



# COMPREHENSIVE ANNUAL FINANCIAL REPORT

Fiscal Year Ended September 30, 2019



**COMPREHENSIVE  
ANNUAL FINANCIAL  
REPORT  
of the  
CITY OF SUNRISE,  
FLORIDA**

**Fiscal Year Ended  
September 30, 2019**



**prepared by the  
Finance and Administrative Services Department**

CITY OF SUNRISE, FLORIDA  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019

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***Section I***  
***City of Sunrise, Florida***  
***Introductory Section***



March 12, 2020

To the Honorable Mayor and Members of the City Commission:

We are pleased to present the City of Sunrise's (the City) Comprehensive Annual Financial Report (CAFR) for the fiscal year ended September 30, 2019. State law requires that all general-purpose local governments publish a complete set of financial statements within nine months of the close of each fiscal year. The financial statements included in this report conform to generally accepted accounting principles (GAAP) and are audited by a firm of licensed certified public accountants in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States.

This report consists of management's representations concerning the finances of the City. Responsibility for both the reliability of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed to protect the City's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. 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. To the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Marcum LLP, a firm of licensed certified public accountants, has audited the City's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended September 30, 2019, are free from material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit and the reports of other auditors, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended September 30, 2019, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City was part of a broader federal mandated "Single Audit" designed to meet the special needs of the federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report on the fair presentation of the financial statements and on the audited government's internal controls over financial reporting and on compliance and other matters.

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

## **City Profile**

The City of Sunrise, incorporated in 1961, is located in southeastern Florida in Broward County. The City encompasses an area of approximately 18 square miles with an estimated population of over 95,000, making Sunrise the 24<sup>th</sup> largest city in Florida. The City is convenient to three international airports and three deep-water ports, and hosts an estimated 30 million visitors each year.

The City has operated under a City Commission/City Manager form of government since 1989. The City Commission is comprised of the Mayor, Deputy Mayor, Assistant Deputy Mayor, and two Commissioners, who enact laws, determine policies and adopt the annual budget. The City Commission appoints the charter officers, which include the City Manager, City Clerk, City Attorney and Chief of Police. The City Manager is responsible for carrying out the policies of the City Commission and for overseeing the daily management of the City. The City Manager appoints the heads of the various departments.

The City provides a full range of services including police and fire protection, emergency medical service, water, wastewater and gas services, sanitation and recycling services, stormwater services, recreational and cultural activities/events, construction and maintenance of streets and other infrastructure and general administrative services. Internal services of the City, accounted for on a cost reimbursement basis, include workers' compensation insurance, fleet management, information technology and communications services, and self-funded health insurance. The City is financially accountable for one special improvement district and one special tax district, both of which are included as an integral part of the City's CAFR. Additional information on legally separate entities can be found in the notes to the financial statements (See Note I.A.).

The annual budget serves as the foundation for the City's financial planning and control. All departments of the City are required to submit requests for appropriation to the City Manager. The City Manager uses these requests as the starting point for developing a proposed budget. The City Manager then presents the proposed budget to the City Commission on or before August 1<sup>st</sup> of each year. The City Commission is required to hold public hearings on the proposed budget and to adopt a final budget by September 30<sup>th</sup> of each year. The appropriated budget is prepared by fund, function (e.g. Public Safety), and department (e.g. Police). The City Manager is authorized to transfer appropriations within a department, office or agency; however, any other revisions require approval of the City Commission. Program based budgeting has been implemented to help the reader understand the true cost of various programs.

Budget-to-actual comparisons are provided in this report for each governmental fund for which an appropriated annual budget has been adopted.

## **Economic Outlook and Financial Condition**

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



## Local Economy

The City of Sunrise, situated in the heart of the tri-county region (Miami-Dade, Broward and Palm Beach), is well diversified and continues to be a prime location for corporate headquarters and major office operations. The City continues to be a leader in the region for the attraction of new corporate investment, job growth and business expansion. The City offers developers and business owners superior access to a lucrative customer base. As the region's population base continues to shift north and west, the Sawgrass area of Sunrise has become the population center of the tri-county area. As such, the City is uniquely situated to offer a large pool of prospective employees and customers to many multi-national corporations, regional corporate offices and headquarters for leading domestic and international corporations.

Sunrise is a business, commerce and employment dynamo for the State of Florida. The City is home to industry heavyweights and renowned international companies like American Express, HBO, Emerson, Chubb, NY Life and many others, Sunrise also boasts Broward County's largest corporate office park, the 650-acre Sawgrass International Corporate Park, which is ideally situated at the convergence of I-595, I-75 and the Sawgrass Expressway. Companies located in the Corporate Park provide over 20,000 jobs to South Floridians.

The City of Sunrise is home to a diversified group of businesses, including corporate offices, financial services, research and development companies, the most successful mall in the continental United States - Sawgrass Mills and the 20,000 seat BB&T Center, one of the finest arenas in the country and home to the National Hockey League's Florida Panthers. A strong endorsement of the City's business appeal is that corporations, hotels, restaurants, office parks and attractions already located in our community continue to expand and invest in the area. The area of the City anchored by these three major assets (Sawgrass Mills mall, Sawgrass International Corporate Park and the BB&T Center) is known as the *Sunrise Business and Entertainment District*. This four square mile district has over \$5 billion worth of property value and continues to attract tourism, investment, and jobs to Sunrise.

Strong interest from the hotel development sector continues as demand for corporate lodging and tourism in Sunrise has been on the rise. Construction on a new 8-story, 170 room AC Hotel by Marriott began in 2019 and is anticipated to open in late 2020. The City is home to Broward County's highest rate of hotel occupancy for the seventh year in a row. As demand for quality office, industrial, manufacturing and hospitality projects in South Florida increases, Sunrise is poised to become even more desirable to investors, residents and visitors in 2020 and beyond.

Last year, the culmination of businesses relocating and expanding in Sunrise resulted in the use of nearly 145,000 square feet of existing work space and over 1,000 new job opportunities in our community. Some of the largest real-estate transactions, relocations and expansions in Sunrise in 2019 were: corporate headquarters for technology company *E-Builder* – 30,000 square feet of office space and 175 jobs; *Ultimate Software* – 178,000 square feet of office space and up to 375 jobs; and corporate headquarters for *AlphaStaff* with 15,000 square feet of office space and 80 jobs. Medical staffing company *Parallon* expanded its workforce by 125 new jobs and insurer *Sunshine Health* added 265 new jobs. In 2019, a total of 483 new business licenses were issued in Sunrise, with over 3,800 business license renewals.

Development continues at a brisk pace in Sunrise, with the City processing nearly 8,500 building permits in 2019. The construction value of these permits totals over \$250 million. The City's office market vacancy rate now sits at 5%, the lowest in our history, while commercial industrial space was near full occupancy in 2019. These low vacancy rates and high demand pushed office lease rates above \$30 per square foot, which are extremely strong numbers for a suburban market like Sunrise.

The strength of the Sunrise office market has driven developers to submit new plans for additional office projects in 2019. The Edge at Sawgrass is a Class (A) office building that will feature 108,000 square feet of corporate office space and a parking garage that will begin construction in 2020. *Westerra*, a prime 32-acre tract of vacant land on Sunrise Boulevard in the heart of the City's Business and Entertainment District, sold in 2019 to GL Homes for \$34 million. *Westerra* is poised to meet the needs of expanding businesses and corporate officer users for years to come.

Fiscal year 2019 saw continued progress of *Metropica*. The 58 acre mixed-use project located adjacent to the Sawgrass Mills mall is putting the final touches on its first condominium tower. The 28-story, \$72 million, 263 unit building is scheduled to have its first occupants by year end. Residential tower two is currently in design and is expected to launch sales to the public in 2020. The \$1.5 billion dollar project will have three major components that feature over 2,000 residential units, 350,000 square feet of retail/commercial space and 500,000 square feet of corporate office facilities. The project also calls for 250 hotel rooms and structured parking for 5,300 vehicles. Site development and infrastructure improvements on the retail portion of the project began early in 2019 and the office building designs also recently made their public debut to the business community. The City and the developer continue to collaborate on transportation enhancements to the area as *Metropica* moves forward with additional development.

In 2019, the City launched a massive new redevelopment initiative, coined *Celebrate Sunrise*. Celebrate Sunrise is the road map developed from the East Sunrise Improvements Master Plan, which was adopted in March 2019, to improve the quality of life, appearance, and values of both residential and commercial properties within our original eastern Sunrise neighborhoods. The goal is to stimulate investment and redevelopment of commercial areas and to revitalize our original neighborhoods, primarily from University Drive eastward to the City limits. The City has already committed over \$25 million dollars in infrastructure and other improvements in the east Sunrise area.

The Sunrise economy continues to prosper and is expected to remain a favorite destination to conduct business and for international visitors to spend time and money. As job opportunities continue to expand in Sunrise and new residential options develop, the City's appeal as a location to purchase or rent a home increases. All indicators portray a City poised to capture both residential and commercial investors in 2020 and beyond.

### **Long-term Financial Planning**

The City maintains a general fund revenue stabilization account with a funding level of five percent (5%) of last known audited actual operating expenditures to mitigate any potential future general fund revenue shortfalls. Additionally, a contingency reserve account with a funding level of three times that of the revenue stabilization account was created to provide funding for disasters, emergencies, or other exigent circumstances. These measures are intended to buffer unforeseen economic changes.

### **Major Initiatives**

Park projects include:

- The construction of Veterans Park at Nob Hill Road and NW 55<sup>th</sup> Street will have parking, restroom facilities, walking trails, playgrounds and an amphitheater.
- The Welleby Park expansion will include the renovation of existing site amenities including an 800 square foot enlargement to the existing meeting room as well as development of an additional 4-acre parcel of land as a dog park.

- The Sunrise Sportsplex features land totaling approximately 16.4 acres that will be developed into a new park and include one convertible full size multi-purpose field, four youth baseball/softball fields, two playgrounds, and one concession building with restroom facilities.
- The Sunrise Athletic Complex (SAC) Park expansion and renovation will expand the existing park to the east and renovate site amenities along with the construction of a 15,000 square foot multi-purpose building including five new basketball courts.
- The City Park improvements include a complete renovation including a multi-purpose field, stage, three new covered basketball courts, playground, splash pad and restrooms. Tennis courts will be refurbished and parking lot will be expanded.
- The Oscar Wind Park anticipated expansion is expected to include construction of a 15,000 square foot multi-purpose building with a gymnasium on land purchased from the School Board and the construction of a new playground, restroom building, and boardwalk with fishing pier.

Building projects include:

- The Civic Center expansion provides space for additional programming and work will include a new gymnasium with basketball courts and second floor walking track, new multi-level fitness area, new racquetball courts, and new multi-purpose room.
- The Senior Center expansion will provide space for enhanced and additional programming. Work includes a new exercise room, a new craft room, an upgraded kitchen that can accommodate cooking classes, and a new media room.
- The Municipal Campus expansion allows for the construction of a new City Hall building with a multi-modal parking garage and amenities to replace the existing City Hall.

