>\$ 106,385,501</u>	<u>\$ 108,082,918</u>
Plan fiduciary net position as a percentage of the total pension liability	79.18%	72.89%	67.40%	69.35%	70.20%	69.73%	70.03%
Covered payroll	\$ 12,948,557	\$ 13,065,752	\$ 13,061,612	\$ 13,527,197	\$ 14,353,623	\$ 14,705,355	\$ 16,107,844
City's net pension liability as a percentage of covered payroll	473.35%	624.09%	829.03%	777.33%	728.73%	723.45%	671.00%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information for those years for which information is available will be presented.

(1) Differences between expected and actual experience for the year ending 9/30/2020 include an adjustment to reflect the liabilities associated with \$6,734,593 in allocated Share Plan balances as of 9/30/2020 (\$287,189 for the Police Share Plan and \$6,447,404 for the fire Share Plan). We consider this to be an individually significant change, according to the language of GASB 67 paragraph 32 and GASB 68 paragraph 44.

CITY OF POMPANO BEACH, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION - UNAUDITED
SCHEDULE OF CITY CONTRIBUTIONS
POLICE AND FIREFIGHTERS' RETIREMENT SYSTEM
LAST TEN FISCAL YEARS

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Actuarially determined contribution	\$ 6,085,623	\$ 5,527,605	\$ 8,121,441	\$ 9,722,948	\$ 8,129,211	\$ 8,154,934	\$ 8,142,644	\$ 10,775,021	\$ 11,050,554	\$ 10,943,984
Contributions in relation to the actuarially determined contribution	<u>6,085,623</u>	<u>5,527,605</u>	<u>8,121,441</u>	<u>9,722,948</u>	<u>8,129,211</u>	<u>8,154,934</u>	<u>8,142,644</u>	<u>10,775,021</u>	<u>11,050,554</u>	<u>10,943,984</u>
Covered payroll	\$ 15,514,029	\$ 14,432,987	\$ 13,137,295	\$ 12,948,557	\$ 13,065,752	\$ 13,061,612	\$ 13,527,197	\$ 14,353,623	\$ 14,705,355	\$ 16,107,844
Contributions as a percentage of covered payroll	39.23%	38.30%	61.82%	75.09%	62.22%	62.43%	60.19%	75.07%	75.15%	67.94%

Actuarially determined contribution rates for the year ended September 30, are calculated as of October 1, two years prior to the end of the year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Individual Entry Age Normal Cost Method
Amortization method	All new bases are to be amortized over 20 years from date established using a level dollar amortization for police and a level percentage of pay amortization, with 2.75% payroll growth, for firefighters
Amortization period	30 years
Asset valuation method	20%(5-year) Phase-In Method with a 20% asset corridor.
Interest rates	7.3% compounded annually, net of investment expenses
Annual pay increases	2.0% compounded annually for inflation plus a seniority/merit scale ranging from .99 to 9.03%
Expense and/or contingency loading	One year cost method; average of prior two years' expenses
Mortality rates:	
Healthy	Florida Retirement System special risk mortality projected with Scale BB generationally.
Disabled	Florida Retirement System disabled mortality (no projection scale)

CITY OF POMPANO BEACH, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION - UNAUDITED
SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS
GENERAL EMPLOYEES' RETIREMENT SYSTEM
LAST SIX FISCAL YEARS

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Total pension liability						
Service cost	\$ 4,002,187	\$ 3,971,996	\$ 4,065,485	\$ 4,125,985	4,718,048	5,005,369
Interest	15,228,081	15,876,511	16,453,581	17,193,735	19,113,699	20,253,594
Benefit changes	-	-	62,449	-	-	-
Difference between actual & expected experience	-	372,468	1,438,845	(1,530,189)	5,838,209	1,394,230
Assumption changes (1)	-	-	-	19,985,869	2,726,764	4,333,704
Benefit payments	10,047,279	12,286,072	12,536,330	(12,997,314)	(13,342,113)	(16,084,009)
Refunds	(362,250)	(238,755)	(198,760)	(122,787)	(224,969)	(285,177)
Net change in total pension liability	8,820,739	7,696,148	9,285,270	26,655,299	18,829,638	14,617,711
Total pension liability - beginning	91,553,593	00,374,332	08,070,480	217,355,750	244,011,049	262,840,687
Total pension liability - ending (a)	<u>00,374,332</u>	<u>08,070,480</u>	<u>17,355,750</u>	<u>244,011,049</u>	<u>262,840,687</u>	<u>277,458,398</u>
Plan fiduciary net position						
Contributions - employer	6,697,862	6,669,132	6,545,407	6,755,068	8,301,969	9,330,496
Contributions - member	2,515,665	2,562,901	2,593,355	2,617,652	2,663,296	2,880,798
Net investment income	12,478,865	(235,039)	14,289,309	21,126,562	17,035,198	5,374,056
Benefit payments	10,047,279	12,286,072	12,536,330	(12,997,314)	(13,342,113)	(16,084,009)
Refunds of contributions	(362,250)	(238,755)	(198,760)	(122,787)	(224,969)	(285,177)
Administrative expenses	(491,959)	(530,248)	(526,236)	(475,674)	(539,529)	(572,997)
Net change in plan fiduciary net position	10,790,904	(4,058,081)	10,166,745	16,903,507	13,893,852	643,167
Plan fiduciary net position - beginning	43,522,730	54,313,634	50,255,553	160,422,298	177,325,805	191,219,657
Plan fiduciary net position - ending (b)	<u>54,313,634</u>	<u>50,255,553</u>	<u>60,422,298</u>	<u>177,325,805</u>	<u>191,219,657</u>	<u>191,862,824</u>
City's net pension liability - ending (a) - (b)	<u>\$46,060,698</u>	<u>\$57,814,927</u>	<u>\$56,933,452</u>	<u>\$ 66,685,244</u>	<u>\$ 71,621,030</u>	<u>\$ 85,595,574</u>
Plan fiduciary net position as a percentage of the total pension liability	77.01%	72.21%	73.81%	72.67%	72.75%	69.15%
Covered payroll	\$26,048,410	\$27,015,680	\$27,957,210	\$ 28,647,136	\$ 31,178,459	\$ 32,795,343
City's net pension liability as a percentage of covered payroll	176.83%	214.01%	203.64%	232.78%	229.71%	261.00%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information for those years for which information is available will be presented.

(1) **Changes in Assumptions:** For fiscal year 2017 the assumption for mortality rates was changed due to a Florida legislative change which mandated that local governments utilize the State of Florida's mortality tables to measure pension liabilities. Commencing on the October 1, 2017 actuarial valuation, the assumed rate of investment return will be lowered from 7.90% to 7.50% in increments of 0.10% per year over the course of a five-year phase-in.

CITY OF POMPANO BEACH, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION - UNAUDITED
SCHEDULE OF CITY CONTRIBUTIONS
GENERAL EMPLOYEES' RETIREMENT SYSTEM
LAST TEN FISCAL YEARS

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Actuarially determined contribution	\$ 5,351,521	\$ 5,801,971	\$ 6,332,731	\$ 6,697,862	\$ 6,669,132	\$ 6,545,407	\$ 6,755,068	\$ 8,301,969	\$ 9,330,496	\$ 10,130,576
Contributions in relation to the actuarially determined contribution	<u>5,351,521</u>	<u>5,801,971</u>	<u>6,332,731</u>	<u>6,697,862</u>	<u>6,669,132</u>	<u>6,545,407</u>	<u>6,755,068</u>	<u>8,301,969</u>	<u>9,330,496</u>	<u>10,130,576</u>
Covered payroll	\$ 26,238,403	\$ 25,833,472	\$ 25,922,708	\$ 26,048,410	\$ 27,015,680	\$ 27,957,210	\$ 28,647,136	\$ 31,178,459	\$ 32,795,343	\$ 36,094,711
Contributions as a percentage of covered payroll	20.40%	22.46%	24.43%	25.71%	24.69%	23.41%	23.58%	26.63%	28.45%	28.07%

Actuarially determined contribution rates for the year ended September 30, are calculated as of October 1, two years prior to the end of the year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level of percentage payroll, closed
Amortization period	30 years
Asset valuation method	5-year smoothed market
Inflation	3.50 percent
Salary increase	4.25 - 7.50 percent, including inflation
Investment rate of return	7.80 percent, net of plan investment expense, including inflation
Mortality rates:	RP2000 Generational for males and females

CITY OF POMPANO BEACH, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION - UNAUDITED
SCHEDULE OF CHANGES IN THE CITY'S TOTAL OPEB LIABILITY AND RELATED RATIOS
LAST THREE FISCAL YEARS

	<u>2018</u>	<u>2019</u>	<u>2020</u>
Total OPEB liability			
Service cost	\$ 739,573	\$ 747,137	\$ 1,012,407
Interest	440,274	455,448	292,293
Benefit payments	(541,412)	(580,510)	(611,781)
Assumption Changes	-	65,752	(353,532)
Demographic experience	-	-	222,445
Net change in total OPEB liability	<u>638,435</u>	<u>687,827</u>	<u>561,832</u>
Total OPEB liability - beginning	11,624,145	12,262,580	12,950,407
Total OPEB liability - ending	<u>\$ 12,262,580</u>	<u>\$ 12,950,407</u>	<u>\$ 13,512,239</u>
Covered-employee payroll	\$ 45,542,532	\$ 45,542,532	\$ 52,126,434
Total OPEB liability as a percentage of covered-employee payroll	26.9%	28.4%	25.9%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information for those years for which information is available will be presented.

CITY OF POMPANO BEACH, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE (UNAUDITED) - BUDGETARY BASIS
GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual (Budgetary Basis)</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 85,717,259	\$ 85,717,259	\$ 85,498,462	\$ (218,797)
Judgments, fines and forfeitures	827,500	827,500	749,169	(78,331)
Permits, fees and special assessments	29,386,423	29,386,423	29,250,595	(135,828)
Intergovernmental	11,529,163	14,723,677	15,525,085	801,408
Charges for services	20,011,317	20,011,317	18,352,165	(1,659,152)
Pari-mutuel	2,200,000	2,200,000	1,273,349	(926,651)
Donations	33,400	33,400	18,228	(15,172)
Investment earnings	826,000	826,000	2,233,726	1,407,726
Other revenue	573,000	573,000	394,960	(178,040)
Total revenues	<u>151,104,062</u>	<u>154,298,576</u>	<u>153,295,739</u>	<u>(1,002,837)</u>
EXPENDITURES				
Current:				
General government	11,255,593	10,869,148	10,176,527	692,621
Finance	3,628,606	3,631,373	3,519,707	111,666
Development services	5,307,355	5,531,172	5,320,945	210,227
Public safety	72,232,642	76,347,076	76,217,468	129,608
Public works	23,220,262	24,233,487	24,042,816	190,671
Non departmental	10,733,643	11,696,486	10,504,742	1,191,744
Culture and recreation	12,564,295	12,633,517	11,489,752	1,143,765
Capital outlay	599,174	7,802,581	6,104,273	1,698,308
Debt Service:				
Principal	2,044,562	1,769,069	1,504,376	264,693
Interest & other charges	141,564	231,564	159,140	72,424
Total expenditures	<u>141,727,696</u>	<u>154,745,473</u>	<u>149,039,746</u>	<u>5,705,727</u>
Excess (deficiency) of revenues over (under) expenditures	<u>9,376,366</u>	<u>(446,897)</u>	<u>4,255,993</u>	<u>4,702,890</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	95,000	95,000	143,239	48,239
Proceeds from capital lease	-	3,009,051	3,034,050	24,999
Transfers in	770,342	770,342	1,217,605	447,263
Transfers out	(8,909,991)	(9,775,472)	(9,775,472)	-
Total other financing sources (uses)	<u>(8,044,649)</u>	<u>(5,901,079)</u>	<u>(5,380,578)</u>	<u>520,501</u>
Net change in fund balance	<u>\$ 1,331,717</u>	<u>\$ (6,347,976)</u>	<u>(1,124,585)</u>	<u>\$ 5,223,391</u>
FUND BALANCE - BEGINNING			<u>55,313,540</u>	
FUND BALANCE - ENDING			<u>\$ 54,188,955</u>	

The above schedule reflects certain adjustments to actual expenditures to present data on a basis comparable to the adopted budget. See notes to required supplementary information.

CITY OF POMPANO BEACH, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE (UNAUDITED) - BUDGETARY BASIS
NORTHWEST COMMUNITY REDEVELOPMENT DISTRICT FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual (Budgetary Basis)</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 10,295,865	\$ 10,295,865	\$ 10,206,599	\$ (89,266)
Intergovernmental	-	100,000	100,000	-
Charges for services	95,061	95,061	66,229	(28,832)
Investment earnings	50,000	50,000	91,823	41,823
Other revenue	20,000	20,000	92,760	72,760
Total revenues	<u>10,460,926</u>	<u>10,560,926</u>	<u>10,557,411</u>	<u>(3,515)</u>
EXPENDITURES				
Current:				
Economic environment	3,828,531	4,292,004	3,081,866	1,210,138
Capital outlay	6,792,354	14,338,625	63,434	14,275,191
Debt service:				
Principal	1,286,941	1,290,237	-	1,290,237
Interest & other charges	259,333	262,763	65,828	196,935
Total expenditures	<u>12,167,159</u>	<u>20,183,629</u>	<u>3,211,128</u>	<u>16,972,501</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,706,233)</u>	<u>(9,622,703)</u>	<u>7,346,283</u>	<u>16,968,986</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	-	-	74,475	74,475
Total other financing sources (uses)	-	-	74,475	74,475
Net change in fund balance	<u>\$ (1,706,233)</u>	<u>\$ (9,622,703)</u>	<u>7,420,758</u>	<u>\$ 17,043,461</u>
FUND BALANCE - BEGINNING			<u>45,805,764</u>	
FUND BALANCE - ENDING			<u>\$ 53,226,522</u>	

The above schedule reflects certain adjustments to actual expenditures to present data on a basis comparable to the adopted budget. See notes to required supplementary information.