Utility projects include:

- The Springtree Industrial Injection Wells Flow Delivery System Project includes construction of a new injection well, pump, and motor for disposal of treated wastewater from the City's new Reverse Osmosis Water Treatment Plant.
- Southwest Water Treatment Plant Improvements and installation of an ion exchange process to eliminate volatile organic chemicals (VOCs).
- Improvements to the Springtree Wastewater Treatment Plant headworks consisting of grit removal, order control and screening facilities.
- Various lift station rehabilitations will continue as part of the City's ongoing maintenance of its infrastructure to improve system-wide reliability to our customers.
- The Pine Island Road Forcemain Replacement project will replace approximately three miles of existing wastewater forcemain piping on Pine Island Road, NW 44<sup>th</sup> Street, NW 84<sup>th</sup> Avenue, NW 94<sup>th</sup> Avenue and Oakland Park Boulevard.
- Improvements to Sunrise Golf Village Infrastructure to increase water quality, service reliability and fire service protection.
- The Springtree Ion Exchange project provides a process to substantially remove the organic water in the lime softening process, reducing disinfection by-products formation potential and reducing required amount of ammonia.
- Water Main Replacements at Escape and Valencia, along NW 44<sup>th</sup> Street and Pine Island Road, and in east Sunrise will improve the existing infrastructure and provide additional capacity.
- The Reuse Distribution System proposes installations within portions of the Sawgrass International Corporate Park north to Artesia and through Sawgrass Mills.
- Stormwater Pump Station #5 provides stormwater protection for the residential neighborhood and commercial properties and will be replaced.

The City hosts a wide range of family-friendly seasonal events, including Woofstock (a dog-friendly event), an Earth Day Festival, a Royal Egg Hunt, a Back to School Round-Up, a Fall Harvest Festival, and a holiday-themed Arts and Crafts Festival. The City's annual Fourth of July Celebration features a parade and an outdoor concert and fireworks spectacular at the BB&T Center, which attracts an estimated 20,000 revelers from across the region. Cultural events include year-round Theatre and Art Gallery programming, a Martin Luther King Jr. Arts Weekend, Fort Lauderdale International Film Festival screenings, open mic nights and writing workshops for teens, and our Tunes 'N Trucks outdoor concert series. The City's robust scholastic and community-based chess programs have also earned Sunrise local, national, and international acclaim. Together, these offerings enhance the quality of life for Sunrise residents and attract visitors and tourism.

### **Awards and Acknowledgements**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Sunrise, Florida for its comprehensive annual financial report for the fiscal year ended September 30, 2018. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year. We believe that 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 preparation of this report was made possible by the efficient and dedicated service of the Finance and Administrative Services Department staff. Sincere appreciation is expressed for the contributions made by all individuals in the preparation of this report. Credit also must be given to the City Commission for their commitment to prudent fiscal management practices that emphasize long-term financial stability.

Respectfully submitted,



Wendy Dunbar, CPA  
Director of Finance and Administrative Services



Government Finance Officers Association

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

Presented to

**City of Sunrise  
Florida**

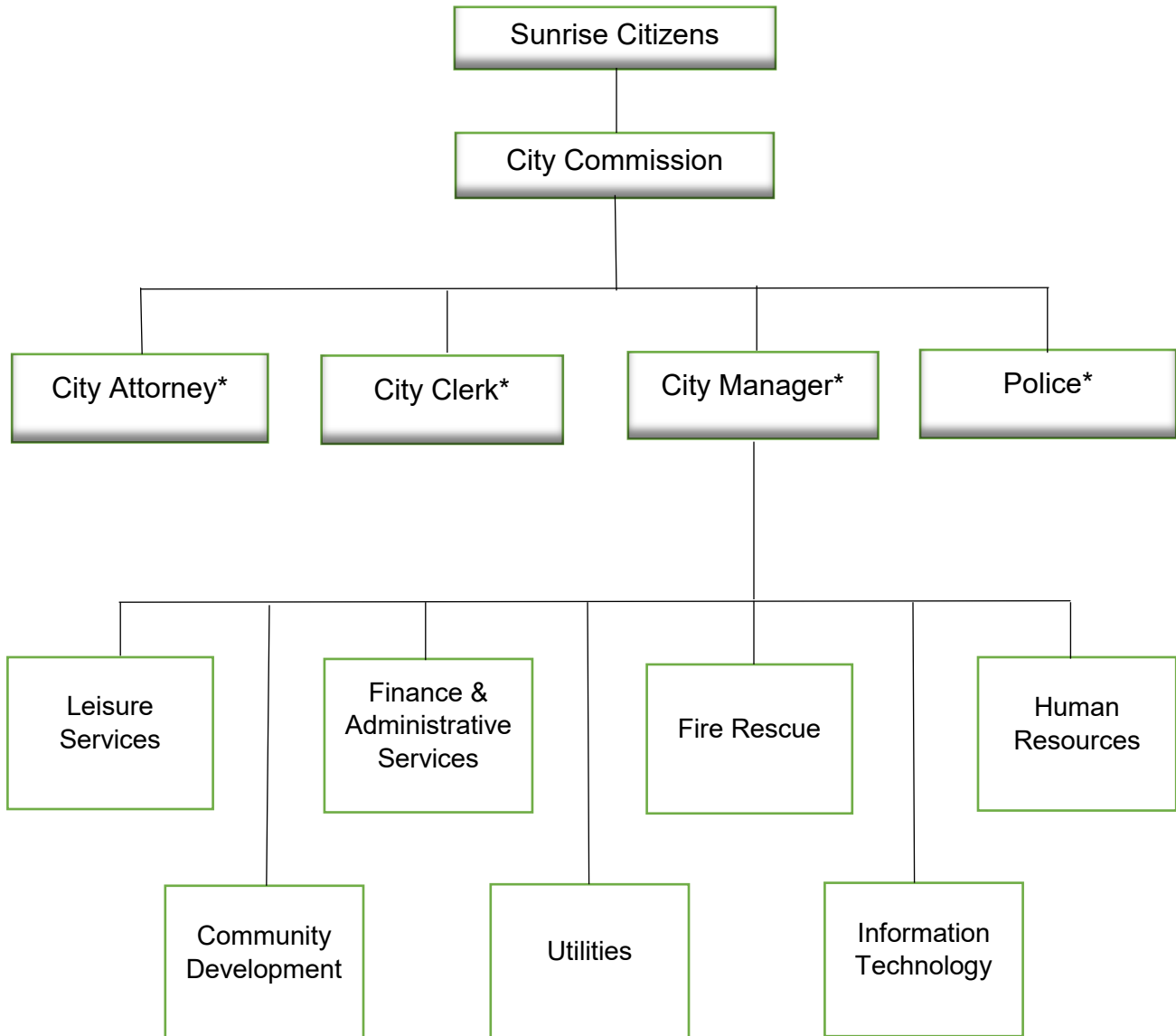
For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**September 30, 2018**

*Christopher P. Morrill*

Executive Director/CEO

City of Sunrise  
Departmental Organizational Chart  
Fiscal Year 2018/2019



\*Charter Officer

**City of Sunrise, Florida  
List of City Officials  
September 30, 2019**

**Elected Officials**

**Mayor  
Deputy Mayor  
Assistant Deputy Mayor  
Commissioner  
Commissioner**

**Michael J. Ryan  
Mark A. Douglas  
Joseph A. Scutto  
Neil C. Kerch  
Lawrence A. Sofield**

**Principal Officials**

**City Manager  
City Attorney  
City Clerk  
Assistant City Manager  
Assistant City Manager  
Director of Finance & Administrative Services  
Director of Leisure Services  
Director of Information Technology  
Director of Human Resources  
Director of Community Development  
Director of Utilities  
Fire Chief  
Police Chief**

**Richard Salamon  
Kimberly A. Kisslan  
Felicia Bravo  
Mark Lubelski  
Emilie Smith  
Wendy Dunbar  
Rosemarie Marco  
Laurie Gagner  
Stella Mesa  
Shannon Ley  
Tim Welch  
John McNamara  
Anthony Rosa**

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***Section II***  
***City of Sunrise, Florida***  
***Financial Section***

## **INDEPENDENT AUDITORS' REPORT**

To the Honorable Mayor, City Commission and City Manager  
**City of Sunrise, Florida**

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Sunrise, Florida (the City), as of and for the year ended September 30, 2019, 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 Pension Trust Funds, which represent 78%, 80% and 50%, 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 reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Pension Trust Funds is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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 reports 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, 2019, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison statement for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 15 through 25, the schedules of changes in the net pension liability and related ratios, the schedules of employer contributions, and the schedule of changes in total OPEB liability and related ratios on pages 87 through 92 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *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 combining and individual fund statements and schedules and the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulation Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund statements and schedules and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relates 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 other auditors. In our opinion, based on our audit, the procedures performed as described above, and the reports of the other auditors, the combining and individual fund statements and schedules and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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 it.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 12, 2020 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  
March 12, 2020

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## **MANAGEMENT'S DISCUSSION AND ANALYSIS (unaudited)**

The following discussion and analysis of the City of Sunrise's financial performance provides an overview of the City's financial activities for the fiscal year ended September 30, 2019. Please read it in conjunction with the letter of transmittal which can be found on pages 1-6 of this report and the City's financial statements, which follow this section.

### **FINANCIAL HIGHLIGHTS**

#### **Government-wide**

- The City's total net position, on a government-wide basis, totaled \$667,392,014 at September 30, 2019, an increase of 7.2% from September 30, 2018.

#### **Governmental Activities**

- On a government-wide basis for governmental activities, the City's general revenues of \$85,977,087 were \$2,637,485 more than the \$83,339,602 of expenses net of program revenue. Additionally, general revenues were \$4,328,873 more than the prior year representing an increase of 5.3%.
- As of September 30, 2019, the City's governmental activities reported a total ending net position of \$187,719,286. Unrestricted net position has a negative amount of \$63,459,412 due to the deferred outflows, deferred inflows and the pension and other postemployment benefits liabilities now being included as required by GASB reporting requirements.

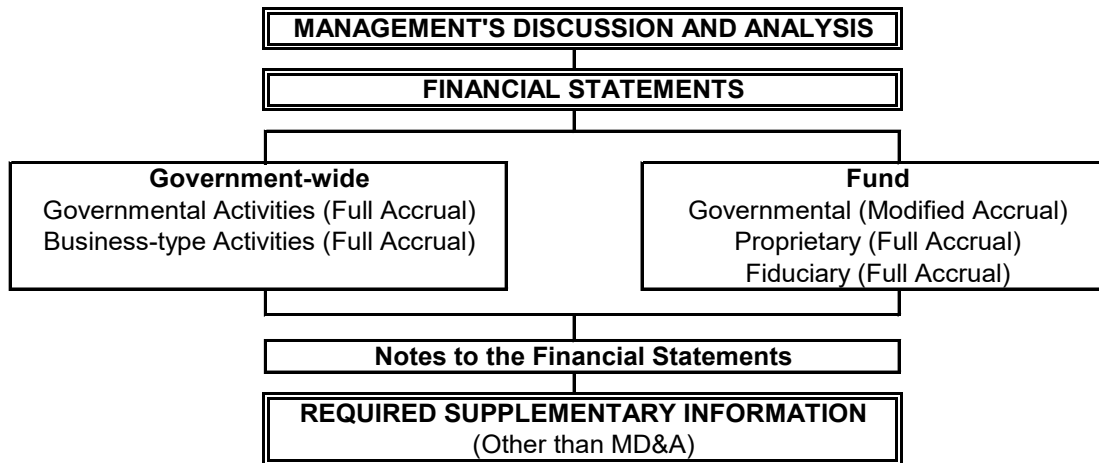
#### **General Fund**

- At the end of the current fiscal year, fund balance for the general fund was \$83,790,760. Of this balance, \$18,622,981 for inventories, prepaid items and advances was nonspendable; \$28,648,107 was committed for revenue stabilization, contingency, economic development, and reforestation replacement; \$357,330 was assigned for subsequent year's expenditures and \$1,283,453 was assigned for encumbrances. The balance of \$34,878,889 is unassigned and available for new spending.
- At the end of the fiscal year, the unassigned fund balance was \$34,878,889 or 26.4% of general fund revenues and 27.9% of general fund expenditures.
- General fund revenues and other financing sources increased by \$6,102,277, an increase of 4.7% from fiscal year 2018 primarily due to increased assessed property values and increased receipts for cost recovery surcharges, interest earnings and permit fees.
- General fund expenditures and other financing uses decreased by \$2,903,201, or 2.2% less than last fiscal year primarily due to decreases in transfers out.