CITY OF POMPANO BEACH, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE (UNAUDITED) - BUDGETARY BASIS
EAST COMMUNITY REDEVELOPMENT DISTRICT FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual (Budgetary Basis)</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 3,708,494	\$ 3,708,494	\$ 3,686,462	\$ (22,032)
Investment earnings	30,000	30,000	11,862	(18,138)
Charges for services	36,000	36,000	61,531	25,531
Donations	-	-	28,000	28,000
Total Revenues	<u>3,774,494</u>	<u>3,774,494</u>	<u>3,787,855</u>	<u>13,361</u>
EXPENDITURES				
Current:				
Economic environment	1,175,882	1,461,640	776,851	684,789
Debt service:				
Principal	765,000	765,000	765,000	-
Interest & other charges	336,255	336,255	336,255	-
Capital outlay	<u>4,200,000</u>	<u>6,731,575</u>	<u>2,042,705</u>	<u>4,688,870</u>
Total expenditures	<u>6,477,137</u>	<u>9,294,470</u>	<u>3,920,811</u>	<u>5,373,659</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,702,643)</u>	<u>(5,519,976)</u>	<u>(132,956)</u>	<u>5,387,020</u>
Transfers out	-	(450,000)	(450,000)	-
Total other financing sources (uses)	-	(450,000)	(450,000)	-
Net Change in Fund Balance	<u>\$ (2,702,643)</u>	<u>\$ (5,969,976)</u>	<u>(582,956)</u>	<u>\$ 5,387,020</u>
FUND BALANCE - BEGINNING			<u>9,212,450</u>	
FUND BALANCE - ENDING			<u>\$ 8,629,494</u>	

The above schedule reflects certain adjustments to actual expenditures to present data on a basis comparable to the adopted budget. See notes to required supplementary information.

CITY OF POMPANO BEACH, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE (UNAUDITED) - BUDGETARY BASIS
EMERGENCY MEDICAL SERVICES DISTRICT FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual (Budgetary Basis)</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 6,584,920	\$ 6,584,920	\$ 6,521,710	\$ (63,210)
Intergovernmental	483,664	885,482	573,303	(312,179)
Charges for services	3,500,000	3,500,000	3,290,336	(209,664)
Investment earnings	48,757	48,757	170,953	122,196
Total revenues	<u>10,617,341</u>	<u>11,019,159</u>	<u>10,556,302</u>	<u>(462,857)</u>
EXPENDITURES				
Current:				
Public safety	18,506,993	18,471,592	18,182,758	288,834
Capital outlay	-	404,791	325,704	79,087
Total expenditures	<u>18,506,993</u>	<u>18,876,383</u>	<u>18,508,462</u>	<u>367,921</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(7,889,652)</u>	<u>(7,857,224)</u>	<u>(7,952,160)</u>	<u>(94,936)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	8,089,991	8,089,991	8,089,991	-
Total other financing sources (uses)	<u>8,089,991</u>	<u>8,089,991</u>	<u>8,089,991</u>	<u>-</u>
Net change in fund balance	<u>\$ 200,339</u>	<u>\$ 232,767</u>	<u>137,831</u>	<u>\$ (94,936)</u>
FUND BALANCE - BEGINNING			<u>1,806,061</u>	
FUND BALANCE - ENDING			<u>\$ 1,943,892</u>	

The above schedule reflects certain adjustments to actual expenditures to present data on a basis comparable to the adopted budget. See notes to required supplementary information.

CITY OF POMPANO BEACH, FLORIDA

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
(Unaudited)**

SEPTEMBER 30, 2020

Budgetary Information

The City Commission adopted these procedures to establish the budgetary data reflected in the financial statements.

Prior to July 10, the City Manager submits to the City Commission a proposed operating budget for the fiscal year commencing October 1. The operating budget includes proposed expenditures and the means of financing them.

The City Commission holds public workshops on the proposed budget. In September, formal public hearings are conducted to obtain taxpayers' comments. Prior to October 1, the budget is legally adopted.

Expenditures may not exceed the budget and are controlled at the departmental level. The City Manager can approve budget transfers within operating departments and divisions of the same fund. Individual transfers exceeding \$10,000 are reported to the City Commission on a quarterly basis. Unencumbered balances of appropriations lapse at year end. Purchase orders outstanding at year end are carried forward.

Budgets have been legally adopted for all governmental and proprietary fund types except for the Special Purpose, Law Enforcement Trust, CARES Act, Affordable Housing Trust, Cultural Arts Foundation, Capital Projects fund and the Capital Project 2018 GO Bonds fund. Budgets are adopted for capital outlay expenditures on a project basis. Presentation of this information on an annual basis is not considered meaningful.

Budgets have been adopted on a basis consistent with accounting principles generally accepted in the United States of America, except for the inclusion of encumbrances as the equivalent of expenditures. Budgets for the general fund and major special revenue funds are disclosed as part of required supplementary information. The reported budgetary data represents the final approved budget after amendments adopted by the City Commission.

The City does not budget for revenue and expenditures related to State contributions to the Police and Firefighters Retirement Plan (the Plan), recorded in the General Fund, as these payments are on behalf of the City and are received by the Plan directly.

CITY OF POMPANO BEACH, FLORIDA

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
(Unaudited)**

SEPTEMBER 30, 2020

Adjustments necessary to convert the general fund and the major special revenue fund results of operations and change in fund balances at September 30, 2020 from the accounting principles generally accepted in the United States of America basis of accounting to the budget basis are as follows:

	<u>Revenues/ Other Financing Sources</u>	<u>Expenditures/ Other Financing Uses</u>	<u>Change in Fund Balances</u>
<u>General Fund</u>			
GAAP Basis	\$ 157,690,633	\$ 155,302,626	\$ 2,388,007
Encumbrances	-	3,512,592	(3,512,592)
Budgetary Basis	<u>\$ 157,690,633</u>	<u>\$ 158,815,218</u>	<u>\$ (1,124,585)</u>
<u>Northwest Community Redevelopment District</u>			
GAAP Basis	\$ 10,631,886	\$ 2,461,216	\$ 8,170,670
Encumbrances	-	749,912	(749,912)
Budgetary Basis	<u>\$ 10,631,886</u>	<u>\$ 3,211,128</u>	<u>\$ 7,420,758</u>
<u>East Community Redevelopment District</u>			
GAAP Basis	\$ 3,787,855	\$ 3,398,546	\$ 389,309
Encumbrances	-	972,265	(972,265)
Budgetary Basis	<u>\$ 3,787,855</u>	<u>\$ 4,370,811</u>	<u>\$ (582,956)</u>
<u>EMS</u>			
GAAP Basis	\$ 18,646,293	\$ 18,219,126	\$ 427,167
Encumbrances	-	289,336	(289,336)
Budgetary Basis	<u>\$ 18,646,293</u>	<u>\$ 18,508,462</u>	<u>\$ 137,831</u>

Excess of Expenditures Over Appropriations

For the year ended September 30, 2020, expenditures did not exceed appropriations in any governmental fund departments (the legal level of budgetary control).

**COMBINING AND INDIVIDUAL FUND
STATEMENTS**

NONMAJOR GOVERNMENTAL FUNDS

Building Permit Fund - accounts for specific revenues that are restricted to particular purposes per Florida Statute, such as costs incurred to enforce the Florida Building Code.

Special Purpose Fund - accounts for specific revenues that are restricted to particular purposes per City Ordinance, such as tree canopy landscaping, beach area master parking, nautical flea market, disaster recovery, emergency medical service, tri-centennial celebration and building certification/education maintenance.

Law Enforcement Trust Fund (LETF) Fund - accounts for confiscated monies and property awarded to the City for law enforcement related expenditures in accordance with Florida Statutes and Federal guidelines.

SHIP Fund - accounts for the activities of the State Housing Initiative Partnership Grant Program.

CARES Act Fund - accounts for the activities of the Federal Coronavirus Aid, Relief, and Economic Security Act program

Other Grants Fund - accounts for federal, state and local government program grants and other restricted sources.

Affordable Housing Fund - accounts for various fees and contributions for the preservation of the existing affordable housing neighborhoods.

Cultural Arts Foundation Fund - accounts for gifts and contributions to provide for the promotion of diverse cultural arts in the City.

Cemetery Perpetual Care Fund - accounts for the proceeds from the sale of certain cemetery plots and certain service charges. Capital improvements expenditures are not allowed.

2018 G.O. Bonds - accounts for property taxes collected for the repayment of principal and interest on the City's 2018 Series general obligation bonds.

CITY OF POMPANO BEACH, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2020

Special Revenue Funds

	Building Permit	Special Purpose	LETF	SHIP	CARES Act
ASSETS					
Cash and cash equivalents	\$ 3,049,294	\$ 236,634	\$ 198,381	\$ 254,626	\$ 290,973
Restricted cash and cash equivalents	-	-	-	-	-
Restricted investments	-	154,920	-	-	-
Unrestricted investments	14,244,381	950,484	926,709	-	-
Interest receivable	53,418	-	5,156	-	-
Accounts receivables, net	-	-	-	-	-
Assets held for resale and redevelopment	-	-	-	-	-
Due from other governments	-	104,700	6,373	-	-
Prepays	15,266	-	-	-	-
Other assets	-	-	-	-	-
Total assets	<u>\$ 17,362,359</u>	<u>\$ 1,446,738</u>	<u>\$ 1,136,619</u>	<u>\$ 254,626</u>	<u>\$ 290,973</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 47,083	\$ 75,215	\$ -	\$ 27	\$ 2,360
Accrued expenditures	272,690	-	-	-	10,958
Due to other funds	-	-	-	-	-
Unearned revenue	-	-	1,136,619	254,599	277,655
Deposits	-	-	-	-	-
Total liabilities	<u>319,773</u>	<u>75,215</u>	<u>1,136,619</u>	<u>254,626</u>	<u>290,973</u>
Deferred inflows of resources:					
Unavailable revenue	-	-	-	-	-
Fund balances:					
Nonspendable	15,266	-	-	-	-
Restricted	17,027,320	154,920	-	-	-
Committed	-	1,216,603	-	-	-
Total fund balances	<u>17,042,586</u>	<u>1,371,523</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 17,362,359</u>	<u>\$ 1,446,738</u>	<u>\$ 1,136,619</u>	<u>\$ 254,626</u>	<u>\$ 290,973</u>

Special Revenue Funds

<u>Other Grants</u>	<u>Affordable Housing</u>	<u>Cultural Arts Foundation</u>	<u>Cemetery</u>	<u>2018 G.O. Bonds</u>	<u>Total Non-major Governmental Funds</u>
\$ 2,042,386	\$ 393,323	\$ 482	\$ 184,562	\$ -	\$ 6,650,661
-	-	-	-	12,644	12,644
-	-	-	-	59,063	213,983
-	-	-	862,155	-	16,983,729
-	-	-	-	-	58,574
-	225,831	-	-	-	225,831
312,019	1,841,791	-	-	-	2,153,810
2,176,331	-	-	-	1,028	2,288,432
-	-	-	-	-	15,266
8,474	-	-	-	-	8,474
<u>\$ 4,539,210</u>	<u>\$ 2,460,945</u>	<u>\$ 482</u>	<u>\$ 1,046,717</u>	<u>\$ 72,735</u>	<u>\$ 28,611,404</u>
\$ 196,065	\$ 553,706	\$ -	\$ -	\$ 1	\$ 874,457
13,485	-	-	-	-	297,133
1,270,272	-	-	-	-	1,270,272
-	-	-	-	-	1,668,873
434	-	-	-	-	434
<u>1,480,256</u>	<u>553,706</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>4,111,169</u>
<u>1,377,195</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,377,195</u>
-	-	-	-	-	15,266
1,681,759	-	482	-	72,734	18,937,215
-	1,907,239	-	1,046,717	-	4,170,559
<u>1,681,759</u>	<u>1,907,239</u>	<u>482</u>	<u>1,046,717</u>	<u>72,734</u>	<u>23,123,040</u>
<u>\$ 4,539,210</u>	<u>\$ 2,460,945</u>	<u>\$ 482</u>	<u>\$ 1,046,717</u>	<u>\$ 72,735</u>	<u>\$ 28,611,404</u>

CITY OF POMPANO BEACH, FLORIDA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

	Special Revenue Funds				
	Building Permit	Special Purpose	LETF	SHIP	CARES Act
REVENUES					
Taxes	\$ -	\$ 128,567	\$ -	\$ -	\$ -
Permits, fees and special assessments	10,502,545	-	-	-	-
Intergovernmental	-	332,755	520,021	306,401	157,345
Charges for services	-	315,211	-	-	-
Donations	-	319	-	-	-
Program income	-	-	-	89,666	-
Investment earnings	628,596	13,847	59,345	839	122
Other revenue	-	-	-	-	-
Total revenues	<u>11,131,141</u>	<u>790,699</u>	<u>579,366</u>	<u>396,906</u>	<u>157,467</u>
EXPENDITURES					
Current:					
Public safety	10,002,195	-	575	-	-
Transportation	-	340,331	-	-	-
Economic environment	-	-	-	396,906	157,467
Culture and recreation	-	127,181	-	-	-
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital outlay	348,417	-	32,116	-	-
Total expenditures	<u>10,350,612</u>	<u>467,512</u>	<u>32,691</u>	<u>396,906</u>	<u>157,467</u>
Excess (deficiency) of revenues over (under) expenditures	<u>780,529</u>	<u>323,187</u>	<u>546,675</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)					
Transfers out	-	(75,000)	(546,675)	-	-
Total other financing sources (uses)	<u>-</u>	<u>(75,000)</u>	<u>(546,675)</u>	<u>-</u>	<u>-</u>
Net change in fund balances (deficit)	780,529	248,187	-	-	-
Fund balances - beginning	16,262,057	1,123,336	-	-	-
Fund balances - ending	<u>\$ 17,042,586</u>	<u>\$ 1,371,523</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Special Revenue Funds