### **USING THE FINANCIAL SECTION OF THIS COMPREHENSIVE ANNUAL FINANCIAL REPORT**

The City's basic financial statements are presented within the financial section of this Comprehensive Annual Financial Report (CAFR). As illustrated in the following chart, the financial section has three components: management's discussion and analysis (this section), the basic financial statements and required supplementary information.

## COMPONENTS OF THE FINANCIAL SECTION



### GOVERNMENT-WIDE STATEMENTS

The government-wide financial statements, the Statement of Net Position and the Statement of Activities, report information about the City as a whole using accounting methods similar to those used by private-sector companies; they provide both long-term and short-term information about the City's overall financial status. The Statement of Net Position presents financial and capital resources of the City. It includes all of the City's assets, liabilities and deferred inflows/outflows of resources reported using the full accrual basis of accounting. The Statement of Activities accounts for all of the current year's revenues and expenses, regardless of when cash is received or paid.

The government-wide financial statements report the City's net position and the changes in net position. The City's net position - the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources - are one way to measure the financial health, or financial position, of the City. Over time, increases or decreases in net position is an indicator of whether the financial position of the City is improving or deteriorating. However, in order to assess the overall health of the City, other non-financial factors such as changes in the City's property tax base and condition of the infrastructure must be considered.

The City's government-wide financial statements are divided into two categories:

**Governmental activities** – Most of the City's basic services are reported here, such as police, fire and other public safety services, culture and recreation, transportation and general administration. Property, utility service and sales taxes, charges for services, franchise fees, and state and federal grants finance most of these activities. Two other legal entities for which the City is financially accountable - Special Tax District No. 1 and Metropica Improvement District - are blended component units of the City. Metropica Improvement District does not have any financial activity to date.

**Business-type activities** – The City's water, wastewater and gas, sanitation, recycling, stormwater and golf course operations are reported here. Fees are charged to customers to recover all or a significant portion of the costs of providing these services.

### FUND FINANCIAL STATEMENTS

The fund financial statements provide more information about the City's most significant funds on an individual basis. The fund financial statements focus on reporting the City's operations in

more detail than the government-wide statements. The City has three types of funds – Governmental, Proprietary and Fiduciary.

### **Governmental Funds**

General, special revenue, debt service and capital projects funds are governmental funds, funds which focus on 1) near-term inflows and outflows of spendable resources and 2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, additional information follows the governmental funds statements that explain the differences between them.

In fiscal year 2019, the City maintained sixteen individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund and Capital Improvements capital projects fund (major funds). Data from the other fourteen governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for its General Fund and other governmental funds. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget as one of the basic financial statements.

### **Proprietary Funds**

Services for which the City charges customers a fee are generally reported in proprietary funds. These funds, like the government-wide statements, provide both long-term and short-term financial information. The City's enterprise funds (one type of proprietary fund) are the same as its business-type activities, but the fund financial statements provide more detail and additional information, such as cash flows. The City uses enterprise funds to account for its water, wastewater and gas, sanitation, recycling, stormwater, and golf course operations. The City uses internal service funds (the other type of proprietary fund) to report activities that provide services for the City's other programs and activities. The Workers' Compensation, Fleet Management, Information Technology and Communications, and Self-Insured Health funds are the City's four internal service funds. Because these services benefit both governmental activities and business-type activities, they have been allocated accordingly in the government-wide financial statements.

The proprietary fund financial statements provide separate information for the water, wastewater and gas utility system and the sanitation funds, both of which are considered to be major funds of the City. Data from the other three proprietary funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor proprietary funds is provided in the form of combining statements elsewhere in this report.

### **Fiduciary Funds**

The City is the trustee, or fiduciary, for its employees' pension plans and for the special assessment agency fund. The City is responsible for ensuring that the assets reported in these funds are used for their intended purpose. The City's fiduciary activities are reported in a separate Statement of Fiduciary Net Position for the pension plans and agency fund, a separate Statement of Changes in Fiduciary Net Position for the pension plans, and a Statement of



Changes in Assets and Liabilities for the Agency Fund. The City excludes these activities from the City's government-wide financial statements because the City cannot use these assets to finance its operations. The accounting used for fiduciary funds is similar to accounting used for proprietary funds. Data from the three pension trust funds is combined into a single aggregated presentation. Individual fund data is provided in the form of combining statements elsewhere in this report.

## FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

### Summary of Net Position

The following table presents the condensed comparative Summary of Net Position for fiscal year 2019 and 2018:

| Row Header                       | Governmental Activities |                  | Business-type Activities |                  | Total             |                   |
|----------------------------------|-------------------------|------------------|--------------------------|------------------|-------------------|-------------------|
|                                  | 2019                    | 2018             | 2019                     | 2018             | 2019              | 2018              |
| Current and other assets         | \$206,044               | \$217,652        | \$330,475                | \$303,872        | \$ 536,519        | \$ 521,524        |
| Capital assets                   | 221,543                 | 210,676          | 429,470                  | 423,919          | 651,013           | 634,595           |
| Total assets                     | <u>427,587</u>          | <u>428,328</u>   | <u>759,945</u>           | <u>727,791</u>   | <u>1,187,532</u>  | <u>1,156,119</u>  |
| Deferred outflows of resources   | 48,769                  | 58,117           | 16,686                   | 21,094           | 65,455            | 79,211            |
| Current and other liabilities    | 14,559                  | 19,646           | 27,092                   | 31,426           | 41,651            | 51,072            |
| Long-term liabilities            | 257,899                 | 265,170          | 263,386                  | 270,993          | 521,285           | 536,163           |
| Total liabilities                | <u>272,458</u>          | <u>284,816</u>   | <u>290,478</u>           | <u>302,419</u>   | <u>562,936</u>    | <u>587,235</u>    |
| Deferred inflows of resources    | 16,179                  | 19,633           | 6,480                    | 5,743            | 22,659            | 25,376            |
| Net position:                    |                         |                  |                          |                  |                   |                   |
| Net investment in capital assets | 176,946                 | 162,751          | 235,859                  | 219,579          | 412,805           | 382,330           |
| Restricted                       | 74,232                  | 91,307           | 101,961                  | 117,891          | 176,193           | 209,198           |
| Unrestricted                     | (63,459)                | (72,062)         | 141,853                  | 103,253          | 78,394            | 31,191            |
| Total net position               | <u>\$187,719</u>        | <u>\$181,996</u> | <u>\$479,673</u>         | <u>\$440,723</u> | <u>\$ 667,392</u> | <u>\$ 622,719</u> |

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. As of September 30, 2019, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$667,392 thousand.

The majority of the City's net position (61.9%) reflects its investment in capital assets, less any outstanding related debt and deferred outflows/inflows used to acquire those assets. The City uses 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, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position (26.4%) represents resources that are subject to external restrictions on how they may be used, such as debt or capital projects. The remaining balance of unrestricted net position (11.7%) may be used to meet the City's ongoing obligations to its citizenry.

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net position for the business-type activities and positive balances in two of the three categories of net position (net investment in capital assets and restricted) for the governmental activities.

There was an overall increase in net position of \$44,673 thousand for the current fiscal year. The increase of \$38,950 thousand for business-type activities is primarily due to an increase in water/wastewater and stormwater revenues. The increase of \$5,723 thousand for governmental activities is primarily due to increased revenues for property taxes, interest earnings, and cost recovery surcharges as well as a reduction in operating expenses as compared to September 30, 2018.

## Summary of Activities

The following table provides a condensed comparative summary of the City's operations for the fiscal years ended September 30, 2019 and 2018:

**Changes in Net Position  
For the Fiscal Years Ended September 30, 2019 and 2018  
(in thousands)**

| Raw Header   | Governmental Activities |                  | Business-type Activities |                  | Total            |                  |
|--|-------------------------|------------------|--------------------------|------------------|------------------|------------------|
|  | 2019                    | 2018             | 2019                     | 2018             | 2019             | 2018             |
| <b>Revenues</b>                                      |                         |                  |                          |                  |                  |                  |
| Program revenues:                                    |                         |                  |                          |                  |                  |                  |
| Charges for services                                 | \$ 56,581               | \$ 53,421        | \$149,460                | \$145,996        | \$206,041        | \$199,417        |
| Operating grants and contributions                   | 8,137                   | 7,482            | -                        | 5                | 8,137            | 7,487            |
| Capital grants and contributions                     | 2,616                   | 2,603            | 1,367                    | 4,398            | 3,983            | 7,001            |
| General revenues:                                    |                         |                  |                          |                  |                  |                  |
| Property taxes                                       | 47,472                  | 44,375           | -                        | -                | 47,472           | 44,375           |
| Utility service tax                                  | 10,273                  | 10,117           | -                        | -                | 10,273           | 10,117           |
| Communications services tax                          | 3,051                   | 3,013            | -                        | -                | 3,051            | 3,013            |
| Local business tax                                   | 2,208                   | 2,258            | -                        | -                | 2,208            | 2,258            |
| Franchise fees                                       | 9,732                   | 9,619            | -                        | -                | 9,732            | 9,619            |
| Contributions not restricted to specific programs    | 9,048                   | 8,948            | -                        | -                | 9,048            | 8,948            |
| Unrestricted investment earnings                     | 3,761                   | 2,425            | 6,195                    | 3,944            | 9,956            | 6,369            |
| Miscellaneous  | 387                     | 893              | 2,956                    | 1,306            | 3,343            | 2,199            |
| Gain on sale of capital assets                       | 44                      | -                | -                        | -                | 44               | -                |
| <b>Total revenues</b>                                | <u>153,310</u>          | <u>145,154</u>   | <u>159,978</u>           | <u>155,649</u>   | <u>313,288</u>   | <u>300,803</u>   |
| <b>Expenses</b>                                      |                         |                  |                          |                  |                  |                  |
| General government                                   | 31,927                  | 35,327           | -                        | -                | 31,927           | 35,327           |
| Public safety  | 91,538                  | 91,329           | -                        | -                | 91,538           | 91,329           |
| Physical environment                                 | 4                       | 97               | -                        | -                | 4                | 97               |
| Economic development                                 | 447                     | 882              | -                        | -                | 447              | 882              |
| Transportation                                       | 9,001                   | 10,357           | -                        | -                | 9,001            | 10,357           |
| Culture and recreation                               | 16,048                  | 16,134           | -                        | -                | 16,048           | 16,134           |
| Interest on long-term debt                           | 1,708                   | 1,847            | -                        | -                | 1,708            | 1,847            |
| Water and wastewater                                 | -                       | -                | 90,310                   | 90,489           | 90,310           | 90,489           |
| Gas  | -                       | -                | 7,533                    | 7,613            | 7,533            | 7,613            |
| Sanitation   | -                       | -                | 12,295                   | 12,668           | 12,295           | 12,668           |
| Recycling  | -                       | -                | 930                      | 899              | 930              | 899              |
| Stormwater   | -                       | -                | 5,028                    | 5,038            | 5,028            | 5,038            |
| Golf course  | -                       | -                | 1,846                    | 1,833            | 1,846            | 1,833            |
| <b>Total expenses</b>                                | <u>150,673</u>          | <u>155,973</u>   | <u>117,942</u>           | <u>118,540</u>   | <u>268,615</u>   | <u>274,513</u>   |
| Increase (decrease) in net position before transfers | 2,637                   | (10,819)         | 42,036                   | 37,109           | 44,673           | 26,290           |
| Transfers  | 3,086                   | 3,524            | (3,086)                  | (3,524)          | -                | -                |
| Change in net position                               | 5,723                   | (7,295)          | 38,950                   | 33,585           | 44,673           | 26,290           |
| Net position – beginning                             | <u>181,996</u>          | <u>189,291</u>   | <u>440,723</u>           | <u>407,138</u>   | <u>622,719</u>   | <u>596,429</u>   |
| Net position – ending                                | <u>\$187,719</u>        | <u>\$181,996</u> | <u>\$479,673</u>         | <u>\$440,723</u> | <u>\$667,392</u> | <u>\$622,719</u> |

## Revenues

For the fiscal year ended September 30, 2019, revenues from governmental activities totaled \$153,310 thousand.