<u>Other Grants</u>	<u>Affordable Housing</u>	<u>Cultural Arts Foundation</u>	<u>Cemetary</u>	<u>2018 G.O. Bonds</u>	<u>Total Non-major Governmental Funds</u>
\$ -	\$ -	\$ -	\$ -	\$ 5,809,018	\$ 5,937,585
-	-	-	-	-	10,502,545
5,765,181	-	-	-	-	7,081,703
-	-	-	5,290	-	320,501
-	-	-	-	-	319
292,865	500,053	-	-	-	882,584
14,677	(4,441)	10	-	3,200	716,195
720	-	-	-	-	720
<u>6,073,443</u>	<u>495,612</u>	<u>10</u>	<u>5,290</u>	<u>5,812,218</u>	<u>25,442,152</u>
-	-	-	-	-	10,002,770
-	-	-	-	-	340,331
3,212,609	694,951	-	-	-	4,461,933
475	-	-	-	-	127,656
160,000	-	-	-	1,670,000	1,830,000
-	-	-	-	4,108,850	4,108,850
706,317	-	-	155,050	-	1,241,900
<u>4,079,401</u>	<u>694,951</u>	<u>-</u>	<u>155,050</u>	<u>5,778,850</u>	<u>22,113,440</u>
<u>1,994,042</u>	<u>(199,339)</u>	<u>10</u>	<u>(149,760)</u>	<u>33,368</u>	<u>3,328,712</u>
<u>(200,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(821,675)</u>
<u>(200,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(821,675)</u>
1,794,042	(199,339)	10	(149,760)	33,368	2,507,037
(112,283)	2,106,578	472	1,196,477	39,366	20,616,003
<u>\$ 1,681,759</u>	<u>\$ 1,907,239</u>	<u>\$ 482</u>	<u>\$ 1,046,717</u>	<u>\$ 72,734</u>	<u>\$ 23,123,040</u>

CITY OF POMPANO BEACH, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 BUILDING PERMIT FUND - NONMAJOR
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual (Budgetary Basis)</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Permits, fees and special assessments	\$ 8,846,000	\$ 8,846,000	\$ 10,502,545	\$ 1,656,545
Investment earnings	45,587	45,587	628,596	583,009
Total Revenues	<u>8,891,587</u>	<u>8,891,587</u>	<u>11,131,141</u>	<u>2,239,554</u>
EXPENDITURES				
Current:				
Development services	11,230,661	11,439,984	10,133,733	1,306,251
Capital outlay	264,264	464,521	348,713	115,808
Total expenditures	<u>11,494,925</u>	<u>11,904,505</u>	<u>10,482,446</u>	<u>1,422,059</u>
Excess (deficiency) of revenues over (under) expenditures	\$ (2,603,338)	\$ (3,012,918)	648,695	\$ 3,661,613
Net change in fund balance	<u>\$ (2,603,338)</u>	<u>\$ (3,012,918)</u>	<u>648,695</u>	<u>\$ 3,661,613</u>
FUND BALANCE - BEGINNING			<u>16,262,057</u>	
FUND BALANCE - ENDING			<u>\$ 16,910,752</u>	

The above schedule reflects certain adjustments to actual expenditures to present data on a basis comparable to the adopted budget. See notes to required supplementary information.

CITY OF POMPANO BEACH, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SHIP FUND - NONMAJOR
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ -	\$ 149,977	\$ 306,401	\$ 156,424
Program income	-	89,666	90,505	839
Total revenues	-	239,643	396,906	157,263
EXPENDITURES				
Current:				
Economic environment	-	613,743	396,906	216,837
Total expenditures	-	613,743	396,906	216,837
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ (374,100)	-	\$ 374,100
FUND BALANCE - BEGINNING			-	
FUND BALANCE - ENDING			\$ -	

CITY OF POMPANO BEACH, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 OTHER GRANTS FUND - NONMAJOR
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual (Budgetary Basis)</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 1,409,774	\$ 4,668,955	\$ 5,765,181	\$ 1,096,226
Program Income	-	292,865	292,865	-
Investment earnings	-	11,110	14,677	3,567
Other revenue	-	720	720	-
Total Revenues	<u>1,409,774</u>	<u>4,973,650</u>	<u>6,073,443</u>	<u>1,099,793</u>
EXPENDITURES				
Current:				
Economic environment	1,409,774	5,224,799	2,808,939	2,415,860
Public safety	-	1,405,877	1,405,877	-
Debt service				
Principal	-	2,001	-	2,001
Interest & other charges	-	6,880	6,728	152
Capital outlay	-	952,006	947,531	4,475
Total expenditures	<u>1,409,774</u>	<u>7,591,563</u>	<u>5,169,075</u>	<u>2,422,488</u>
Excess of revenues over (under) expenditures	-	<u>(2,617,913)</u>	<u>904,368</u>	<u>\$ 3,522,281</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	-	(200,000)	(200,000)	-
Total other financing sources (uses)	-	<u>(200,000)</u>	<u>(200,000)</u>	<u>-</u>
Net change in fund balance	<u>\$</u>	<u>\$ (2,817,913)</u>	<u>704,368</u>	<u>\$ 3,522,281</u>
FUND BALANCE - BEGINNING			<u>(112,283)</u>	
FUND BALANCE - ENDING			<u>\$ 592,085</u>	

The above schedule reflects certain adjustments to actual expenditures to present data on a basis comparable to the adopted budget. See notes to required supplementary information.

CITY OF POMPANO BEACH, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 CEMETERY FUND - NONMAJOR
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services	\$ -	\$ -	\$ 5,290	\$ 5,290
Total revenues	-	-	5,290	5,290
EXPENDITURES				
Current:				
Capital outlay	-	246,956	155,050	91,906
Total expenditures	-	246,956	155,050	91,906
Excess of revenues over (under) expenditures	-	\$ (246,956)	(149,760)	97,196
Net change in fund balance	-	(246,956)	(151,760)	97,196
FUND BALANCE - BEGINNING			1,196,477	
FUND BALANCE - ENDING			\$ 1,044,717	

CITY OF POMPANO BEACH, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

2018 G.O BONDS FUND - NONMAJOR

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 5,779,106	\$ 5,779,106	\$ 5,809,018	\$ 29,912
Investment earnings	-	-	3,200	3,200
Total Revenues	<u>5,779,106</u>	<u>5,779,106</u>	<u>5,812,218</u>	<u>33,112</u>
EXPENDITURES				
Debt service:				
Principal	1,670,000	1,670,000	1,670,000	-
Interest & other charges	<u>4,108,850</u>	<u>4,108,850</u>	<u>4,108,850</u>	<u>-</u>
Total expenditures	<u>5,778,850</u>	<u>5,778,850</u>	<u>5,778,850</u>	<u>-</u>
Excess of revenues over (under) expenditures	<u>256</u>	<u>256</u>	<u>33,368</u>	<u>33,112</u>
Net change in fund balances	\$ <u>256</u>	\$ <u>256</u>	33,368	\$ <u>33,112</u>
FUND BALANCE - BEGINNING			<u>39,366</u>	
FUND BALANCE - ENDING			<u>\$ 72,734</u>	

NONMAJOR ENTERPRISE FUNDS

Pier Fund - accounts for the operation and maintenance of the City's pier. Effective October 1, 2019 the activities of the Pier are accounted for in the General Fund.

Airpark Fund - accounts for administration, operation, and maintenance of the City's airpark.

Sanitation Fund - accounts for the provision of solid waste disposal services to City residents.

CITY OF POMPANO BEACH, FLORIDA
COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
SEPTEMBER 30, 2020

	<u>Pier</u>	<u>Airpark</u>	<u>Sanitation</u>	<u>Total</u>
ASSETS				
Current Assets				
Cash and cash equivalents	\$ -	\$ 103,405	\$ 208,602	\$ 312,007
Interest receivable	-	1,908	1,753	3,661
Accounts receivables, net	-	-	1,751,969	1,751,969
Due from other governments	-	171,171	233,003	404,174
Total current assets	<u>-</u>	<u>276,484</u>	<u>2,195,327</u>	<u>2,471,811</u>
Noncurrent Assets				
Unrestricted investments	-	483,042	974,458	1,457,500
Capital assets:				
Land	-	934	-	934
Construction in progress	-	121,195	-	121,195
Buildings	-	1,656,670	-	1,656,670
Infrastructure	-	4,222,359	-	4,222,359
Improvements	-	22,051,027	-	22,051,027
Machinery and equipment	-	672,776	1,144,856	1,817,632
Less accumulated depreciation	<u>-</u>	<u>(14,036,957)</u>	<u>(554,102)</u>	<u>(14,591,059)</u>
Total capital assets (net of accumulated depreciation)	<u>-</u>	<u>14,688,004</u>	<u>590,754</u>	<u>15,278,758</u>
Total noncurrent assets	<u>-</u>	<u>15,171,046</u>	<u>1,565,212</u>	<u>16,736,258</u>
Total assets	<u>-</u>	<u>15,447,530</u>	<u>3,760,539</u>	<u>19,208,069</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows related to pensions	-	258,702	746,596	1,005,298
Deferred outflows related to OPEB	<u>-</u>	<u>1,484</u>	<u>5,719</u>	<u>7,203</u>
Total deferred outflows of resources	<u>-</u>	<u>260,186</u>	<u>752,315</u>	<u>1,012,501</u>
LIABILITIES				
Current liabilities:				
Accounts payable	-	64,344	873,638	937,982
Accrued expenses	-	27,504	100,309	127,813
Compensated absences	-	-	9,857	9,857
Capital lease payable	<u>-</u>	<u>-</u>	<u>102,638</u>	<u>102,638</u>
Total current liabilities	<u>-</u>	<u>91,848</u>	<u>1,086,442</u>	<u>1,178,290</u>
Noncurrent liabilities:				
Compensated absences	-	89,669	210,617	300,286
Total OPEB liability	-	82,694	347,316	430,010
Capital lease payable	-	-	345,845	345,845
Net pension liability	<u>-</u>	<u>794,685</u>	<u>2,414,098</u>	<u>3,208,783</u>
Total noncurrent liabilities	<u>-</u>	<u>967,048</u>	<u>3,317,876</u>	<u>4,284,924</u>
Total liabilities	<u>-</u>	<u>1,058,896</u>	<u>4,404,318</u>	<u>5,463,214</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to pensions	-	4,551	5,191	9,742
Deferred inflows related to OPEB	<u>-</u>	<u>1,940</u>	<u>8,147</u>	<u>10,087</u>
Total deferred inflows of resources	<u>-</u>	<u>6,491</u>	<u>13,338</u>	<u>19,829</u>
NET POSITION				
Net investment in capital assets	-	14,688,004	142,271	14,830,275
Unrestricted	<u>-</u>	<u>(45,675)</u>	<u>(47,073)</u>	<u>(92,748)</u>
Total net position	<u>\$ -</u>	<u>\$ 14,642,329</u>	<u>\$ 95,198</u>	<u>\$ 14,737,527</u>

CITY OF POMPANO BEACH, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
NONMAJOR ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	<u>Pier</u>	<u>Airpark</u>	<u>Sanitation</u>	<u>Total</u>
OPERATING REVENUES				
Charges for services	\$ -	\$ 1,325,267	\$ 8,611,428	\$ 9,936,695
Miscellaneous	-	-	64,433	64,433
Total operating revenues	<u>-</u>	<u>1,325,267</u>	<u>8,675,861</u>	<u>10,001,128</u>
OPERATING EXPENSES				
Personnel services	-	659,890	1,826,875	2,486,765
Other current expenses	-	762,870	7,048,623	7,811,493
Depreciation	-	1,393,183	187,314	1,580,497
Total operating expenses	<u>-</u>	<u>2,815,943</u>	<u>9,062,812</u>	<u>11,878,755</u>
Operating income (loss)	<u>-</u>	<u>(1,490,676)</u>	<u>(386,951)</u>	<u>(1,877,627)</u>
NONOPERATING REVENUES (EXPENSES)				
Investment earnings	-	17,578	25,564	43,142
Interest expense	-	-	(7,694)	(7,694)
Operating grants and contributions	-	115,174	-	115,174
Gain or (loss) from disposition of capital assets	-	5,291	-	5,291
Assets and liabilities transferred to governmental activities	<u>(14,169,782)</u>	<u>-</u>	<u>-</u>	<u>(14,169,782)</u>
Total nonoperating revenues (expenses)	<u>(14,169,782)</u>	<u>138,043</u>	<u>17,870</u>	<u>(14,013,869)</u>
Income (loss) before contributions and transfers	<u>(14,169,782)</u>	<u>(1,352,633)</u>	<u>(369,081)</u>	<u>(15,891,496)</u>
Capital grants and contributions	-	69,850	-	69,850
Transfers in	-	19,145	-	19,145
Change in net position	<u>(14,169,782)</u>	<u>(1,263,638)</u>	<u>(369,081)</u>	<u>(15,802,501)</u>
Total net position - beginning	<u>14,169,782</u>	<u>15,905,967</u>	<u>464,279</u>	<u>30,540,028</u>
Total net position - ending	<u>\$ -</u>	<u>\$ 14,642,329</u>	<u>\$ 95,198</u>	<u>\$ 14,737,527</u>