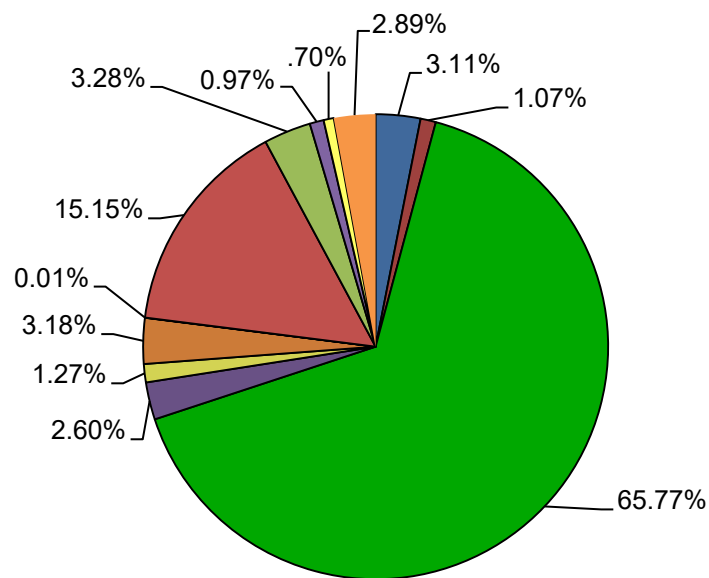
General property taxes were \$47,472 thousand, an increase of \$3,097 thousand as compared to fiscal year 2018. Assessed property values increased slightly compared to 2018 while the City maintained its previous year's millage rate.

Charges for services increased by \$6,624 thousand mainly due to an increase in the CPI of 3.34%, for water, wastewater and stormwater revenues on October 1, 2018.

Operating grants and contributions increased by \$650 thousand primarily due to the receipt of public safety federal and state grant funds. Capital grants and contributions decreased by \$3,018 thousand primarily due to a decrease in developer contributions.

Unrestricted investment earnings increased by \$3,587 thousand due to an increase in the average interest rate from 1.6% in fiscal year 2018 to 2.4% in fiscal year 2019.

### Sources of Revenue: Government-wide for FY 2019



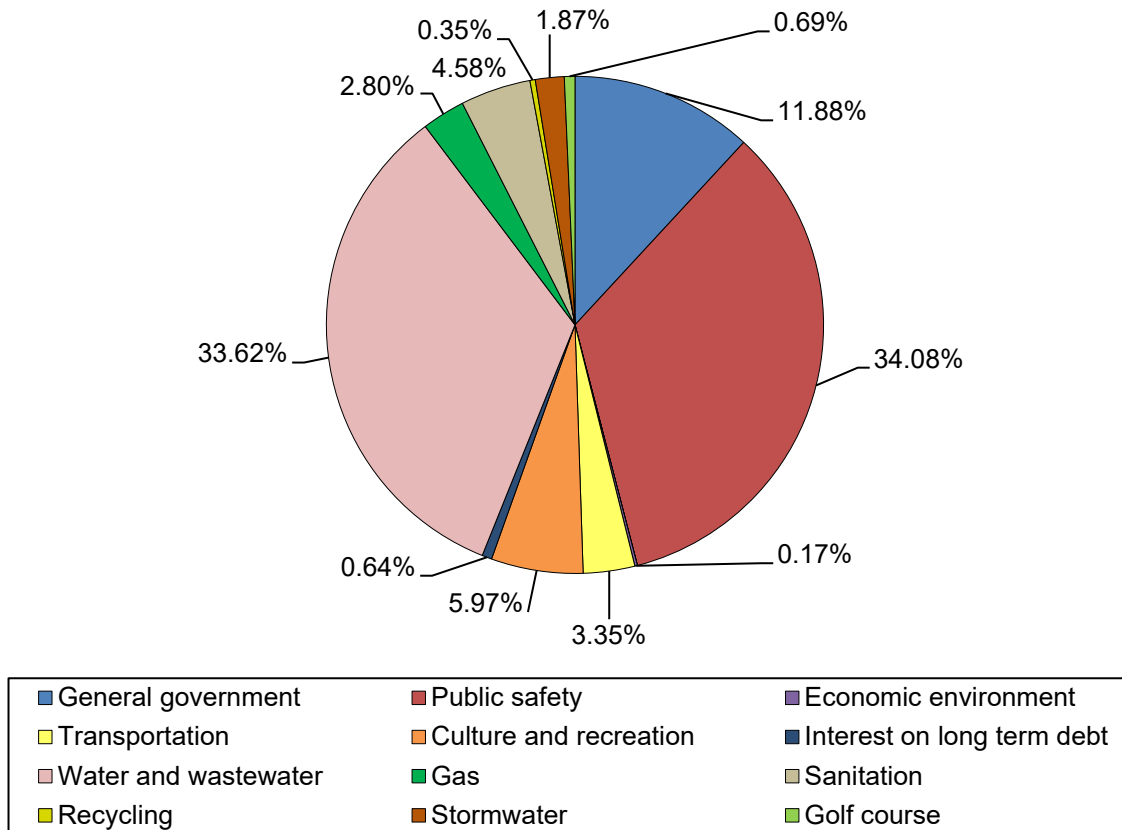
|                                    |  |
|------------------------------------|--|
| ■ Franchise fees                   | ■ Miscellaneous                              |
| ■ Charges for services             | ■ Operating grants and contributions         |
| ■ Capital grants and contributions | ■ Unrestricted investment earnings and other |
| ■ Gain on assets                   | ■ Property taxes                             |
| ■ Utility service taxes            | ■ Communications services tax                |
| ■ Local business tax               | ■ Unrestricted grants/ contributions         |

## Expenses

For the fiscal year ended September 30, 2019, expenses for governmental activities totaled \$150,673 thousand, a decrease of \$5,300 thousand. This is primarily due to a one-time transfer (disposal) of the Sunrise Lakes Phase I Special Recreation District assets to an outside agency in fiscal year 2018, a decrease in internal service chargebacks, the ongoing effects of recent GASB pronouncements, and a general reduction in depreciation expense.

Expenses for the City's business-type activities, which provide water, wastewater and gas, sanitation, recycling, stormwater services and golf course operations, totaled \$117,942 thousand, a decrease of \$598 thousand from fiscal year 2018. This decrease is due to a reduction in sanitation removal costs for commercial roll offs/construction and demolition debris.

### Functional Expenses: Government-wide for FY2019



## **FINANCIAL ANALYSIS OF THE CITY'S FUNDS**

For the fiscal year ended September 30, 2019, the governmental funds reflect a combined fund balance of \$162,624,174, a decrease of \$7,136,907 in comparison with the prior year. Approximately 88.5% of this total amount (\$143,951,857) constitutes spendable fund balance. The remainder of fund balance is non-spendable and not available for new spending because it has already been committed for advances (\$18,620,000), prepaid items (\$1,220) and inventories (\$51,097). This year's overall decrease in fund balance is due to a number of reasons. The other governmental funds fund balance increased by \$546,295 primarily due to an increase in forfeiture confiscation revenues. The Capital Improvements Capital Projects Fund had a decrease in fund balance of \$16,600,479 due to the construction of various city-wide projects. The General Fund's revenues and other financing sources were \$8,917,277 in excess of its expenditures and other financing uses primarily due less than anticipated operating expenditures.

## **GENERAL FUND BUDGETARY HIGHLIGHTS**

The difference between the original budget and the final amended budget amounted to a \$1,131,770 increase in appropriations. Of this increase, \$302,709 was funded through various grants, \$188,043 was funded through insurance premium taxes, \$91,018 was funded through public safety revenue sources, and \$550,000 was funded from the General Fund unassigned fund balance. Highlights of the supplemental appropriation follow:

- \$346,651 in increases for general government activities. The increase was comprised of a supplemental appropriation of \$550,000 to be used for the purchase of land and budget reductions for appropriations to the Public Works Division and Police Department in the amounts of \$88,670 and \$114,679, respectively.
- \$696,449 in increases allocated to public safety. Included in this amount was supplemental appropriations to fund \$393,740 for personnel and operating expenses and \$302,709 for public safety related grants.
- \$88,670 in increases for transportation activities. This supplemental appropriation was to fund operating expenses and capital equipment.

**General Fund**  
Summary of Revenues, Expenditures and Changes in Fund  
Balance – Budget to Actual  
**FY 2019**  
**(in thousands)**

|  | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual Amounts</u> |
|--|------------------------|---------------------|-----------------------|
| Revenues   |                        |                     |                       |
| Taxes  | \$ 59,476              | \$ 59,664           | \$ 60,014             |
| Permits and fees   | 2,700                  | 2,700               | 2,260                 |
| Franchise fees   | 9,570                  | 9,570               | 9,826                 |
| Intergovernmental  | 8,871                  | 9,174               | 10,550                |
| Charges for services   | 24,565                 | 24,656              | 25,409                |
| Other  | <u>22,602</u>          | <u>22,601</u>       | <u>23,814</u>         |
| Total  | <u>127,784</u>         | <u>128,365</u>      | <u>131,873</u>        |
| Expenditures   | <u>132,073</u>         | <u>133,204</u>      | <u>125,123</u>        |
| Excess (deficiency) of revenues<br>over (under) expenditures | <u>(4,289)</u>         | <u>(4,839)</u>      | <u>6,750</u>          |
| Other financing sources (uses)                               |                        |                     |                       |
| Transfers in   | 5,406                  | 5,406               | 5,242                 |
| Transfers out  | (3,177)                | (3,177)             | (3,177)               |
| Sale of capital assets                                       | <u>20</u>              | <u>20</u>           | <u>102</u>            |
| Total  | <u>2,249</u>           | <u>2,249</u>        | <u>2,167</u>          |
| Net change in fund balance                                   | <u>\$ (2,040)</u>      | <u>\$ (2,590)</u>   | <u>\$ 8,917</u>       |

Actual general fund revenues exceeded original budgeted revenues by \$4,089 thousand. This increase is primarily due to receipt of \$940 thousand for cost recovery surcharges, \$1,348 thousand in additional grant awards, \$492 thousand in utility service taxes, \$1,028 thousand in interest earnings and \$188 thousand in insurance premium taxes. The original budget was amended to account for \$302 thousand in additional grant awards, \$91 thousand in public safety service charges and \$188 thousand in insurance premium taxes. Actual general fund expenditures were less than the original budget by \$6,950 thousand primarily due to position vacancies resulting in salary and related payroll cost savings, less than anticipated expenditures for capital equipment and a concerted effort to curtail operating expenditures.

Actual revenue collections exceeded the final budget by \$3,508 thousand. The increase between actual revenues and the final budget are due to an increase in cost recovery charges, interest earnings and additional grant awards. In addition, total expenditures were approximately \$8,081 thousand less than final budget due to less than anticipated spending for operational and capital items as well as position vacancies.

## CAPITAL ASSETS

At the end of fiscal year 2019, the City's governmental activities had invested \$221,542,786 in a variety of capital assets and infrastructure, which represents a net increase of \$10,866,377 from the prior year. The City's investment in capital assets for its business-type activities amounted to \$429,470,017, which represents a net increase of \$5,550,599 from the prior year. The following table reflects the components of capital assets and their changes:

| Raw Header   | Government-wide<br>Change in Capital Assets<br>(in thousands) |                             |                    |                          |                             |                    |
|--|---|-----------------------------|--------------------|--------------------------|-----------------------------|--------------------|
|  | Governmental Activities                                       |                             |                    | Business-type Activities |                             |                    |
|  | Balance<br>10/1/18  | Net Additions/<br>Deletions | Balance<br>9/30/19 | Balance<br>10/1/18       | Net Additions/<br>Deletions | Balance<br>9/30/19 |
| Non-depreciable assets:                                      |   |                             |                    |                          |                             |                    |
| Land   | \$ 26,442   | \$ 262                      | \$ 26,704          | \$ 12,412                | \$ -                        | \$ 12,412          |
| Construction in progress                                     | 36,683  | 11,009                      | 47,692             | 72,014                   | (18)                        | 71,996             |
| Depreciable capital assets:                                  |   |                             |                    |                          |                             |                    |
| Intangibles  | 1,566   | -                           | 1,566              | 353                      | -                           | 353                |
| Buildings and system<br>improvements other<br>than buildings | 150,295   | 174                         | 150,469            | 610,006                  | 27,623                      | 637,629            |
| Machinery and equipment                                      | 55,305  | 8,280                       | 63,585             | 18,589                   | 99                          | 18,688             |
| Vehicles   | 21,882  | 631                         | 22,513             | 9,005                    | 93                          | 9,098              |
| Infrastructure   | 27,114  | 769                         | 27,883             | 11,293                   | 882                         | 12,175             |
| Accumulated depreciation<br>on capital assets                | 335,291   | 2,041                       | 337,332            | -                        | -                           | -                  |
| Totals   | <u>(443,902)</u>  | <u>(12,299)</u>             | <u>(456,201)</u>   | <u>(309,753)</u>         | <u>(23,128)</u>             | <u>(332,881)</u>   |
|  | <u>\$210,676</u>  | <u>\$ 10,867</u>            | <u>\$ 221,543</u>  | <u>\$ 423,919</u>        | <u>\$ 5,551</u>             | <u>\$ 429,470</u>  |

Major capital asset events during the current fiscal year included the following:

- The City made public safety purchases including an ambulance for \$311,836 and police department vehicles totaling \$1,276,146.
- Thirteen portable generators were purchased by the Water/Wastewater Utility System for \$870,050.
- Various major projects were completed in the Water/Wastewater Utility System including Springtree Water Treatment Plant Phase 2, Springtree Wastewater Treatment Plant biosolids stabilization, Sawgrass Water Treatment Plant membranes replacement and major watermain pipeline replacements.

Planning, design or construction is in progress on the following projects:

- Parks improvements/expansions are in the design phase at City Park, Oscar Wind Park and the Sunrise Athletic Complex Park.
- Construction is wrapping up at the Sunrise Sportsplex, Veterans Park and Nob Hill Soccer Club as well as the expansion of the Senior Center, Civic Center and Welleby Park.
- Various system additions and improvements are under construction in the Water/Wastewater Utility System.

Additional information on the City's capital assets can be found in note IV.C to the financial statements.

## **LONG-TERM DEBT**

At the end of the current fiscal year, the City had total debt principal outstanding of \$233,735,000. Of this amount, \$191,970,000 represents bonds and a direct borrowing secured solely by specified revenue sources, \$7,025,000 is special tax district ad valorem tax bonds and \$34,740,000 is general obligation bonds. More detailed information about the City's long-term liabilities is presented in Note IV. H to the financial statements.

The City's special tax district ad valorem tax bonds have an insured rating of "A2" by Moody's Investors Service and an insured rating of "AA" by Standard and Poor's. The general obligation bonds have a rating of "Aa2" by Moody's and "AA" by Fitch.

The Series 2010 utility bonds have a rating of "AA" by Standard and Poor's and "AA+" by Fitch.

The special assessment bonds (Series 2015) were issued to fund design and construction of two public parking garage structures and improvements to public infrastructure, intersections, traffic signalization and rights-of-way and a portion of existing parking lots on land owned by benefitted owners located at Sawgrass Mills mall. The bonds have a rating of "BBB" by Fitch. The City is not obligated in any manner for the payment of principal and interest for these bonds. Funds are collected through special assessments on the affected property owners. The City acts as the fiduciary agent for these funds.

## **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

The millage rate of \$6.0543 was adopted for fiscal year 2020, which was the same millage rate as fiscal year 2019. The millage rate has remained the same since fiscal year 2010.

There are no rate increases for the Water and Wastewater Fund and the Consumer Price Index (CPI) adjustment has been waived on a one-time basis for fiscal year 2020. Stormwater and gas fees have increased by the CPI of 3.27% and 1.8%, respectively. On the expenditure side, health insurance premiums remain the same while increases are expected for pension and other employee benefit costs.

According to the U.S. Department of Labor, Bureau of Labor Statistics, the City's total resident employment as of September 2019 was 52,307 compared to 51,342 as of September 2018. The City's resident unemployment rate decreased from 3% in September 2018 to 2.9% in September 2019. The State of Florida's unemployment rate in September 2019 was 3%.

As of September 2018 (the latest data available from the U. S. Census Bureau), the City's median household income was \$50,284, while the State's median household income was \$55,462.

## **REQUEST FOR INFORMATION**

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 demonstrate the City's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance and Administrative Services Director, 10770 West Oakland Park Blvd., Sunrise, Florida 33351.



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## ***BASIC FINANCIAL STATEMENTS***

CITY OF SUNRISE, FLORIDA  
STATEMENT OF NET POSITION  
SEPTEMBER 30, 2019

|   | Governmental<br>Activities | Business-type<br>Activities | Total                 |
|---|----------------------------|-----------------------------|-----------------------|
| <b>ASSETS</b>                                     |                            |                             |                       |
| Cash and cash equivalents                         | \$ 184,096,088             | \$ 156,878,351              | \$ 340,974,439        |
| Investments                                       | 19,672,327                 | 19,843,690                  | 39,516,017            |
| Receivables, net of allowance for uncollectibles  | 7,698,598                  | 21,735,469                  | 29,434,067            |
| Internal balances                                 | (5,854,432)                | 5,854,432                   | -                     |
| Inventories                                       | 414,207                    | 2,271,245                   | 2,685,452             |
| Prepaid items                                     | 17,351                     | 63,304                      | 80,655                |
| Restricted assets:                                |                            |                             |                       |
| Cash and cash equivalents                         | -                          | 110,557,966                 | 110,557,966           |
| Investments                                       | -                          | 13,207,696                  | 13,207,696            |
| Interest receivable on investments                | -                          | 63,103                      | 63,103                |
| Capital assets not being depreciated:             |                            |                             |                       |
| Land  | 26,704,399                 | 12,412,438                  | 39,116,837            |
| Construction in progress                          | 47,691,517                 | 71,995,814                  | 119,687,331           |
| Capital assets (net of accumulated depreciation): |                            |                             |                       |
| Intangibles                                       | 55,718                     | 14,403                      | 70,121                |
| Buildings and system                              | 98,693,148                 | 328,176,260                 | 426,869,408           |
| Improvements other than buildings                 | 20,445,390                 | 9,251,496                   | 29,696,886            |
| Machinery and equipment                           | 6,439,933                  | 2,766,568                   | 9,206,501             |
| Vehicles  | 11,571,694                 | 4,853,038                   | 16,424,732            |
| Infrastructure                                    | 9,940,987                  | -                           | 9,940,987             |
| Total assets                                      | <u>427,586,925</u>         | <u>759,945,273</u>          | <u>1,187,532,198</u>  |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>             |                            |                             |                       |
| Deferred charge on refunding                      | -                          | 1,061,047                   | 1,061,047             |
| Other postemployment benefits                     | 500,796                    | 209,797                     | 710,593               |
| Pensions  | 48,268,361                 | 15,415,198                  | 63,683,559            |
| Total deferred outflows of resources              | <u>48,769,157</u>          | <u>16,686,042</u>           | <u>65,455,199</u>     |
| <b>LIABILITIES</b>                                |                            |                             |                       |
| Accounts payable and other current liabilities    | 5,045,901                  | 7,030,913                   | 12,076,814            |
| Retainage payable                                 | 1,557,264                  | 1,611,889                   | 3,169,153             |
| Intergovernmental payable                         | 237,342                    | 2,263,951                   | 2,501,293             |
| Interest payable                                  | 503,807                    | -                           | 503,807               |
| Accrued liabilities                               | 2,198,206                  | 540,120                     | 2,738,326             |
| Unearned revenue                                  | 2,355,093                  | 90,973                      | 2,446,066             |
| Other liabilities                                 | 2,661,591                  | -                           | 2,661,591             |
| Liabilities payable from restricted assets        | -                          | 15,554,525                  | 15,554,525            |
| Non-current liabilities:                          |                            |                             |                       |
| Due within one year                               | 4,409,361                  | 6,303,658                   | 10,713,019            |
| Due in more than one year                         |                            |                             |                       |
| Net pension liability                             | 158,973,828                | 42,778,988                  | 201,752,816           |
| Total pension liability - retiree subsidy         | 19,564,252                 | 15,987,750                  | 35,552,002            |
| Total pension liability - excess plan             | 1,758,019                  | -                           | 1,758,019             |
| Total other postemployment benefits               | 20,386,520                 | 8,599,110                   | 28,985,630            |
| Debt and other                                    | 52,806,412                 | 189,716,410                 | 242,522,822           |
| Total liabilities                                 | <u>272,457,596</u>         | <u>290,478,287</u>          | <u>562,935,883</u>    |
| <b>DEFERRED INFLOWS OF RESOURCES</b>              |                            |                             |                       |
| Other postemployment benefits                     | 2,019,390                  | 843,062                     | 2,862,452             |
| Pensions  | 14,159,810                 | 5,637,238                   | 19,797,048            |
| Total deferred inflows of resources               | <u>16,179,200</u>          | <u>6,480,300</u>            | <u>22,659,500</u>     |
| <b>NET POSITION</b>                               |                            |                             |                       |
| Net investment in capital assets                  | 176,946,348                | 235,858,900                 | 412,805,248           |
| Restricted:                                       |                            |                             |                       |
| Debt service                                      | 4,846,319                  | -                           | 4,846,319             |
| Renewal and replacement                           | -                          | 33,755,686                  | 33,755,686            |
| Operations and maintenance                        | -                          | 5,185,744                   | 5,185,744             |
| System reserve                                    | -                          | 63,019,137                  | 63,019,137            |
| Capital projects                                  | 54,431,487                 | -                           | 54,431,487            |
| Transportation                                    | 4,677,545                  | -                           | 4,677,545             |
| Building fees                                     | 9,624,614                  | -                           | 9,624,614             |
| Impact fees                                       | 652,385                    | -                           | 652,385               |
| Unrestricted                                      | (63,459,412)               | 141,853,261                 | 78,393,849            |
| Total net position                                | <u>\$ 187,719,286</u>      | <u>\$ 479,672,728</u>       | <u>\$ 667,392,014</u> |