CITY OF POMPANO BEACH, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	Pier	Airpark	Sanitation	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ -	\$ 2,083,312	\$ 8,644,013	\$ 10,727,325
Payments to suppliers/Insurer	-	(895,187)	(6,755,226)	(7,650,413)
Payments to employees	-	(539,357)	(1,901,426)	(2,440,783)
Net cash provided (used) by operating activities	<u>-</u>	<u>648,768</u>	<u>(12,639)</u>	<u>636,129</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers to other funds	(174,394)	-	-	(174,394)
Transfers from other funds	-	19,145	-	19,145
Advances from (to) other funds	-	(50,000)	-	(50,000)
Net cash provided (used) by noncapital financing activities	<u>(174,394)</u>	<u>(30,855)</u>	<u>-</u>	<u>(205,249)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and construction of capital assets	-	(252,066)	(304,229)	(556,295)
Operating grants and contributions	-	115,174	-	115,174
Capital grants and contributions	-	69,850	-	69,850
Proceeds from capital debt	-	-	225,000	225,000
Proceeds from the sale of surplus materials/capital assets	-	5,291	-	5,291
Principal paid on capital lease	-	-	(81,495)	(81,495)
Interest paid on bonds/notes	-	-	(7,694)	(7,694)
Net cash provided (used) by capital and related financing activities	<u>-</u>	<u>(61,751)</u>	<u>(168,418)</u>	<u>(230,169)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of investments	-	(470,859)	139,367	(331,492)
Interest earnings	-	15,670	27,951	43,621
Net cash provided (used) by investing activities	<u>-</u>	<u>(455,189)</u>	<u>167,318</u>	<u>(287,871)</u>
Net increase (decrease) in cash and cash equivalents	<u>(174,394)</u>	<u>100,973</u>	<u>(13,739)</u>	<u>(87,160)</u>
Cash and cash equivalents beginning of the year	174,394	2,432	222,341	399,167
Cash and cash equivalents at end of the year	<u>\$ -</u>	<u>\$ 103,405</u>	<u>\$ 208,602</u>	<u>\$ 312,007</u>
Non-cash transactions (investing activities):				
Change in fair value of investments	<u>\$ -</u>	<u>\$ 5,825</u>	<u>\$ 5,353</u>	<u>\$ 11,178</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income(loss)	\$ -	\$ (1,490,676)	\$ (386,951)	\$ (1,877,627)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation and amortization expense	-	1,393,183	187,314	1,580,497
Changes in assets and liabilities:				
(Increase decrease in assets):				
Accounts receivable	-	-	(56,555)	(56,555)
Due from other governments	-	758,045	24,707	782,752
Deferred outflows and inflows pensions	-	(13,877)	(164,207)	(178,084)
Increase (decrease) in liabilities				
Deferred outflows and inflows related to OPEB	-	(53,135)	(115,249)	(168,384)
Accounts and other payables	-	(147,031)	99,039	(47,992)
Accrued expenses	-	5,922	25,660	31,582
Net pension liability	-	166,010	141,834	307,844
Other post employment benefits (OPEB)	-	14,714	194,358	209,072
Compensated absences	-	15,613	37,411	53,024
Net cash provided (used) by operating activities:	<u>\$ -</u>	<u>\$ 648,768</u>	<u>\$ (12,639)</u>	<u>\$ 636,129</u>

Noncash Investing, Capital, and Financing Activities:

The Pier Fund was closed on 10/1/2019 and its capital assets and deferred outflows were transferred in the amounts of \$13,719,561 and \$2,957 respectively.

INTERNAL SERVICE FUNDS

Central Stores Fund - accounts for the costs of providing a central inventory to other departments. The other departments are charged for inventory plus a fee to cover overhead.

Information Technology Fund - accounts for the costs of providing information processing services to other City departments. The other departments are charged a direct fee for the initial purchase of equipment and a usage fee to cover operating costs of the fund.

Central Services Fund - accounts for the costs of providing goods and services, primarily printing and duplicating, to other City departments. The other departments are billed based on their historical frequency of use.

Risk Management Fund (Health) - accounts for the City's share of health insurance premiums. Other funds are billed to cover actual costs of premiums and claims.

Risk Management Fund (General) - accounts for the costs of insuring the City for property damage, general liability, auto liability, and worker's compensation. Other funds are billed to cover actual costs of premiums and claims.

Vehicle Services Fund - accounts for the costs of operating a maintenance facility for City vehicles. Other City departments are billed to cover operating costs, fuel consumption, and vehicle repairs.

CITY OF POMPANO BEACH, FLORIDA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2020

	<u>Central Stores</u>	<u>Information Technology</u>	<u>Central Services</u>
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 36,772	\$ 146,503	\$ 104,007
Interest receivable	(1,805)	2,630	2,011
Due from other governments	-	-	-
Inventories	832,980	-	30,367
Total current assets:	<u>867,947</u>	<u>149,133</u>	<u>136,385</u>
Noncurrent assets			
Investments	-	684,370	485,853
Capital assets:			
Buildings	247,163	-	7,373
Improvements	-	-	-
Machinery and equipment	82,914	5,533,398	121,630
Less accumulated depreciation	<u>(312,501)</u>	<u>(4,506,478)</u>	<u>(85,072)</u>
Total capital assets (net of accumulated depreciation)	<u>17,576</u>	<u>1,026,920</u>	<u>43,931</u>
Total noncurrent assets	<u>17,576</u>	<u>1,711,290</u>	<u>529,784</u>
Total assets	<u>885,523</u>	<u>1,860,423</u>	<u>666,169</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to OPEB	<u>865</u>	<u>3,588</u>	<u>2,236</u>
LIABILITIES			
Current liabilities:			
Accounts payable	135,042	22,646	29,216
Accrued expenses	18,686	68,480	36,650
Due to other funds	627,141	-	-
Claims and judgments	-	-	-
Compensated absences	-	-	-
Total current liabilities:	<u>780,869</u>	<u>91,126</u>	<u>65,866</u>
Noncurrent liabilities			
Compensated absences	66,068	285,227	106,022
Total OPEB liability	49,617	198,466	115,772
Claims and judgments	-	-	-
Total noncurrent liabilities	<u>115,685</u>	<u>483,693</u>	<u>221,794</u>
Total liabilities	<u>896,554</u>	<u>574,819</u>	<u>287,660</u>
Deferred inflows related to OPEB	<u>1,164</u>	<u>4,655</u>	<u>2,716</u>
NET POSITION			
Net investment in capital assets	17,576	1,026,920	43,931
Unrestricted	<u>(28,906)</u>	<u>257,617</u>	<u>334,098</u>
Total net position	<u>\$ (11,330)</u>	<u>\$ 1,284,537</u>	<u>\$ 378,029</u>

<u>Risk Management Health</u>	<u>Risk Management General</u>	<u>Vehicle Services</u>	<u>Total</u>
\$ 921,785	\$ 3,062,440	\$ 140,928	\$ 4,412,435
16,603	53,768	2,475	75,682
-	-	9,418	9,418
-	-	90,889	954,236
<u>938,388</u>	<u>3,116,208</u>	<u>243,710</u>	<u>5,451,771</u>
4,305,999	14,305,789	658,328	20,440,339
-	-	-	254,536
-	-	423,838	423,838
-	11,250	900,805	6,649,997
-	(7,519)	(1,092,725)	(6,004,295)
-	3,731	231,918	1,324,076
<u>4,305,999</u>	<u>14,309,520</u>	<u>890,246</u>	<u>21,764,415</u>
<u>5,244,387</u>	<u>17,425,728</u>	<u>1,133,956</u>	<u>27,216,186</u>
-	1,484	3,034	11,207
40,333	33,499	26,899	287,635
-	18,434	49,973	192,223
-	-	-	627,141
-	2,604,210	-	2,604,210
-	1,046	-	1,046
<u>40,333</u>	<u>2,657,189</u>	<u>76,872</u>	<u>3,712,255</u>
-	51,092	133,882	642,291
-	82,694	165,388	611,937
-	12,300,790	-	12,300,790
-	12,434,576	299,270	13,555,018
<u>40,333</u>	<u>15,091,765</u>	<u>376,142</u>	<u>17,267,273</u>
-	1,940	3,879	14,354
-	3,731	231,918	1,324,076
<u>5,204,054</u>	<u>2,329,776</u>	<u>525,051</u>	<u>8,621,690</u>
<u>\$ 5,204,054</u>	<u>\$ 2,333,507</u>	<u>\$ 756,969</u>	<u>\$ 9,945,766</u>

CITY OF POMPANO BEACH, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	<u>Central Stores</u>	<u>Information Technology</u>	<u>Central Services</u>
OPERATING REVENUES			
Charges for services - internal	\$ 608,031	\$ 2,970,759	\$ 1,403,726
Charges for services - other	-	-	-
Miscellaneous	-	50	187
Total operating revenues	<u>608,031</u>	<u>2,970,809</u>	<u>1,403,913</u>
OPERATING EXPENSES			
Personnel services	325,183	1,629,625	743,026
Other current expenses	196,838	1,078,987	529,334
Depreciation	13,247	310,108	9,785
Total operating expenses	<u>535,268</u>	<u>3,018,720</u>	<u>1,282,145</u>
Operating income (loss)	<u>72,763</u>	<u>(47,911)</u>	<u>121,768</u>
NONOPERATING REVENUES (EXPENSES)			
Investment earnings	(20,365)	30,014	21,861
Miscellaneous revenue	-	-	651
Gain or (loss) from disposition of capital assets	-	(2,763)	-
Total nonoperating revenues (expenses)	<u>(20,365)</u>	<u>27,251</u>	<u>22,512</u>
Change in net position	52,398	(20,660)	144,280
Net position - beginning	<u>(63,728)</u>	<u>1,305,197</u>	<u>233,749</u>
Net position - ending	<u>\$ (11,330)</u>	<u>\$ 1,284,537</u>	<u>\$ 378,029</u>

<u>Risk Management Health</u>	<u>Risk Management General</u>	<u>Vehicle Services</u>	<u>Total</u>
\$ 9,804,460	\$ 4,920,000	\$ 3,450,000	\$ 23,156,976
3,158,834	-	-	3,158,834
-	14,377	(1,389)	13,225
<u>12,963,294</u>	<u>4,934,377</u>	<u>3,448,611</u>	<u>26,329,035</u>
-	442,605	1,015,029	4,155,468
12,236,189	7,594,952	2,044,167	23,680,467
-	1,450	77,756	412,346
<u>12,236,189</u>	<u>8,039,007</u>	<u>3,136,952</u>	<u>28,248,281</u>
<u>727,105</u>	<u>(3,104,630)</u>	<u>311,659</u>	<u>(1,919,246)</u>
175,137	638,943	27,751	873,341
-	-	-	651
-	-	10,691	7,928
<u>175,137</u>	<u>638,943</u>	<u>38,442</u>	<u>881,920</u>
902,242	(2,465,687)	350,101	(1,037,326)
<u>4,301,812</u>	<u>4,799,194</u>	<u>406,868</u>	<u>10,983,092</u>
<u>\$ 5,204,054</u>	<u>\$ 2,333,507</u>	<u>\$ 756,969</u>	<u>\$ 9,945,766</u>

CITY OF POMPANO BEACH, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	<u>Central Stores</u>	<u>Information Technology</u>	<u>Central Services</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from other funds for charges for services	\$ 608,031	\$ 2,970,809	\$ 1,403,913
Receipts from customers	-	-	-
Payments to suppliers/Insurer	(301,040)	(1,108,418)	(557,721)
Payments to employees	(306,638)	(1,571,222)	(699,808)
Claims Paid	-	-	-
Net cash provided (used) by operating activities	<u>353</u>	<u>291,169</u>	<u>146,384</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Advances from (to) other funds	12,432	-	-
Net cash provided (used) by noncapital financing activities	<u>12,432</u>	<u>-</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and construction of capital assets	-	(227,358)	(24,802)
Proceeds from the sale of surplus materials/capital assets	-	-	651
Net cash provided (used) by capital and related financing activities	<u>-</u>	<u>(227,358)</u>	<u>(24,151)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of investments	-	(70,241)	(114,176)
Interest earnings	(18,560)	30,341	21,756
Net cash provided (used) by investing activities	<u>(18,560)</u>	<u>(39,900)</u>	<u>(92,420)</u>
Net increase (decrease) in cash and cash equivalents	<u>(5,775)</u>	<u>23,911</u>	<u>29,813</u>
Cash and cash equivalents at beginning of the year	42,547	122,592	74,194
Cash and cash equivalents at end of the year	<u>\$ 36,772</u>	<u>\$ 146,503</u>	<u>\$ 104,007</u>
Non-cash transactions (investing activities):			
Change in fair value of investments	<u>\$ (5,510)</u>	<u>\$ 8,030</u>	<u>\$ 6,140</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities			
Operating income(loss)	\$ 72,763	\$ (47,911)	\$ 121,768
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Cash flows reported in other categories			
Depreciation and amortization expense	13,247	310,108	9,785
Changes in assets and liabilities:			
Due from other governments	-	-	-
Inventories	(219,462)	-	(6,648)
Deferred outflows and inflows pensions	(713)	(2,827)	(1,627)
Increase (decrease) in liabilities:			
Deferred outflows and inflows related to OPEB	1,164	4,655	2,716
Accounts and other payables	99,636	(57,944)	(1,548)
Accrued expenses	7,940	11,098	12,988
Other post employment benefits (OPEB)	15,627	28,513	(20,190)
Compensated absences	10,151	45,477	29,140
Estimated claims payable	-	-	-
Net cash provided (used) by operating activities:	<u>\$ 353</u>	<u>\$ 291,169</u>	<u>\$ 146,384</u>

Risk Management Health	Risk Management General	Vehicle Services	Total
\$ 9,804,460	\$ 4,920,000	\$ 3,450,000	\$ 23,157,213
3,158,833	14,376	-	3,173,209
(12,264,108)	(5,482,322)	(2,021,899)	(21,735,508)
-	(433,507)	(966,583)	(3,977,758)
-	979,144	-	979,144
<u>699,185</u>	<u>(2,309)</u>	<u>461,518</u>	<u>1,596,300</u>
-	-	-	12,432
-	-	-	<u>12,432</u>
-	-	(100,443)	(352,603)
-	-	10,691	11,342
-	-	<u>(89,752)</u>	<u>(341,261)</u>
(677,914)	(368,881)	(324,366)	(1,555,578)
<u>176,276</u>	<u>651,547</u>	<u>26,862</u>	<u>888,222</u>
<u>(501,638)</u>	<u>282,666</u>	<u>(297,504)</u>	<u>(667,356)</u>
<u>197,547</u>	<u>280,357</u>	<u>74,262</u>	<u>600,115</u>
<u>724,238</u>	<u>2,782,083</u>	<u>66,666</u>	<u>3,812,320</u>
<u>\$ 921,785</u>	<u>\$ 3,062,440</u>	<u>\$ 140,928</u>	<u>\$ 4,412,435</u>
<u>\$ 50,696</u>	<u>\$ 164,998</u>	<u>\$ 7,557</u>	<u>\$ 231,911</u>
\$ 727,105	\$ (3,104,630)	\$ 311,659	\$ (1,919,246)
-	1,450	77,756	412,346
-	-	1,389	1,389
-	-	15,703	(210,407)
-	(1,180)	(2,349)	(8,696)
-	1,940	3,879	14,354
(27,920)	(45,941)	(5,865)	(39,582)
-	(1,996)	12,369	42,399
-	14,714	12,430	51,094
-	10,334	34,547	129,649
-	3,123,000	-	3,123,000
<u>\$ 699,185</u>	<u>\$ (2,309)</u>	<u>\$ 461,518</u>	<u>\$ 1,596,300</u>

FIDUCIARY FUNDS

Fiduciary funds are used to account for resources held for the benefits of parties outside the City.

General Employees' Retirement System Fund - accounts for the accumulation of resources to be used for retirement benefit payments to the majority of City employees. Resources are contributed by employees at rates fixed by law and by the City at amounts determined by an annual actuarial valuation.

Police and Firefighters' Retirement System Fund - accounts for the accumulation of resources to be used for retirement benefit payments to City police officers and firefighters. Resources are contributed by employees at rates fixed by law and by the City at amounts determined by an annual actuarial valuation.

General Agency Fund - accounts for the receipt of monies from various funds for gross payroll, disbursement of net payroll and related employee liabilities, and to account for deferred compensation liabilities, refundable deposits, and unclaimed checks.

CITY OF POMPANO BEACH, FLORIDA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUNDS
SEPTEMBER 30, 2020

	General Employees' Retirement System	Police and Firefighters' Retirement System	Total
ASSETS			
Cash	\$ 28,482	\$ 2,655	\$ 31,137
Receivables:			
Accrued interest and dividends	182,392	473,092	655,484
Other	-	290,085	290,085
Total receivables	<u>182,392</u>	<u>763,177</u>	<u>945,569</u>
Other assets	<u>3,780</u>	-	<u>3,780</u>
Investments:			
US Government obligations	11,767,430	13,549,867	25,317,297
Mortgage backed securities	-	17,869,310	17,869,310
Municipal obligations	-	335,098	335,098
Corporate obligations	14,745,480	24,634,711	39,380,191
Equity securities	30,870,324	125,033,111	155,903,435
Mutual funds and collective trusts	92,928,535	-	92,928,535
Hedge funds & private equity funds	12,881,548	58,128,094	71,009,642
Real estate funds	29,706,710	-	29,706,710
Money market funds	7,748,039	10,597,766	18,345,805
Total investments	<u>200,648,066</u>	<u>250,147,957</u>	<u>450,796,023</u>
Prepayments and other assets	-	1,807,427	1,807,427
Property & equipment, net of accumulated depreciation	-	134,893	134,893
Total assets	<u>200,862,720</u>	<u>252,856,109</u>	<u>453,718,829</u>
LIABILITIES			
Accounts payable and accrued expenses	<u>146,296</u>	<u>260,022</u>	<u>406,318</u>
Total liabilities	<u>146,296</u>	<u>260,022</u>	<u>406,318</u>
NET POSITION			
Restricted for pension benefits	<u>\$ 200,716,424</u>	<u>\$ 252,596,087</u>	<u>\$ 453,312,511</u>

CITY OF POMPANO BEACH, FLORIDA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION TRUST FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	General Employees' Retirement System	Police and Firefighters' Retirement System	Total
ADDITIONS			
Contributions:			
Employer	\$ 9,910,087	\$ 6,019,899	\$ 15,929,986
Broward County Sheriff's Office	202,775	4,924,085	5,126,860
Broward County - Library	17,717	-	17,717
Members	3,104,113	1,995,263	5,099,376
State	-	2,750,611	2,750,611
Total contributions	<u>13,234,692</u>	<u>15,689,858</u>	<u>28,924,550</u>
Investment income:			
Net appreciation in fair value of investments	8,445,294	11,249,831	19,695,125
Interest and dividends	3,381,229	5,364,132	8,745,361
Other	-	66,752	66,752
Total investment income	<u>11,826,523</u>	<u>16,680,715</u>	<u>28,507,238</u>
Less: investment expenses	<u>734,002</u>	<u>1,348,725</u>	<u>2,082,727</u>
Net investment income	<u>11,092,521</u>	<u>15,331,990</u>	<u>26,424,511</u>
Total additions	<u>24,327,213</u>	<u>31,021,848</u>	<u>55,349,061</u>
DEDUCTIONS			
Participant benefit payments	12,951,325	22,940,690	35,892,015
Benefits paid from DROP	1,608,442	-	1,608,442
Refunds of participant contributions	341,802	40,676	382,478
Administrative expenses	<u>572,044</u>	<u>604,803</u>	<u>1,176,847</u>
Total deductions	<u>15,473,613</u>	<u>23,586,169</u>	<u>39,059,782</u>
Net increase (decrease)	8,853,600	7,435,679	16,289,279
Net position held in trust for pension benefits			
Beginning of the year	<u>191,862,824</u>	<u>245,160,408</u>	<u>437,023,232</u>
End of the year	<u>\$ 200,716,424</u>	<u>\$ 252,596,087</u>	<u>\$ 453,312,511</u>

CITY OF POMPANO BEACH, FLORIDA
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
GENERAL AGENCY FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	BALANCE OCTOBER 1, 2019	ADDITIONS	DELETIONS	Balance September 30, 2020
Assets:				
Cash and cash equivalents	\$ 884,473	\$ 31,983,554	\$ 31,286,402	\$ 1,581,625
Total assets	<u>\$ 884,473</u>	<u>\$ 31,983,554</u>	<u>\$ 31,286,402</u>	<u>\$ 1,581,625</u>
Liabilities:				
Deposit, sales tax & payroll payable	\$ 884,473	\$ 33,698,811	\$ 33,001,659	\$ 1,581,625
Total liabilities	<u>\$ 884,473</u>	<u>\$ 33,698,811</u>	<u>\$ 33,001,659</u>	<u>\$ 1,581,625</u>

STATISTICAL SECTION

STATISTICAL SECTION SUMMARY

This part of the City of Pompano Beach, Florida's comprehensive annual financial report presents additional information to assist users in understanding how the information provided in the financial statements, note disclosures, and required supplementary information impacts the City's overall financial health.

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

CITY OF POMPANO BEACH, FLORIDA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Governmental activities					
Net investment in capital assets	\$ 218,753,518	\$ 221,483,539	\$ 207,256,104	\$ 215,941,575	\$ 225,969,080
Restricted	64,179,337	52,668,454	48,000,383	39,320,526	40,980,733
Unrestricted	<u>100,532,438</u>	<u>108,003,793</u>	<u>124,388,694</u>	<u>128,134,327</u>	<u>25,217,951</u>
Total governmental-type activities net position	<u>\$ 383,465,293</u>	<u>\$ 382,155,786</u>	<u>\$ 379,645,181</u>	<u>\$ 383,396,428</u>	<u>\$ 292,167,764</u>
Business-type activities					
Net investment in capital assets	\$ 117,815,651	\$ 119,425,239	\$ 117,178,114	\$ 114,647,356	\$ 113,532,397
Restricted	8,506,787	6,465,995	4,660,462	3,871,104	3,843,804
Unrestricted	<u>38,536,872</u>	<u>42,778,697</u>	<u>48,877,564</u>	<u>52,140,506</u>	<u>47,700,594</u>
Total business-type activities net position	<u>\$ 164,859,310</u>	<u>\$ 168,669,931</u>	<u>\$ 170,716,140</u>	<u>\$ 170,658,966</u>	<u>\$ 165,076,795</u>
Primary Government					
Net investment in capital assets	\$ 336,569,169	\$ 340,908,778	\$ 324,434,218	\$ 330,588,931	\$ 339,501,477
Restricted	72,686,124	59,134,449	52,660,845	43,191,630	44,824,537
Unrestricted	<u>139,069,310</u>	<u>150,782,490</u>	<u>173,266,258</u>	<u>180,274,833</u>	<u>72,918,545</u>
Total primary government net position	<u>\$ 548,324,603</u>	<u>\$ 550,825,717</u>	<u>\$ 550,361,321</u>	<u>\$ 554,055,394</u>	<u>\$ 457,244,559</u>

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Governmental activities					
Net investment in capital assets	\$ 270,890,727	\$ 287,768,399	\$ 296,451,107	\$ 203,060,029	\$ 308,830,055
Restricted	42,731,241	49,064,248	54,222,664	150,770,747	76,077,314
Unrestricted	<u>5,078,645</u>	<u>(33,588,535)</u>	<u>(58,192,514)</u>	<u>(52,626,874)</u>	<u>(62,840,498)</u>
Total governmental-type activities net position	<u>\$ 318,700,613</u>	<u>\$ 303,244,112</u>	<u>\$ 292,481,257</u>	<u>\$ 301,203,902</u>	<u>\$ 322,066,871</u>
Business-type activities					
Net investment in capital assets	\$ 113,914,818	\$ 113,231,147	\$ 127,840,934	\$ 141,661,961	\$ 133,354,593
Restricted	4,943,714	5,740,804	4,187,391	4,283,219	4,287,555
Unrestricted	<u>47,852,883</u>	<u>58,853,706</u>	<u>51,444,887</u>	<u>36,888,112</u>	<u>33,626,904</u>
Total business-type activities net position	<u>\$ 166,711,415</u>	<u>\$ 177,825,657</u>	<u>\$ 183,473,212</u>	<u>\$ 182,833,292</u>	<u>\$ 171,269,052</u>
Primary Government					
Net investment in capital assets	\$ 384,805,545	\$ 400,999,546	\$ 424,292,041	\$ 344,721,990	\$ 442,184,648
Restricted	47,674,955	54,805,052	58,410,055	155,053,966	80,364,869
Unrestricted	<u>52,931,528</u>	<u>25,265,171</u>	<u>(6,747,627)</u>	<u>(15,738,762)</u>	<u>(29,213,594)</u>
Total primary government net position	<u>\$ 485,412,028</u>	<u>\$ 481,069,769</u>	<u>\$ 475,954,469</u>	<u>\$ 484,037,194</u>	<u>\$ 493,335,923</u>

CITY OF POMPANO BEACH, FLORIDA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS (accrual basis of accounting)

Schedule 2

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Expenses										
Governmental activities:										
General government	\$ 31,870,782	\$ 33,337,008	\$ 33,052,054	\$ 32,924,493	\$ 29,660,009	\$ 33,406,774	\$ 33,740,533	\$ 31,953,414	\$ 35,577,198	\$ 37,978,927
Public safety	76,787,154	72,981,195	76,932,640	79,092,062	81,641,409	96,143,601	103,714,272	106,755,628	111,695,017	107,901,370
Physical environment	15,550,874	16,514,775	17,508,638	19,107,230	15,385,811	16,674,345	18,460,060	21,206,645	21,377,901	24,979,725
Transportation	3,996,841	3,205,628	3,328,609	3,682,005	3,876,869	3,935,837	4,129,271	4,469,527	4,628,526	5,130,383
Economic environment	-	-	-	-	6,076,489	7,442,683	8,709,265	9,949,169	6,826,343	7,744,963
Culture and recreation	7,964,422	7,830,956	8,202,728	8,996,206	9,378,496	9,772,473	13,743,089	14,715,289	15,737,373	16,715,211
Interest on long-term debt	1,307,248	924,518	1,090,325	989,882	908,278	866,593	758,984	633,223	4,656,611	4,568,201
Total governmental activities expenses	<u>137,477,321</u>	<u>134,794,080</u>	<u>140,114,994</u>	<u>144,791,878</u>	<u>146,927,361</u>	<u>168,242,306</u>	<u>183,255,474</u>	<u>189,682,895</u>	<u>200,498,969</u>	<u>205,018,780</u>
Business-type activities:										
Utility	37,906,357	39,006,357	38,967,528	40,065,154	39,253,188	41,282,490	38,092,853	41,733,935	48,476,314	47,070,652
Sanitation	3,815,493	4,161,979	4,225,019	4,315,686	4,225,411	4,645,492	5,863,604	8,214,578	9,724,021	9,101,133
Stormwater	2,008,840	1,887,886	1,904,435	1,879,494	2,108,833	2,305,273	1,858,645	2,062,874	2,180,894	2,923,971
Pier	267,233	246,386	349,096	260,103	273,574	238,055	110,149	191,798	179,121	-
Airpark	1,417,254	1,383,706	1,430,544	2,167,927	2,211,600	2,206,241	2,217,302	2,254,140	2,461,896	2,825,625
Golf course	3,643,143	3,616,352	4,239,802	4,732,472	4,750,326	4,030,947	-	-	-	-
Parking	-	-	-	735,163	1,640,739	1,958,910	3,087,170	3,239,261	3,418,600	3,660,441
Total business-type activities expenses	<u>49,058,320</u>	<u>50,302,666</u>	<u>51,116,424</u>	<u>54,155,999</u>	<u>54,463,671</u>	<u>56,667,408</u>	<u>51,229,723</u>	<u>57,696,586</u>	<u>66,440,846</u>	<u>65,581,822</u>
Total primary government expenses	<u>\$ 186,535,641</u>	<u>\$ 185,096,746</u>	<u>\$ 191,231,418</u>	<u>\$ 198,947,877</u>	<u>\$ 201,391,032</u>	<u>\$ 224,909,714</u>	<u>\$ 234,485,197</u>	<u>\$ 247,379,481</u>	<u>\$ 266,939,815</u>	<u>\$ 270,600,602</u>
Program Revenues										
Governmental activities:										
Charges for services:										
General Government	\$ 10,249,276	\$ 10,043,560	\$ 9,939,823	\$ 10,269,011	\$ 10,850,914	\$ 12,933,022	\$ 13,341,101	\$ 15,049,463	\$ 16,654,780	\$ 17,153,700
Public Safety	20,800,209	22,086,284	23,469,809	25,504,703	27,233,712	27,441,872	25,943,671	32,187,477	37,862,409	36,590,137
Physical Environment	74,417	92,024	106,076	81,640	102,780	126,380	139,948	174,051	156,286	198,304
Transportation	611,102	519,767	813,641	-	-	-	-	-	-	-
Economic Environment	-	-	-	-	128,319	116,975	108,172	232,585	205,575	127,760
Culture and Recreation	1,736,482	1,919,986	1,584,673	1,849,242	1,744,145	1,832,901	4,044,516	4,244,712	4,171,782	3,597,721
Operating grants and contributions	3,021,158	3,551,981	3,487,028	3,374,362	3,981,238	3,699,270	2,950,496	3,740,302	6,287,934	8,261,718
Capital grants and contributions	8,016,883	3,763,722	3,886,738	4,107,045	5,508,176	6,046,134	40,830,735	12,396,198	4,837,541	4,882,104
Total governmental activities program revenues	<u>40,787,189</u>	<u>42,035,387</u>	<u>43,395,429</u>	<u>47,194,010</u>	<u>49,805,274</u>	<u>86,232,381</u>	<u>59,713,908</u>	<u>59,533,815</u>	<u>70,176,307</u>	<u>70,811,444</u>
Business-type activities:										
Charges for services:										
Utility	40,663,118	41,457,871	40,113,717	39,795,045	42,673,872	41,695,146	42,425,662	43,239,985	45,786,936	48,026,838
Sanitation	5,419,414	5,734,397	5,708,478	5,797,028	5,899,635	6,956,161	7,912,850	8,362,125	8,736,057	8,611,428
Stormwater	2,457,922	2,440,888	2,399,107	2,621,597	2,843,950	2,973,219	3,153,355	3,474,493	3,740,653	3,897,360
Pier	105,340	124,299	134,660	99,231	17,869	-	-	-	-	-
Airpark	979,402	1,021,156	977,911	1,032,154	1,052,145	1,090,762	1,116,171	1,374,695	1,338,836	1,325,267
Golf course	2,475,617	2,137,538	2,746,380	2,638,276	2,865,570	2,569,108	-	-	-	-
Parking	-	-	-	1,641,003	2,067,899	1,983,567	1,928,136	2,361,774	2,705,005	2,606,977
Operating grants and contributions	-	-	-	-	-	-	27,639	112,724	158,542	115,174
Capital grants and contributions	732,036	1,643,613	575,691	2,019,095	1,102,648	1,139,355	256,261	1,912,263	1,024,983	848,048
Total business-type activities program revenues	<u>53,744,426</u>	<u>53,491,840</u>	<u>54,099,348</u>	<u>54,726,982</u>	<u>58,560,295</u>	<u>57,551,863</u>	<u>58,561,161</u>	<u>63,276,866</u>	<u>63,491,012</u>	<u>65,431,092</u>
Total primary government program revenues	<u>\$ 94,531,615</u>	<u>\$ 95,527,227</u>	<u>\$ 97,494,777</u>	<u>\$ 101,920,992</u>	<u>\$ 108,365,569</u>	<u>\$ 143,784,244</u>	<u>\$ 118,275,069</u>	<u>\$ 122,810,681</u>	<u>\$ 133,667,319</u>	<u>\$ 136,242,536</u>