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

CITY OF SUNRISE, FLORIDA  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED SEPTEMBER 30, 2019

| Row Header  | Program Revenues      |                                 |   |   | Net (Expense) Revenue and<br>Changes in Net Position |                                     |                       |
|---|-----------------------|---------------------------------|---|---|--|-------------------------------------|-----------------------|
| <u>Functions/Programs</u>                         | <u>Expenses</u>       | <u>Charges for<br/>Services</u> | <u>Operating<br/>Grants and<br/>Contributions</u> | <u>Capital<br/>Grants and<br/>Contributions</u> | <u>Governmental<br/>Activities</u>                   | <u>Business-type<br/>Activities</u> | <u>Total</u>          |
| <b>Governmental activities:</b>                   |                       |                                 |   |   |  |                                     |                       |
| General government                                | \$ 31,927,104         | \$ 10,376,703                   | \$ -  | \$ -  | \$ (21,550,401)                                      | \$ -                                | \$ (21,550,401)       |
| Public safety                                     | 91,538,016            | 27,527,437                      | 5,534,203   | 139,130   | (58,337,246)   | -                                   | (58,337,246)          |
| Physical environment                              | 4,316                 | 16,886,268                      | -   | -   | 16,881,952   | -                                   | 16,881,952            |
| Economic development                              | 446,567               | -                               | 392,167   | -   | (54,400)   | -                                   | (54,400)              |
| Transportation                                    | 9,001,119             | 46,575                          | 2,132,880   | 1,868,698                                       | (4,952,966)  | -                                   | (4,952,966)           |
| Culture and recreation                            | 16,048,127            | 1,743,697                       | 77,770  | 608,082   | (13,618,578)   | -                                   | (13,618,578)          |
| Interest on long-term debt                        | 1,707,963             | -                               | -   | -   | (1,707,963)  | -                                   | (1,707,963)           |
| Total governmental activities                     | <u>150,673,212</u>    | <u>56,580,680</u>               | <u>8,137,020</u>                                  | <u>2,615,910</u>                                | <u>(83,339,602)</u>                                  | <u>-</u>                            | <u>(83,339,602)</u>   |
| <b>Business-type activities:</b>                  |                       |                                 |   |   |  |                                     |                       |
| Water and wastewater                              | 90,309,770            | 118,985,353                     | -   | 1,366,529                                       | -  | 30,042,112                          | 30,042,112            |
| Gas   | 7,533,228             | 8,134,385                       | -   | -   | -  | 601,157                             | 601,157               |
| Sanitation  | 12,295,078            | 12,256,133                      | -   | -   | -  | (38,945)                            | (38,945)              |
| Recycling   | 930,628               | 1,164,656                       | -   | -   | -  | 234,028                             | 234,028               |
| Stormwater  | 5,027,770             | 7,785,773                       | -   | -   | -  | 2,758,003                           | 2,758,003             |
| Golf course                                       | 1,845,786             | 1,133,982                       | -   | -   | -  | (711,804)                           | (711,804)             |
| Total business-type activities                    | <u>117,942,260</u>    | <u>149,460,282</u>              | <u>-</u>  | <u>1,366,529</u>                                | <u>-</u>   | <u>32,884,551</u>                   | <u>32,884,551</u>     |
| <b>Total</b>                                      | <u>\$ 268,615,472</u> | <u>\$ 206,040,962</u>           | <u>\$ 8,137,020</u>                               | <u>\$ 3,982,439</u>                             | <u>(83,339,602)</u>                                  | <u>32,884,551</u>                   | <u>(50,455,051)</u>   |
| <b>General revenues:</b>                          |                       |                                 |   |   |  |                                     |                       |
| Property taxes                                    |                       |                                 |   |   | 47,472,021   | -                                   | 47,472,021            |
| Utility service tax                               |                       |                                 |   |   | 10,272,645   | -                                   | 10,272,645            |
| Communications services tax                       |                       |                                 |   |   | 3,050,927  | -                                   | 3,050,927             |
| Local business tax                                |                       |                                 |   |   | 2,208,339  | -                                   | 2,208,339             |
| Franchise fees based on gross receipts            |                       |                                 |   |   | 9,732,136  | -                                   | 9,732,136             |
| Contributions not restricted to specific programs |                       |                                 |   |   | 9,047,925  | -                                   | 9,047,925             |
| Unrestricted investment earnings                  |                       |                                 |   |   | 3,761,615  | 6,195,306                           | 9,956,921             |
| Miscellaneous                                     |                       |                                 |   |   | 387,609  | 2,955,623                           | 3,343,232             |
| Gain on sale of capital assets                    |                       |                                 |   |   | 43,870   | -                                   | 43,870                |
| Transfers   |                       |                                 |   |   | 3,085,834  | (3,085,834)                         | -                     |
| Total general revenues and transfers              |                       |                                 |   |   | <u>89,062,921</u>                                    | <u>6,065,095</u>                    | <u>95,128,016</u>     |
| Change in net position                            |                       |                                 |   |   | 5,723,319  | 38,949,646                          | 44,672,965            |
| Net position - beginning                          |                       |                                 |   |   | 181,995,967  | 440,723,082                         | 622,719,049           |
| Net position - ending                             |                       |                                 |   |   | <u>\$ 187,719,286</u>                                | <u>\$ 479,672,728</u>               | <u>\$ 667,392,014</u> |

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

CITY OF SUNRISE, FLORIDA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2019

| Raw Hwader  | General              | Capital<br>Projects             | Other<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|---|----------------------|---------------------------------|--------------------------------|--------------------------------|
|   |                      | <u>Capital<br/>Improvements</u> |                                |                                |
| <b>ASSETS</b>   |                      |                                 |                                |                                |
| Cash and cash equivalents   | \$ 58,615,218        | \$ 33,642,848                   | \$ 62,667,644                  | \$ 154,925,710                 |
| Investments   | 8,143,888            | 5,465,284                       | 1,930,292                      | 15,539,464                     |
| Receivables, net of allowance for uncollectibles:                 |                      |                                 |                                |                                |
| Interest  | 22,997               | 13,286                          | 17,205                         | 53,488                         |
| Taxes   | 681,165              | -                               | -                              | 681,165                        |
| Franchise fees  | 1,098,890            | -                               | -                              | 1,098,890                      |
| Accounts receivable   | 1,119,538            | -                               | -                              | 1,119,538                      |
| Other   | 230,227              | -                               | 6,573                          | 236,800                        |
| Due from other funds  | 571,681              | 836                             | 4,531                          | 577,048                        |
| Interfund   | 111,131              | -                               | -                              | 111,131                        |
| Intergovernmental   | 3,018,590            | 628,049                         | 567,789                        | 4,214,428                      |
| Prepaid items   | 1,220                | -                               | -                              | 1,220                          |
| Inventories   | 1,761                | -                               | 49,336                         | 51,097                         |
| Advances to other funds   | 18,620,000           | -                               | -                              | 18,620,000                     |
| Total assets  | <u>\$ 92,236,306</u> | <u>\$ 39,750,303</u>            | <u>\$ 65,243,370</u>           | <u>\$ 197,229,979</u>          |
| <b>LIABILITIES</b>  |                      |                                 |                                |                                |
| Accounts payable  | 1,792,193            | 2,182,856                       | 347,346                        | 4,322,395                      |
| Accrued liabilities   | 2,036,648            | -                               | 110,710                        | 2,147,358                      |
| Retainage payable   | -                    | 1,557,264                       | -                              | 1,557,264                      |
| Intergovernmental payable   | 234,974              | -                               | 2,368                          | 237,342                        |
| Due to other funds  | 141,440              | -                               | 49,996                         | 191,436                        |
| Interfund payable   | -                    | -                               | 111,131                        | 111,131                        |
| Matured bonds payable   | -                    | -                               | 2,230,000                      | 2,230,000                      |
| Matured interest payable  | -                    | -                               | 172,195                        | 172,195                        |
| Unearned revenue  | 2,256,991            | -                               | 98,102                         | 2,355,093                      |
| Other   | 1,983,300            | -                               | 678,291                        | 2,661,591                      |
| Advances from other funds   | -                    | 18,400,000                      | 220,000                        | 18,620,000                     |
| Total liabilities   | <u>8,445,546</u>     | <u>22,140,120</u>               | <u>4,020,139</u>               | <u>34,605,805</u>              |
| <b>FUND BALANCES</b>  |                      |                                 |                                |                                |
| Nonspendable:   |                      |                                 |                                |                                |
| Inventories   | 1,761                | -                               | 49,336                         | 51,097                         |
| Prepaid items   | 1,220                | -                               | -                              | 1,220                          |
| Advances  | 18,620,000           | -                               | -                              | 18,620,000                     |
| Restricted for:   |                      |                                 |                                |                                |
| Building department   | -                    | -                               | 9,624,614                      | 9,624,614                      |
| Capital projects  | -                    | -                               | 35,406,070                     | 35,406,070                     |
| Recreation  | -                    | -                               | 3,532                          | 3,532                          |
| Public safety   | -                    | -                               | 5,268,049                      | 5,268,049                      |
| Fire equipment  | -                    | -                               | 230,108                        | 230,108                        |
| Median strips   | -                    | -                               | 400,992                        | 400,992                        |
| Housing   | -                    | -                               | 1,249,156                      | 1,249,156                      |
| Transportation  | -                    | -                               | 3,863,881                      | 3,863,881                      |
| Developer agreements  | -                    | 623,333                         | -                              | 623,333                        |
| Committed:  |                      |                                 |                                |                                |
| Revenue stabilization   | 6,087,933            | -                               | -                              | 6,087,933                      |
| Contingency   | 15,013,798           | -                               | -                              | 15,013,798                     |
| Economic development  | 7,413,409            | -                               | -                              | 7,413,409                      |
| Reforestation replacement   | 132,967              | -                               | -                              | 132,967                        |
| Assigned to:  |                      |                                 |                                |                                |
| Subsequent year's expenditures                                    | 357,330              | -                               | -                              | 357,330                        |
| Other purposes  | 1,283,453            | -                               | -                              | 1,283,453                      |
| Construction contracts  | -                    | 19,323,634                      | -                              | 19,323,634                     |
| Transportation  | -                    | -                               | 764,328                        | 764,328                        |
| Debt service funds  | -                    | -                               | 2,947,931                      | 2,947,931                      |
| Capital projects funds  | -                    | -                               | 1,415,234                      | 1,415,234                      |
| Unassigned  |                      |                                 |                                |                                |
| General fund  | 34,878,889           | -                               | -                              | 34,878,889                     |
| Capital projects funds  | -                    | (2,336,784)                     | -                              | (2,336,784)                    |
| Total fund balances   | <u>83,790,760</u>    | <u>17,610,183</u>               | <u>61,223,231</u>              | <u>162,624,174</u>             |
| Total liabilities, deferred inflow of resources and fund balances | <u>\$ 92,236,306</u> | <u>\$ 39,750,303</u>            | <u>\$ 65,243,370</u>           | <u>\$ 197,229,979</u>          |