Note: Certain amounts have been reclassified in prior years due to changes in classification guidelines mandated by the Florida Department of Financial Services, for comparative purposes.

CITY OF POMPANO BEACH, FLORIDA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS (accrual basis of accounting)

Schedule 2 (continued)

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Net (Expense) Revenue										
Governmental activities	\$ (96,690,132)	\$ (92,758,693)	\$ (96,719,565)	\$ (97,597,868)	\$ (97,122,087)	\$ (82,009,925)	\$ 123,541,566	\$ 130,149,080	\$ (130,322,662)	\$ (134,207,336)
Business-type activities	4,686,106	3,189,174	2,982,924	570,983	4,096,624	884,455	7,331,438	5,580,280	(2,949,834)	(150,730)
Total Primary Government Net Expense	<u>\$ (92,004,026)</u>	<u>\$ (89,569,519)</u>	<u>\$ (93,736,641)</u>	<u>\$ (97,026,885)</u>	<u>\$ (93,025,463)</u>	<u>\$ (81,125,470)</u>	<u>\$ 116,210,128)</u>	<u>\$ 124,568,800)</u>	<u>\$ (133,272,496)</u>	<u>\$ (134,358,066)</u>
General revenues and other changes in net position										
Governmental activities										
Taxes										
Property taxes, levied for general purposes	\$ 43,120,938	\$ 43,713,354	\$ 46,061,223	\$ 46,147,415	\$ 47,922,298	\$ 53,776,846	\$ 57,018,570	\$ 57,018,570	\$ 75,636,605	\$ 80,403,039
Sales and use taxes	1,867,765	1,847,983	1,870,051	1,958,903	2,016,087	2,050,699	1,963,183	1,963,183	2,001,987	1,753,141
Business tax receipts	1,900,445	1,962,253	2,092,722	2,151,110	2,134,279	2,184,088	2,167,235	2,232,173	2,181,550	2,120,326
Utility taxes	9,603,801	9,830,191	10,371,991	11,209,858	11,487,684	11,987,773	12,317,208	12,773,367	13,057,418	12,798,580
Communication service taxes	5,775,772	5,694,717	5,378,539	9,732,176	4,999,534	5,222,681	4,671,936	4,436,062	4,222,546	4,152,264
Pari Mutuel	1,897,796	2,067,263	2,171,040	2,267,089	2,520,242	2,428,142	2,310,138	2,148,790	2,066,464	1,273,349
Tax increment fees - Community										
Redevelopment Agency	8,069,453	7,351,557	7,218,355	7,542,276	8,114,172	8,968,096	9,827,906	11,146,362	12,433,633	13,893,061
Franchise fees	7,410,674	7,597,790	7,402,812	8,005,447	8,164,658	8,112,380	8,403,793	8,226,917	8,426,808	7,944,147
State revenue sharing	7,664,439	7,985,879	8,549,198	9,215,154	9,852,996	10,504,444	10,528,661	11,108,883	11,284,676	10,257,422
Investment earnings	1,607,688	1,495,590	426,002	826,960	1,339,969	1,660,595	918,763	744,672	6,747,746	5,233,458
Gain on sale of capital assets	3,062	115,058	36,906	49,006	107,077	164,726	129,159	1,764,202	-	1,015,017
Miscellaneous revenue	988,393	1,288,255	1,096,266	1,099,493	800,707	800,824	946,223	817,412	772,893	717,449
Transfers	(2,331,891)	499,296	1,533,855	1,162,173	(42,796)	681,480	(3,117,710)	218,123	212,981	13,509,052
Total Governmental activities	<u>87,578,335</u>	<u>91,449,186</u>	<u>94,208,960</u>	<u>101,367,060</u>	<u>99,416,907</u>	<u>108,542,774</u>	<u>108,085,065</u>	<u>121,171,060</u>	<u>139,045,307</u>	<u>155,070,305</u>
Business-type activities:										
Gain on sale of capital assets	120,761	84,125	73,659	(145,266)	54,796	133,890	106,380	77,647	52,904	99,710
Investment earnings	407,549	425,541	92,380	296,748	530,059	767,787	485,291	448,343	2,384,101	1,883,328
Miscellaneous revenue	427,910	611,077	431,101	446,197	37,307	529,968	73,423	54,469	85,890	112,504
Transfers	2,331,891	(499,296)	(1,533,855)	(1,162,173)	42,796	(681,480)	3,117,710	(218,123)	(212,981)	(13,509,052)
Total Business-type activities:	<u>3,288,111</u>	<u>621,447</u>	<u>(936,715)</u>	<u>(564,494)</u>	<u>664,958</u>	<u>750,165</u>	<u>3,782,804</u>	<u>362,336</u>	<u>2,309,914</u>	<u>(11,413,510)</u>
Total Primary Government	<u>\$ 90,866,446</u>	<u>\$ 92,070,633</u>	<u>\$ 93,272,245</u>	<u>\$ 100,802,566</u>	<u>\$ 100,081,865</u>	<u>\$ 109,292,939</u>	<u>\$ 111,867,869</u>	<u>\$ 114,961,052</u>	<u>\$ 141,355,221</u>	<u>\$ 143,656,795</u>
Change in Net Position										
Governmental activities	(9,111,797)	(1,309,507)	(2,510,605)	3,769,192	2,294,820	26,532,849	(15,456,501)	(8,978,020)	8,722,645	20,862,969
Business-type activities:	7,974,217	3,810,621	2,046,209	6,489	4,761,582	1,634,620	11,114,242	5,942,616	(639,920)	(11,564,240)
Total Primary Government	<u>\$ (1,137,580)</u>	<u>\$ 2,501,114</u>	<u>\$ (464,396)</u>	<u>\$ 3,775,681</u>	<u>\$ 7,056,402</u>	<u>\$ 28,167,469</u>	<u>\$ (4,342,259)</u>	<u>\$ (3,035,404)</u>	<u>\$ 8,082,725</u>	<u>\$ 9,298,729</u>

Note: Certain amounts have been reclassified in prior years due to changes in classification guidelines mandated by the Florida Department of Financial Services, for comparative purposes.

CITY OF POMPANO BEACH, FLORIDA
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

Schedule 3

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Fund										
Nonspendable	\$ 245,514	\$ 1,380,183	\$ 328,490	\$ 194,404	\$ 2,725,821	\$ 2,747,561	\$ 3,049,485	\$ 3,502,685	\$ 2,683,491	\$ 3,417,379
Restricted	8,190,183	8,175,752	6,682,395	8,129,626	7,906,567	7,345	7,500	-	-	-
Assigned	3,367,131	3,131,562	1,427,818	2,933,852	1,404,213	2,619,233	7,654,999	3,508,214	4,980,796	5,334,837
Unassigned	55,359,991	53,823,339	56,647,635	50,801,700	49,817,419	49,735,754	28,647,748	28,424,188	47,649,253	48,949,331
Total General Fund	\$ 67,162,819	\$ 66,510,836	\$ 65,086,338	\$ 62,059,582	\$ 61,854,020	\$ 55,109,893	\$ 39,359,732	\$ 35,435,087	\$ 55,313,540	\$ 57,701,547
All Other Governmental Funds										
Unreserved, reported in:										
Nonspendable	1,089,593	1,797,162	311,520	1,375,605	1,169,430	508,810	848,999	314,917	3,348,851	3,480,252
Restricted	81,364,830	68,910,375	68,627,168	60,073,486	52,933,586	62,928,794	61,731,777	64,934,445	160,043,227	85,357,314
Committed	3,810,928	3,622,905	3,638,917	3,607,864	3,958,008	2,750,561	2,942,003	3,757,238	4,392,873	80,947,291
Assigned	34,564,650	31,258,659	30,766,597	33,363,539	33,441,396	27,167,689	25,238,277	26,589,229	19,022,172	19,066,769
Unassigned	(209,951)	(10,674)	(176,494)	-	-	-	-	(2,509,896)	(112,283)	(1)
Total - All Other Governmental Funds	\$ 120,620,050	\$ 105,578,427	\$ 103,167,708	\$ 98,420,494	\$ 91,502,420	\$ 93,355,854	\$ 90,761,056	\$ 93,085,933	\$ 186,694,840	\$ 188,851,625

Note: The City implemented GASB 54 beginning with the fiscal year ended September 30, 2010

CITY OF POMPANO BEACH, FLORIDA
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

Schedule 4

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenues										
Taxes	\$ 70,255,567	\$ 70,494,487	\$ 73,182,138	\$ 74,245,212	\$ 77,169,918	\$ 84,964,417	\$ 88,681,421	\$ 96,894,056	\$ 110,298,838	\$ 115,456,067
Judgments, fines and forfeitures	1,204,590	1,085,139	1,200,681	983,420	1,055,782	967,783	833,271	827,619	858,789	749,169
Permits, fees and special assessments	23,283,619	24,686,920	24,855,651	27,540,501	31,500,484	29,405,962	28,531,878	35,348,219	41,916,908	40,047,698
Intergovernmental	14,182,824	15,100,874	15,288,736	17,355,904	15,786,752	21,228,057	23,197,460	20,581,371	18,167,743	24,219,491
Charges for services	16,172,851	16,043,017	16,986,200	16,128,244	16,953,246	18,966,483	22,159,041	23,891,583	25,353,424	23,740,389
Pari-Mutuel	1,897,796	2,067,263	2,171,040	2,267,089	2,520,242	2,428,142	2,310,138	2,148,790	2,066,464	1,273,349
Donations	59,539	43,533	49,880	42,705	99,446	9,376	503,602	26,504	30,514	46,547
Investment earnings	1,364,809	1,249,307	365,238	683,361	1,131,172	1,407,957	918,764	744,673	6,747,746	5,233,458
Cemetery lot sales	42,975	52,332	47,288	2,641	760	167,348	135,968	-	-	-
Recaptured funds	23,571	1,270	14,523	1,581	27,677	522	-	-	-	-
Program income	790,129	847,408	488,589	1,647,617	1,206,314	845,008	371,729	886,144	884,042	882,584
Other revenue	768,841	916,330	1,062,012	559,355	671,666	651,627	946,225	817,411	772,893	488,440
Total revenues	130,047,111	132,587,880	135,711,976	141,457,630	148,123,459	161,042,682	168,589,497	182,166,370	207,097,361	212,137,192
Expenditures										
Current										
General government	22,249,998	23,068,801	24,023,015	23,613,044	24,445,400	23,171,303	24,218,567	22,493,184	25,793,700	25,864,034
Public safety	74,794,319	71,529,455	74,361,660	75,218,105	76,913,019	82,736,275	88,228,536	93,596,219	99,400,748	103,692,314
Physical environment	14,822,990	15,965,683	16,508,394	17,233,486	16,641,857	15,227,179	15,342,560	19,917,457	21,179,602	22,252,348
Transportation	3,353,568	2,552,176	2,644,438	2,667,389	2,831,914	2,844,640	2,913,704	3,189,245	3,299,985	3,449,987
Economic environment	-	-	-	-	-	7,442,686	8,720,541	9,625,650	6,806,837	7,598,419
Culture and recreation	6,927,009	6,711,263	6,507,050	6,987,124	7,505,320	7,630,233	11,413,322	12,188,833	13,251,805	13,417,891
Debt service:										
Principal	2,462,162	2,690,293	11,766,150	3,007,167	3,058,871	3,427,966	3,804,900	3,845,102	4,697,429	4,099,376
Interest	1,252,726	1,220,909	1,106,701	1,009,691	928,222	882,005	780,368	653,880	3,700,441	4,670,073
Capital outlay	18,929,429	25,150,062	18,363,850	20,712,118	24,425,999	26,063,169	22,529,749	20,108,893	27,151,664	27,358,558
Total expenditures	144,792,201	148,888,642	155,281,258	150,448,124	156,750,602	169,425,456	177,952,247	185,618,463	205,282,211	212,403,000
Excess (Deficiency) of Revenue Over (Under) Expenditures	(14,745,090)	(16,300,762)	(19,569,282)	(8,990,494)	(8,627,143)	(8,382,774)	(9,362,750)	(3,452,093)	1,815,150	(265,808)
Other Financing Sources (Uses)										
Debt proceeds	53,150	-	14,100,000	-	-	388,000	-	-	109,423,246	-
Initiation of a capital lease	2,998,438	-	-	-	1,428,088	2,257,875	-	-	1,913,511	4,009,050
Proceeds from sale of capital assets	-	107,860	100,210	54,351	118,221	164,726	129,159	1,634,202	122,472	1,015,017
Transfers in	35,052,824	25,960,746	24,133,274	27,448,016	22,726,691	22,388,163	18,832,131	9,729,676	27,001,903	10,833,681
Transfers out	(37,384,715)	(25,461,450)	(22,599,419)	(26,285,843)	(22,769,487)	(21,706,683)	(27,943,499)	(9,511,553)	(26,788,922)	(11,047,147)
Total	719,697	607,156	15,734,065	1,216,524	1,503,513	3,492,081	(8,982,209)	1,852,325	111,672,210	4,810,601
Net Changes in Fund Balances	\$ (14,025,393)	\$ (15,693,606)	\$ (3,835,217)	\$ (7,773,970)	\$ (7,123,630)	\$ (4,890,693)	\$ (18,344,959)	\$ (1,599,768)	\$ 113,487,360	\$ 4,544,793
Debt Service as a Percentage of Non-Capital Expenditures	3.0%	3.2%	9.4%	3.1%	3.0%	3.0%	3.0%	2.7%	4.7%	4.7%

Note: Certain amounts have been reclassified in prior years due to changes in classification guidelines mandated by the Florida Department of Financial Services, for comparative purposes.

CITY OF POMPANO BEACH, FLORIDA
ASSESS VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

FISCAL YEAR	TAX ROLL *	REAL PROPERTY **	PERSONAL PROPERTY **
2011	2010	\$ 10,890,774,507	\$ 659,397,108
2012	2011	10,431,372,238	608,684,957
2013	2012	10,369,667,015	584,836,613
2014	2013	10,583,449,362	605,640,437
2015	2014	11,071,856,244	624,292,615
2016	2015	11,705,297,867	647,982,593
2017	2016	12,671,325,306	719,966,161
2018	2017	13,608,731,216	789,632,653
2019	2018	14,550,228,111	807,827,271
2020	2019	15,310,960,839	807,577,948

Source: Broward County Property Appraiser
 * Assessed values as certified on October 23, 2019.
 ** Florida Statutes require assessments at just valuation.
 Note: The basis of assessed value is approximately 85% of actual value.
 Tax rates are per \$1,000 of assessed value.

	TOTAL ASSESSED VALUE	ALLOWABLE EXEMPTIONS	TAXABLE VALUE FOR OPERATIONS AND DEBT	TOTAL DIRECT TAX RATE
\$	11,550,171,615	\$ 2,301,421,085	\$ 9,248,750,530	4.9077
	11,040,057,195	2,272,132,460	8,767,924,735	5.2027
	10,954,503,628	2,233,639,420	8,720,864,208	5.4700
	11,189,089,799	2,195,810,716	8,993,279,083	5.3712
	11,696,148,859	2,199,203,025	9,496,945,834	5.2470
	12,353,280,460	2,221,119,655	10,132,160,805	5.4865
	13,391,291,467	2,261,846,480	11,129,444,987	5.3252
	14,398,363,869	2,342,845,048	12,055,518,821	5.4865
	15,358,055,382	2,429,831,776	12,928,223,607	6.1024
	16,118,538,787	2,467,056,328	13,651,482,459	6.1326

CITY OF POMPANO BEACH, FLORIDA
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(RATE PER \$1,000 OF ASSESSED VALUE)

Fiscal Year Ended Sept. 30	Tax Roll	City of Pompano Beach				Overlapping Rates	
		General Fund	Special Tax District	Debt Service	Direct Total	Broward County	School Board
2011	2010	4.4077	0.5000	-	4.9077	5.5530	7.6310
2012	2011	4.7027	0.5000	-	5.2027	5.5530	7.4180
2013	2012	4.9700	0.5000	-	5.4700	5.5530	7.4560
2014	2013	4.8712	0.5000	-	5.3712	5.7230	7.4800
2015	2014	4.7470	0.5000	-	5.2470	5.7230	7.4380
2016	2015	4.9865	0.5000	-	5.4865	5.7230	7.2740
2017	2016	4.8252	0.5000	-	5.3252	5.6690	6.9063
2018	2017	4.9865	0.5000	-	5.4865	5.6690	4.9740
2019	2018	5.1361	0.5000	0.4663	6.1024	5.6690	6.4029
2020	2019	5.1875	0.5000	0.4451	6.1326	5.6690	6.7393

Source: Broward County Revenue Collection Division
 *Pompano Tax District Code 1521 only
 (all property located east of Federal Highway)

Note: Overlapping rates are those of local and County governments that apply to property owners within the City of Pompano Beach.

Overlapping Rates					
South Florida Water Management District	North Broward Hospital District	Children SVS Council	Hillsboro Inlet Improvement District *	Florida Inland Navigation District	Direct and Overlapping Total
0.6240	1.8750	0.4696	0.0860	\$ 0.0345	20.3609
0.4363	1.8750	0.4789	0.0860	0.0345	21.1808
0.4289	1.8564	0.4902	0.0860	0.0345	21.0844
0.4110	1.7554	0.4882	0.1624	0.0345	21.3750
0.3842	1.5939	0.4882	0.0860	0.0345	21.4257
0.3551	1.4425	0.4882	0.0860	0.0320	20.9948
0.3307	1.3462	0.4882	0.0860	0.0320	20.1836
0.3100	1.2483	0.4882	0.0860	0.0320	18.2940
0.2936	1.0855	0.4882	0.0860	0.0320	20.1596
0.2795	1.0324	0.4882	0.0985	\$ 0.2795	20.7190

CITY OF POMPANO BEACH, FLORIDA
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

Schedule 7

TAXPAYER (Local Exposure Recognition)	2020			TAXPAYER (Local Exposure Recognition)	2011		
	TAXABLE ASSESSED VALUE	Rank	PERCENT OF TOTAL CITY TAXABLE ASSESSED VALUATION		TAXABLE ASSESSED VALUE	Rank	PERCENT OF TOTAL CITY TAXABLE ASSESSED VALUATION
John Knox Village of Florida	\$ 86,919,160	1	0.64%	PPI Inc Isle of Capri	\$ 43,848,800	1	0.50%
West Atlantic Blvd Owner LLC	76,950,000	2	0.56%	John Knox Village FL 451 Heritage Dr	41,919,680	2	0.48%
City of Pompano Beach	75,013,460	3	0.55%	EQR Bayview LLC	36,652,950	3	0.42%
PPF Industrial	58,659,850	4	0.43%	John Knox Village FL 621 6th ST)	31,824,560	4	0.36%
Bell Fund VI Pompano Beach LLC	57,107,990	5	0.42%	Associate Grocers	30,627,800	5	0.35%
Palm Vacation Group	53,302,030	6	0.39%	SNH/LTA Properties Trust	22,590,000	6	0.26%
Jefferson Lighthouse Gardens	48,717,110	7	0.36%	John Knox Village FL 400 3 St	21,737,280	7	0.25%
PPI Inc	46,725,790	8	0.34%	Archdiocese of Miami	20,208,160	8	0.23%
Pompano Hotel I LLC	42,368,760	9	0.31%	Ft Lauderdale BTS LLC	19,800,000	9	0.23%
EQR Bayview LLC	<u>41,612,370</u>	10	<u>0.30%</u>	Centro Heritage SPE 1 LLC	<u>19,608,580</u>	10	<u>0.22%</u>
Total taxable assessed value of principal taxpayers	587,376,520		4.30%	Total taxable assessed value of principal taxpayers	288,817,810		3.30%
Total taxable assessed value of other taxpayers	<u>13,064,105,939</u>		<u>95.70%</u>	Total taxable assessed value of other taxpayers	<u>8,479,106,925</u>		<u>96.70%</u>
Total taxable assessed valuation of all taxpayers	<u>\$ 13,651,482,459</u>		100.00%	Total taxable assessed valuation of all taxpayers	<u>\$ 8,767,924,735</u>		100.00%

Source: Broward County Property Appraiser
2019 Tax roll

CITY OF POMPANO BEACH, FLORIDA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year	TAX ROLL		TOTAL AMENDED TAX LEVY		CURRENT GROSS TAX COLLECTIONS *	PERCENT OF LEVY COLLECTED
2011	2010	\$	45,005,797	\$	42,489,007	94.41%
2012	2011		45,616,882		43,005,085	94.27
2013	2012		47,703,127		45,859,390	96.13
2014	2013		48,304,700		46,666,879	96.61
2015	2014		49,830,475		47,831,733	95.99
2016	2015		55,590,100		54,146,028	97.40
2017	2016		59,266,520		57,614,616	97.21
2018	2017		65,764,486		64,441,410	97.99
2019	2018		78,893,192		75,654,542	95.89
2020	2019		83,719,081		74,788,577	89.33

Source: City Finance Department

* Gross taxes exclusive of discounts, penalties and interest.

SUBSEQUENT DELINQUENT TAX COLLECTIONS	TOTAL TAX COLLECTIONS	PERCENT OF TOTAL TAX COLLECTIONS TO TAX LEVY
\$ 1,445,843	\$ 43,934,850	97.62%
1,553,222	44,558,307	97.68
891,130	46,750,520	98.00
909,236	47,576,115	98.49
1,409,084	49,240,817	95.99
1,277,836	55,423,864	97.40
1,318,479	58,933,095	99.44
1,605,584	66,046,994	100.43
1,828,409	77,482,951	98.21
-	74,788,577	89.33

CITY OF POMPANO BEACH, FLORIDA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Schedule 9

Fiscal Year Ended	Governmental Activities				Business-Type Activities				Total Primary Government	Percentage of Personal Income **	Per Capita **
	General Obligation Bonds	Tax Increment Bonds	Capital Lease	Notes Payable	Water and Sewer Bonds	Certificates of Participation	Notes Payable	Capital Lease			
2011	\$ -	\$ 25,375,676	\$ -	\$ 3,060,164	\$ 27,129,506	\$ -	\$ 10,717,747	\$ -	66,283,093	0.01%	\$ 660.72
2012	-	22,898,514	-	2,768,670	23,905,000	-	10,024,432	-	59,596,616	0.01	582.91
2013	-	25,451,352	-	2,549,682	20,535,000	-	9,231,550	-	57,767,584	0.01	559.82
2014	-	22,669,190	-	2,324,677	17,355,000	-	8,416,881	-	50,988,011	0.01	487.17
2015	-	19,867,028	1,402,567	2,093,489	14,440,000	23,875,000	7,579,826	-	69,407,171	0.02	653.18
2016	-	17,039,866	3,297,179	2,243,948	11,650,000	23,875,000	6,719,769	75,179	64,900,941	0.01	604.15
2017	-	14,192,704	2,815,688	1,842,880	8,815,000	23,875,000	5,836,080	-	57,377,352	0.01	524.28
2018	-	11,320,542	2,324,523	1,361,105	5,925,000	23,875,000	4,928,107	-	49,734,277	0.01	451.20
2019	102,865,880	10,045,000	2,404,730	5,023,439	2,990,000	23,875,000	3,995,185	274,072	151,473,306	0.03	1,351.74
2020	101,105,600	9,280,000	5,219,150	4,553,693	-	23,775,000	8,284,671	448,483	152,666,597	0.03	1,351.74

Notes:

* Indicates information is not available

** See Schedule 14 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

CITY OF POMPANO BEACH, FLORIDA
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Schedule 10

Fiscal Year	<u>General Bonded Debt Outstanding</u>				
	General Obligations Bonds	Amounts Available in Fund Balance	Total	Percentage of Actual Taxable Value of Property *	Per Capita **
2011	\$ -	\$ -	\$ -	0.00%	0.00
2012	-	-	-	0.00%	0.00
2013	-	-	-	0.00%	0.00
2014	-	-	-	0.00%	0.00
2015	-	-	-	0.00%	0.00
2016	-	-	-	0.00%	0.00
2017	-	-	-	0.00%	0.00
2018	-	-	-	0.00%	0.00
2019	102,865,880	39,366	102,826,514	0.80%	917.62
2020	101,105,600	72,735	101,032,865	0.74%	901.61

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

* See schedule 5 for property value data

** See schedule 14 for population data

CITY OF POMPANO BEACH, FLORIDA

Schedule 11

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT (IN THOUSANDS)

AS OF SEPTEMBER 30, 2020

Government Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Debt repaid with property taxes:			
Broward County	127,315	6.81%	8,670
Broward County School Board	337,681	6.81%	<u>22,996</u>
Subtotal, overlapping debt			31,666
City of Pompano Beach, Florida direct debt			
City direct debt (ad valorem security)	-		101,105
City direct debt (non ad valorem security)			<u>19,052</u>
Subtotal, direct debt			<u>120,157</u>
Total direct and overlapping debt	464,996	13.62	<u>\$ 151,823</u>

Sources: City Finance Department
Broward County Accounting Division

* Percentage of overlap debt determined by dividing the assessed value of property in the City of Pompano Beach by the assessed value of property for Broward County.