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

CITY OF SUNRISE, FLORIDA  
RECONCILIATION OF THE BALANCE SHEET  
TO THE STATEMENT OF NET POSITION -  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2019

|  |           |                           |
|--|-----------|---------------------------|
| <b>Fund balances - total governmental funds</b>  | <b>\$</b> | <b>162,624,174</b>        |
| <br><b>Amounts reported for governmental activities in the statement of net position are different because:</b>  |           |                           |
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.  |           | 207,243,524               |
| Debt interest payable that will not be liquidated with current financial resources is not reported in the funds.   |           | (331,612)                 |
| Deferred inflows of resources related to pension earnings and other post employment benefits are not recognized in the governmental funds; however, they are reported in the statement of net position under full accrual accounting.  |           | (15,662,392)              |
| Deferred outflows of resources related to pension contributions and other post employment benefits are not recognized in the governmental funds; however, they are reported in the statement of net position under full accrual accounting.  |           | 47,381,675                |
| The internal service funds are used by management to charge the costs of workers' compensation, fleet management, information technology and communications, and self-insured health to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. |           | 32,653,595                |
| Other post employment benefits are not due and payable in the current period and, therefore, are not reported in the funds.  |           | (19,780,839)              |
| Pension liabilities are not due and payable in the current period and, therefore, are not reported in the funds.   |           | (175,311,301)             |
| Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.   |           | <u>(51,097,538)</u>       |
| <b>Net position of governmental activities</b>   | <b>\$</b> | <b><u>187,719,286</u></b> |

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

**CITY OF SUNRISE, FLORIDA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2019**

| Raw Header   | General              | Capital<br>Projects             | Other<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|--|----------------------|---------------------------------|--------------------------------|--------------------------------|
|  |                      | <u>Capital<br/>Improvements</u> |                                |                                |
| <b>REVENUES</b>  |                      |                                 |                                |                                |
| <b>Taxes:</b>  |                      |                                 |                                |                                |
| Property   | \$ 42,801,580        | \$ -                            | \$ 4,670,441                   | \$ 47,472,021                  |
| Local option fuel  | -                    | -                               | 1,680,518                      | 1,680,518                      |
| Insurance premium  | 1,679,933            | -                               | -                              | 1,679,933                      |
| Utility service  | 10,272,645           | -                               | -                              | 10,272,645                     |
| Communications services  | 3,050,927            | -                               | -                              | 3,050,927                      |
| Local business   | 2,208,339            | -                               | -                              | 2,208,339                      |
| Permits and fees   | 2,260,410            | -                               | 6,627,216                      | 8,887,626                      |
| Franchise fees   | 9,825,469            | -                               | -                              | 9,825,469                      |
| Intergovernmental  | 10,550,339           | 805,093                         | 1,588,613                      | 12,944,045                     |
| Charges for services   | 25,409,345           | -                               | 46,575                         | 25,455,920                     |
| Administrative charges   | 7,644,340            | -                               | -                              | 7,644,340                      |
| Judgments, fines and forfeitures                                     | 2,204,505            | -                               | 2,284,910                      | 4,489,415                      |
| Special assessments  | 10,753,750           | -                               | -                              | 10,753,750                     |
| Impact fees  | -                    | -                               | 10,338                         | 10,338                         |
| Investment earnings  | 1,553,184            | 1,075,495                       | 1,456,591                      | 4,085,270                      |
| Contributions and donations  | 57,090               | -                               | -                              | 57,090                         |
| Miscellaneous  | 1,601,353            | 4,502                           | 100,764                        | 1,706,619                      |
| <b>Total revenues</b>  | <u>131,873,209</u>   | <u>1,885,090</u>                | <u>18,465,966</u>              | <u>152,224,265</u>             |
| <b>EXPENDITURES</b>  |                      |                                 |                                |                                |
| <b>Current:</b>  |                      |                                 |                                |                                |
| General government   | 29,900,865           | -                               | -                              | 29,900,865                     |
| Public safety  | 79,836,780           | -                               | 7,919,585                      | 87,756,365                     |
| Economic development   | -                    | -                               | 446,567                        | 446,567                        |
| Transportation   | 975,422              | -                               | 3,144,907                      | 4,120,329                      |
| Culture and recreation   | 12,099,691           | -                               | -                              | 12,099,691                     |
| <b>Debt service:</b>   |                      |                                 |                                |                                |
| Principal  | -                    | -                               | 3,005,000                      | 3,005,000                      |
| Interest   | -                    | -                               | 1,709,586                      | 1,709,586                      |
| Other  | -                    | -                               | 47,541                         | 47,541                         |
| Capital outlay   | 2,310,676            | 18,485,569                      | 2,702,253                      | 23,498,498                     |
| <b>Total expenditures</b>  | <u>125,123,434</u>   | <u>18,485,569</u>               | <u>18,975,439</u>              | <u>162,584,442</u>             |
| <b>Excess (deficiency) of revenues<br/>over (under) expenditures</b> | <u>6,749,775</u>     | <u>(16,600,479)</u>             | <u>(509,473)</u>               | <u>(10,360,177)</u>            |
| <b>OTHER FINANCING SOURCES (USES)</b>                                |                      |                                 |                                |                                |
| Transfers in   | 5,242,464            | -                               | 1,019,870                      | 6,262,334                      |
| Transfers out  | (3,176,500)          | -                               | -                              | (3,176,500)                    |
| Proceeds on sale of capital assets                                   | 101,538              | -                               | 35,898                         | 137,436                        |
| <b>Total other financing sources (uses)</b>                          | <u>2,167,502</u>     | <u>-</u>                        | <u>1,055,768</u>               | <u>3,223,270</u>               |
| <b>Net change in fund balances</b>                                   | <u>8,917,277</u>     | <u>(16,600,479)</u>             | <u>546,295</u>                 | <u>(7,136,907)</u>             |
| <b>Fund balances - beginning</b>                                     | <u>74,873,483</u>    | <u>34,210,662</u>               | <u>60,676,936</u>              | <u>169,761,081</u>             |
| <b>Fund balances - ending</b>  | <u>\$ 83,790,760</u> | <u>\$ 17,610,183</u>            | <u>\$ 61,223,231</u>           | <u>\$ 162,624,174</u>          |

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

CITY OF SUNRISE, FLORIDA  
RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED SEPTEMBER 30, 2019

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

|  |    |                  |
|--|----|------------------|
| Net change in fund balances -- total governmental funds  | \$ | (7,136,907)      |
| <p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.</p>  |    |                  |
|  |    | 9,820,233        |
| <p>The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, write-offs and donations) is to increase/(decrease) net position.</p>  |    |                  |
|  |    | (43,348)         |
| <p>The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.</p> |    |                  |
|  |    | 3,246,551        |
| <p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.</p>   |    |                  |
|  |    | (989,972)        |
| <p>Cash pension contributions reported in the funds were greater than the calculated pension expense on the statement of activities and therefore reduced net pension liability.</p>   |    |                  |
|  |    | (1,504,541)      |
| <p>Internal service funds are used by management to charge the costs of workers' compensation, fleet management, information technology and communications, and self-insured health to individual funds. The net revenue of certain activities of the internal service funds are reported with governmental activities.</p>  |    |                  |
|  |    | <u>2,331,303</u> |
| Change in net position of governmental activities  | \$ | <u>5,723,319</u> |

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



CITY OF SUNRISE, FLORIDA  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2019

|                                     | Budgeted Amounts   |                    | Actual Amounts     | Variance with<br>Final Budget |
|-------------------------------------|--------------------|--------------------|--------------------|-------------------------------|
|                                     | Original           | Final              |                    |                               |
| <b>REVENUES</b>                     |                    |                    |                    |                               |
| Taxes:                              |                    |                    |                    |                               |
| Property                            | \$ 42,803,900      | \$ 42,803,900      | \$ 42,801,580      | \$ (2,320)                    |
| Insurance premium                   | 1,491,890          | 1,679,933          | 1,679,933          | -                             |
| Utility service                     | 9,780,000          | 9,780,000          | 10,272,645         | 492,645                       |
| Communications services             | 3,100,000          | 3,100,000          | 3,050,927          | (49,073)                      |
| Local business                      | 2,300,000          | 2,300,000          | 2,208,339          | (91,661)                      |
| Permits and fees                    | 2,699,920          | 2,699,920          | 2,260,410          | (439,510)                     |
| Franchise fees                      | 9,570,000          | 9,570,000          | 9,825,469          | 255,469                       |
| Intergovernmental                   | 8,871,250          | 9,173,959          | 10,550,339         | 1,376,380                     |
| Charges for services                | 24,564,890         | 24,655,908         | 25,409,345         | 753,437                       |
| Administrative charges              | 7,644,340          | 7,644,340          | 7,644,340          | -                             |
| Judgments, fines and forfeitures    | 1,931,000          | 1,931,000          | 2,204,505          | 273,505                       |
| Special assessments                 | 10,723,590         | 10,723,590         | 10,753,750         | 30,160                        |
| Investment earnings                 | 525,000            | 525,000            | 1,553,184          | 1,028,184                     |
| Contributions and donations         | 56,850             | 56,850             | 57,090             | 240                           |
| Miscellaneous                       | 1,720,830          | 1,720,830          | 1,601,353          | (119,477)                     |
| Total revenues                      | <u>127,783,460</u> | <u>128,365,230</u> | <u>131,873,209</u> | <u>3,507,979</u>              |
| <b>EXPENDITURES</b>                 |                    |                    |                    |                               |
| Current:                            |                    |                    |                    |                               |
| General government:                 |                    |                    |                    |                               |
| City Commission                     | 841,230            | 841,230            | 809,198            | 32,032                        |
| City Manager                        | 2,636,166          | 2,636,166          | 2,379,508          | 256,658                       |
| City Clerk                          | 719,930            | 719,930            | 640,585            | 79,345                        |
| City Attorney                       | 1,458,860          | 1,457,360          | 1,186,294          | 271,066                       |
| Finance and Administrative Services | 5,434,695          | 5,433,195          | 5,185,785          | 247,410                       |
| Human Resources                     | 1,497,456          | 1,497,456          | 1,312,969          | 184,487                       |
| Facilities                          | 4,169,803          | 4,074,043          | 3,204,991          | 869,052                       |
| Planning and Development            | 4,735,123          | 4,735,123          | 3,732,449          | 1,002,674                     |
| Non-departmental                    | 13,064,265         | 12,889,586         | 11,449,086         | 1,440,500                     |
| Total general government            | <u>34,557,528</u>  | <u>34,284,089</u>  | <u>29,900,865</u>  | <u>4,383,224</u>              |
| Public safety:                      |                    |                    |                    |                               |
| Police                              | 47,432,705         | 47,984,909         | 47,944,529         | 40,380                        |
| Fire                                | 30,700,440         | 30,850,795         | 30,380,120         | 470,675                       |
| Code Enforcement                    | 2,100,531          | 2,104,011          | 1,512,131          | 591,880                       |
| Total public safety                 | <u>80,233,676</u>  | <u>80,939,715</u>  | <u>79,836,780</u>  | <u>1,102,935</u>              |
| Transportation:                     |                    |                    |                    |                               |
| Public Works                        | 1,545,157          | 1,575,327          | 975,422            | 599,905                       |
| Culture and recreation:             |                    |                    |                    |                               |
| Leisure Services                    | 13,569,049         | 13,389,642         | 12,099,691         | 1,289,951                     |