CITY OF POMPANO BEACH, FLORIDA
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

Schedule 12

Fiscal Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Debt limit	\$ 1,375,566,885	\$ 1,315,188,710	\$ 1,308,129,631	\$ 1,348,991,862	\$ 1,424,541,875	\$ 1,519,824,121	\$ 1,669,416,748	\$ 1,797,990,164	\$ 1,939,233,541	\$ 2,047,722,369
Legal debt margin	<u>\$ 1,375,566,885</u>	<u>\$ 1,315,188,710</u>	<u>\$ 1,308,129,631</u>	<u>\$ 1,348,991,862</u>	<u>\$ 1,424,541,875</u>	<u>\$ 1,519,824,121</u>	<u>\$ 1,669,416,748</u>	<u>\$ 1,797,990,164</u>	<u>\$ 1,939,233,541</u>	<u>\$ 2,047,722,369</u>
Legal Debt Margin Calculation for Fiscal Year 2020										
Assessed Value	\$ 13,651,482,459									
Debt Limit (15% of assessed value)	2,047,722,369									
Debt applicable to limit										
General obligation bonds	101,105,600									
Less Amount set aside for repayment of general obligation debt										
Total net debt applicable to limit										
Legal debt margin	<u>\$ 1,946,616,769</u>									

Source: Broward County Property Appraiser
City Finance Department

Note: Article XVIII, Section 158 of the City Charter provides authorization to issue bonds not exceeding fifteen percent (15%) of assessed valuation of the taxable property in the City at the time of issue. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

CITY OF POMPANO BEACH, FLORIDA
UTILITY PLEDGED REVENUE BOND COVERAGE
LAST TEN FISCAL YEARS

Schedule 13

FISCAL YEAR ENDED	(1) GROSS REVENUES	(2) OPERATING EXPENSES	(3) NET REVENUE AVAILABLE FOR DEBT SERVICE (1)-(2)	DEBT SERVICE CASH REQUIREMENTS			COVERAGE (3):(4)
				PRINCIPAL	INTEREST	(4) TOTAL	
2011	\$ 40,662,838	\$ 24,135,671	\$ 16,527,167	\$ 3,110,000	\$ 1,262,506	\$ 4,372,506	3.78%
2012	41,308,536	24,236,123	17,072,413	3,225,000	1,140,118	4,365,118	3.91%
2013	40,073,305	23,882,921	16,190,384	3,370,000	1,013,206	4,383,206	3.69%
2014	39,365,370	23,951,731	15,413,639	2,590,000	876,218	3,466,218	4.45%
2015	42,343,075	23,764,781	18,578,294	2,915,000	222,723	3,137,723	5.92%
2016	42,137,548	25,251,052	16,886,496	2,790,000	242,592	3,032,592	5.57%
2017	42,287,977	25,702,146	16,585,831	2,835,000	195,720	3,030,720	5.47%
2018	43,268,774	28,408,312	14,860,462	2,890,000	148,092	3,038,092	4.89%
2019	45,745,931	30,918,627	14,827,304	2,935,000	99,540	3,034,540	4.89%
2020	48,167,930	31,022,005	17,145,925	2,990,000	50,232	3,040,232	5.64%

Source: City Finance Department

(1) Gross revenues include operating revenues and interest income. Excludes impact fees per City Ordinance 92-74

(2) Operating expenses include personal services and current expenses. Excludes depreciation and administrative service charges per City Ordinance 92-74

Year	<u>Broward County</u>						
	Population	Personal Income (thousands of dollars)	Per Capita Personal Income	Median Age	Education Level in Years of Schooling (High School or Higher)	School Enrollment (K-12)	Unemployment Rate Broward County
2011	100,319	\$ 4,186,111	\$ 41,728	40.1	83.4	11,754	9.5%
2012	102,239	4,266,536	41,731	42.7	81.0	12,029	7.1
2013	103,189	4,229,614	40,989	42.4	82.8	11,974	7.0
2014	104,662	4,514,491	43,134	44.2	83.6	11,150	5.0
2015	106,260	4,899,224	46,106	40.2	88.2	11,821	4.7
2016	107,425	5,038,877	46,906	39.4	82.8	11,611	4.8
2017	109,441	5,327,588	48,680	41.7	83.2	11,259	3.3
2018	110,227	5,541,001	50,269	42.0	82.7	11,256	2.8
2019	112,058	5,861,529	52,308	42.8	82.4	11,084	2.8
2020	112,941	*	*	*	*	10,804	7.3

Sources: City of Pompano Development Services Department via:
 1-3, 7 US Census, American Fact Finder 2015-2019 American Community Survey 5-Year Est
 4 Broward County School Board, School Enrollment Counts, Historic Benchmark Day Figures
 5 Florida Dept. Economic Opportunity, US Dept Labor, Bureau Labor Statistics

Note: * Indicates information not available

CITY OF POMPANO BEACH, FLORIDA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

Schedule 15

Employer	2020			Employer	2011		
	Employees	Rank	Percentage of Total City Employment		Employees	Rank	Percentage of Total Employment
City of Pompano Beach	1,212	1	1.61%	PPI Inc (Isle Capri)	1100	1	2.12%
Point Blank Enterprises	1,118	2	1.48%	City of Pompano Beach	712	2	0.94%
John Knox Village	816	3	1.08%	Broward County Correctional	700	3	0.93%
Broward County Correctional	714	4	0.95%	WalMart	687	4	0.91%
WalMart	702	5	0.93%	Publix	655	5	0.87%
Publix (4)	589	6	0.78%	Aetna RX Home Delivery LLC	490	6	0.65%
Associated Grocers	500	7	0.66%	Point Blank Solutions	400	7	0.53%
Freshpoint Produce & Dairy	500	8	0.66%	Associated Grocers of Florida	300	8	0.40%
FedEx & FedEx Ground	334	9	0.44%	Pompano Masonry Corporation	300	9	0.40%
Gold Coast Beverage	306	10	0.41%	Fresh Point Produce/Dairy	284	10	0.38%

Source: City of Pompano Beach BTR Division:
Listed Companies

CITY OF POMPANO BEACH, FLORIDA
FULL-TIME EQUIVALENT CITY EMPLOYEES BY FUNCTION / PROGRAM
LAST TEN FISCAL YEARS

Schedule 16

<u>Function/Program</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
General Government										
City Commissioners	6	6	6	6	6	6	6	6	6	6
City Manager	5	5	4	4	4	5	5	7	7	7
Public Information Office	3	3	4	4	4	4	4	4	4	4
City Attorney	6	6	6	6	6	6	6	6	6	6
City Clerk	4	4	4	4	4	4	4	4	5	5
Human Resources	5	5	5	5	5	5	5	5	6	6
Internal Audit	3	3	3	3	3	3	3	3	3	3
Cultural Affairs	-	-	-	-	-	-	-	1	8	11
Economic Development	-	-	-	-	-	1	1	1	1	1
Northwest CRA	2	1	2	2	2	2	5	5	8	8
East CRA	2	1	1	1	1	1	1	1	3	3
Office of Housing and Social Services	-	-	-	-	-	-	-	2	3	3
Tourism	-	-	-	-	-	2	2	2	2	2
Performance Management	-	-	-	-	-	-	-	1	1	1
Finance	22	22	22	22	22	24	24	26	26	27
Fire & EMS	217	217	217	217	217	217	232	232	239	247
Development Services	64	68	69	71	74	25	27	27	28	28
Building Inspections	-	-	-	-	-	50	51	53	54	62
Office of Housing & Urban Improvement	5	6	7	6	6	2	6	6	6	6
Public Works	136	136	136	141	143	142	141	135	136	137
Parks & Recreation	56	56	53	52	50	50	50	50	55	58
Project Administration	-	-	-	-	-	5	5	5	6	6
Utilities	118	115	114	114	115	116	117	118	118	118
Stormwater	8	8	8	8	11	11	11	10	10	10
Airpark	5	5	5	5	5	5	5	5	5	5
Golf	9	9	9	10	10	10	10	10	10	10
Solid Waste	3	3	3	3	3	3	14	21	21	21
Internal Services	33	33	33	31	31	32	33	34	34	34
Parking	-	-	-	-	-	-	-	-	1	1
Total	712	712	711	715	722	731	768	780	812	836

Source: City Budget Office

CITY OF POMPANO BEACH, FLORIDA
OPERATING INDICATORS BY FUNCTION / PROGRAM
LAST TEN FISCAL YEARS

Schedule 17

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Function/Program										
Public Safety										
Fire										
Emergency responses	18,015	17,753	17,753	18,541	20,430	19,987	21,262	20,645	29,337	27,326
Fires Extinguished	355	333	354	332	328	360	363	345	292	292
Inspections	6,118	5,213	6,551	6,113	4,209	6,868	10,640	7,707	6,288	4,492
Uniformed Employees	184	185	185	185	186	182	197	198	212	236
Non-Uniformed Employees	8	8	8	8	7	7	7	7	9	11
Building Permits										
Permits Issued	11,864	15,827	12,323	13,213	14,283	12,599	12,434	19,665	21,769	18,263
Estimated Value	123,406,754	164,631,190	148,673,496	241,292,153	255,772,560	280,308,330	159,808,992	459,493,609	413,496,733	319,049,483
City Clerk										
No. of Registered Voters	57,043	58,284	61,263	61,496	55,964	55,964	62,449	61,143	61,671	67,648
No. of Ballots Cast	977	7,672	6,346	-	26,171	-	44,323	-	-	14,648
Districts Voting	0	1,2,3,4,5	2,4	0	1,2,3,4,5	0	5	0	1,2,3,4,5	1,2,3,4,5
Recreation Centers-Attendance										
Emma Lou Olson	75,387	91,902	88,696	61,811	61,775	60,428	53,099	66,675	60,986	19,383
McNair	97,194	44,364	40,338	42,464	44,364	40,421	40,199	48,926	43,958	12,680
Mitchell/Moore	69,717	69,622	41,449	26,698	34,252	36,147	43,952	45,580	62,500	12,631
Skolnick	62,496	54,775	38,225	32,728	38,975	41,127	39,203	48,192	36,569	16,479
Pompano Highlands	21,611	21,070	20,057	24,489	21,130	11,862	13,193	18,695	15,410	7,074
North Pompano	115,797	31,316	60,629	28,347	32,000	25,277	30,169	32,287	32,483	5,917
E. Pat Larkins	33,440	33,954	47,011	19,874	39,411	44,532	53,863	45,910	42,819	19,526
Utility										
Municipal Water System										
Active Water Accounts	18,062	18,200	18,312	18,489	18,721	18,802	18,870	18,977	19,014	19,135
New Active Accounts	35	130	112	165	154	113	53	57	37	50
Active Reclaimed Water Accounts	310	579	671	782	882	1,016	1,096	1,187	1,664	1,685
Metered Sales (Billion Gallons)	5	5	4	4	5	5	5	5	5	5
Average Gallons (1,000) Billed Per Day	13,167	12,841	12,841	12,219	12,823	12,967	13,158	12,677	13,074	12,596
Reclaimed Water (Million Gals.)	572	558	720	794	877	764	751	747	889	889
Water Main Breaks	95	213	229	107	64	64	59	-	3	1
Plant Capacity Million Gals./Day	50	50	50	50	50	50	50	50	50	50
Municipal Sewer System										
Active Accounts	16,044	16,158	16,312	16,434	16,637	16,713	16,798	16,892	16,904	17,018
General Government										
Tax Rates										
Utility Services:										
Electric	10	10	10	10	10	10	10	10	10	10
Water	6	6	6	6	6	6	6	6	6	6
Communication Service	5	5	5	5	5	5	5	7	7	7
Gas	10	10	10	10	10	10	10	10	10	10
Franchises:										
Electric	6	6	6	6	6	6	6	6	6	6
Gas	6	6	6	6	6	6	6	6	6	6

CITY OF POMPANO BEACH, FLORIDA
CAPITAL ASSET STATISTICS BY FUNCTION / PROGRAM
LAST TEN FISCAL YEARS

Schedule 18

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<u>Function / Program</u>										
Area										
Land excluding airport (sq miles)	23.570	23.570	23.570	23.570	23.570	23.570	23.570	23.570	23.570	23.570
Airport land (sq.miles)	1.016	1.016	1.016	1.016	1.016	1.016	1.016	1.016	1.016	1.016
Water (sq.miles)	0.924	0.924	0.924	0.924	0.924	0.924	0.924	0.924	0.924	0.924
Infrastructure										
Paved streets	271	271	271	271	271	267	279	279	279	279
Unpaved streets	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5
Sidewalks	156	171	171	171	173	200	200	200	202	202
Canals & waterways	32	32	32	32	32	32	32	32	32	32
Storm drainage	83	111	100	102	103	117	119	120	121	122
City-owned streetlights	1,199	1,100	1,176	1,058	1,248	1,398	1,398	1,398	1,222	1,222
FP&L owned streetlights	5,375	5,375	5,399	5,392	5,376	5,377	5,355	5,355	5,355	5,355
Fire										
Stations	6	6	6	6	6	6	6	6	6	6
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Recreation										
Public beach (miles)	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51
Municipal parks	48	49	49	49	49	49	49	50	50	50
Municipal swimming pool	2	2	2	2	2	2	2	2	2	2
36-hole municipal golf course	1	1	1	1	1	1	1	1	1	2
977 foot municipal pier	1	1	1	1	1	1	1	1	1	1
Recreational areas (acres)	258.17	263.17	263.17	263.17	263.17	263.17	270.17	270.17	270.17	270.17
Golf course (acres)	307	307	307	340	340	340	340	340	340	340
Recreation centers	7	7	7	7	7	7	7	7	7	7
Municipal water system										
Water mains (miles)	280	281	281	275	280	279	274	274	273	273
Reuse water mains (miles)	24.0	27.1	24.0	29.0	29.6	29.6	29.6	27.6	30.6	30.7
Fire hydrants	1,968	2,039	2,025	2,025	2,018	2,045	2,033	2,034	2,038	2,042
Fire hydrants (reuse water)	5	5	5	5	5	5	5	5	5	5
Municipal sewer systems										
Gravity sewer (miles)	194	195	195	195	195	195	195	195	195	195
Wastewater force main (miles)	69	69	59	59	59	59	59	61	59	59
Wastewater lift stations	75	78	77	77	77	77	78	77	80	80