(continued)

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

**CITY OF SUNRISE, FLORIDA  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL, continued  
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

|  | <u>Budgeted Amounts</u> |                      | <u>Actual Amounts</u> | <u>Variance with<br/>Final Budget</u> |
|--|-------------------------|----------------------|-----------------------|---------------------------------------|
|  | <u>Original</u>         | <u>Final</u>         |                       |                                       |
| <b>Capital outlay:</b>   |                         |                      |                       |                                       |
| <b>General government:</b>   |                         |                      |                       |                                       |
| City Attorney  | 1,800                   | 3,300                | 3,130                 | 170                                   |
| Finance and Administrative Services                                    | -                       | 1,500                | -                     | 1,500                                 |
| Facilities   | 434,314                 | 501,404              | 318,075               | 183,329                               |
| Planning and Development   | 30,300                  | 30,300               | 30,042                | 258                                   |
| Non-departmental   | -                       | 550,000              | 261,642               | 288,358                               |
| <b>Public safety:</b>  |                         |                      |                       |                                       |
| Police   | 540,730                 | 571,743              | 562,102               | 9,641                                 |
| Fire   | 760,141                 | 723,018              | 722,140               | 878                                   |
| Code Enforcement   | 97,400                  | 93,920               | 58,285                | 35,635                                |
| <b>Transportation:</b>   |                         |                      |                       |                                       |
| Public Works   | -                       | 58,500               | 57,694                | 806                                   |
| <b>Culture and recreation:</b>   |                         |                      |                       |                                       |
| Leisure Services   | 302,779                 | 482,186              | 297,566               | 184,620                               |
| <b>Total capital outlay</b>  | <u>2,167,464</u>        | <u>3,015,871</u>     | <u>2,310,676</u>      | <u>705,195</u>                        |
| <b>Total expenditures</b>  | <u>132,072,874</u>      | <u>133,204,644</u>   | <u>125,123,434</u>    | <u>8,081,210</u>                      |
| <b>Excess (deficiency) of revenues<br/>  over (under) expenditures</b> | <u>(4,289,414)</u>      | <u>(4,839,414)</u>   | <u>6,749,775</u>      | <u>11,589,189</u>                     |
| <b>OTHER FINANCING SOURCES (USES)</b>                                  |                         |                      |                       |                                       |
| Transfers in   | 5,405,840               | 5,405,840            | 5,242,464             | (163,376)                             |
| Transfers out  | (3,176,500)             | (3,176,500)          | (3,176,500)           | -                                     |
| Proceeds on sale of capital assets                                     | 20,000                  | 20,000               | 101,538               | 81,538                                |
| <b>Total other financing sources (uses)</b>                            | <u>2,249,340</u>        | <u>2,249,340</u>     | <u>2,167,502</u>      | <u>(81,838)</u>                       |
| <b>Net change in fund balances</b>                                     | <u>(2,040,074)</u>      | <u>(2,590,074)</u>   | <u>8,917,277</u>      | <u>11,507,351</u>                     |
| <b>Fund balances - beginning</b>                                       | <u>74,873,483</u>       | <u>74,873,483</u>    | <u>74,873,483</u>     | <u>-</u>                              |
| <b>Fund balances - ending</b>  | <u>\$ 72,833,409</u>    | <u>\$ 72,283,409</u> | <u>\$ 83,790,760</u>  | <u>\$ 11,507,351</u>                  |

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

CITY OF SUNRISE, FLORIDA  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
SEPTEMBER 30, 2019

|  | Business-type Activities - Enterprise Funds       |                  |                              |                    | Governmental<br>Activities -<br>Internal Service<br>Funds |
|--|---|------------------|------------------------------|--------------------|---|
|  | Water,<br>Wastewater<br>and Gas<br>Utility System | Sanitation       | Other<br>Enterprise<br>Funds | Total              |   |
| <b>ASSETS</b>  |   |                  |                              |                    |   |
| <b>Current assets:</b>   |   |                  |                              |                    |   |
| Cash and cash equivalents  | \$ 137,945,067                                    | \$ 1,090,116     | \$ 17,843,168                | \$ 156,878,351     | \$ 29,170,378   |
| Investments  | 17,456,359  | 193,848          | 2,193,483                    | 19,843,690         | 4,132,863   |
| Interest receivable  | 46,604  | 1,188            | 7,091                        | 54,883             | 11,290  |
| Accounts receivable, net of allowance<br>for uncollectibles      | 17,531,770  | 2,466,197        | 880,563                      | 20,878,530         | 62,746  |
| Other receivables  | 72,323  | 234              | 35                           | 72,592             | 217,582   |
| Due from other funds   | 20,074  | -                | -                            | 20,074             | -   |
| Intergovernmental receivable                                     | 265,740   | -                | 463,724                      | 729,464            | 2,671   |
| Inventories  | 2,264,312   | -                | 6,933                        | 2,271,245          | 363,110   |
| Prepaid items  | 59,574  | -                | 3,730                        | 63,304             | -   |
| <b>Restricted assets:</b>  |   |                  |                              |                    |   |
| Cash and cash equivalents  | 9,960,921   | -                | -                            | 9,960,921          | -   |
| <b>Total current assets</b>                                      | <b>185,622,744</b>                                | <b>3,751,583</b> | <b>21,398,727</b>            | <b>210,773,054</b> | <b>33,960,640</b>   |
| <b>Noncurrent assets:</b>  |   |                  |                              |                    |   |
| <b>Restricted assets:</b>  |   |                  |                              |                    |   |
| Cash and cash equivalents  | 99,790,767  | 806,278          | -                            | 100,597,045        | -   |
| Investments  | 13,207,696  | -                | -                            | 13,207,696         | -   |
| Interest receivable on investments                               | 63,103  | -                | -                            | 63,103             | -   |
| <b>Capital assets:</b>   |   |                  |                              |                    |   |
| Land   | 11,123,293  | -                | 1,289,145                    | 12,412,438         | -   |
| Intangibles  | 349,303   | -                | 3,283                        | 352,586            | 238,188   |
| Buildings and system   | 636,943,224                                       | -                | 685,480                      | 637,628,704        | -   |
| Improvements other than buildings                                | 8,357,870   | -                | 10,330,296                   | 18,688,166         | -   |
| Machinery and equipment  | 6,292,867   | 1,504            | 2,803,462                    | 9,097,833          | 1,466,161   |
| Vehicles   | 10,785,716  | -                | 1,389,980                    | 12,175,696         | 17,729,886  |
| Construction in progress   | 70,478,498  | -                | 1,517,316                    | 71,995,814         | 3,849,864   |
| Less accumulated depreciation                                    | (328,037,801)                                     | (752)            | (4,842,667)                  | (332,881,220)      | (8,984,837)   |
| <b>Total capital assets, net of<br/>accumulated depreciation</b> | <b>416,292,970</b>                                | <b>752</b>       | <b>13,176,295</b>            | <b>429,470,017</b> | <b>14,299,262</b>   |
| <b>Total noncurrent assets</b>                                   | <b>529,354,536</b>                                | <b>807,030</b>   | <b>13,176,295</b>            | <b>543,337,861</b> | <b>14,299,262</b>   |
| <b>Total assets</b>  | <b>714,977,280</b>                                | <b>4,558,613</b> | <b>34,575,022</b>            | <b>754,110,915</b> | <b>48,259,902</b>   |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>                            |   |                  |                              |                    |   |
| Deferred charge on refunding                                     | 1,061,047   | -                | -                            | 1,061,047          | -   |
| Other postemployment benefits                                    | 192,252   | 1,403            | 16,142                       | 209,797            | 14,722  |
| Pension  | 14,132,402  | 22,368           | 1,260,428                    | 15,415,198         | 1,372,760   |
| <b>Total deferred outflows of resources</b>                      | <b>15,385,701</b>                                 | <b>23,771</b>    | <b>1,276,570</b>             | <b>16,686,042</b>  | <b>1,387,482</b>  |

|  | Business-type Activities - Enterprise Funds       |                     |                              |                       | Governmental<br>Activities -<br>Internal Service<br>Funds |
|--|---|---------------------|------------------------------|-----------------------|---|
|  | Water,<br>Wastewater<br>and Gas<br>Utility System | Sanitation          | Other<br>Enterprise<br>Funds | Total                 |   |
| <b>LIABILITIES</b>   |   |                     |                              |                       |   |
| <b>Current liabilities:</b>  |   |                     |                              |                       |   |
| Accounts payable   | 5,175,424   | 1,272,594           | 553,173                      | 7,001,191             | 574,731   |
| Accrued liabilities  | 501,333   | 3,952               | 34,835                       | 540,120               | 50,848  |
| Due to other funds   | 401,545   | 166,461             | 11,452                       | 579,458               | 4,725   |
| Compensated absences   | 302,366   | 3,404               | 7,888                        | 313,658               | 41,711  |
| Retainage payable  | 1,550,005   | -                   | 61,884                       | 1,611,889             | -   |
| Intergovernmental payable  | 2,261,240   | -                   | 2,711                        | 2,263,951             | -   |
| <b>Current liabilities payable from<br/>restricted assets:</b>   |   |                     |                              |                       |   |
| Accounts payable   | 1,168,292   | -                   | -                            | 1,168,292             | -   |
| Revenue bonds payable  | 5,990,000   | -                   | -                            | 5,990,000             | -   |
| Accrued interest payable   | 3,970,921   | -                   | -                            | 3,970,921             | -   |
| <b>Total current liabilities</b>   | <b>21,321,126</b>                                 | <b>1,446,411</b>    | <b>671,943</b>               | <b>23,439,480</b>     | <b>672,015</b>  |
| <b>Noncurrent liabilities:</b>   |   |                     |                              |                       |   |
| Revenue bonds and notes payable (net<br>of unamortized discounts/premiums)                               | 186,033,958                                       | -                   | -                            | 186,033,958           | -   |
| Compensated absences   | 3,348,696   | 25,299              | 308,457                      | 3,682,452             | 278,799   |
| Net pension liability  | 39,107,131  | 23,522              | 3,648,335                    | 42,778,988            | 3,861,605   |
| Total pension liability - retiree subsidy  | 14,441,900  | 6,274               | 1,539,576                    | 15,987,750            | 1,123,193   |
| Total other postemployment benefits  | 7,877,499   | 57,954              | 663,657                      | 8,599,110             | 605,681   |
| Claims and judgments   | -   | -                   | -                            | -                     | 3,551,594   |
| Unearned revenue   | 44,220  | 44,758              | 1,995                        | 90,973                | -   |
| <b>Noncurrent liabilities payable from<br/>restricted assets:</b>  |   |                     |                              |                       |   |
| Retainage payable  | 402,115   | -                   | -                            | 402,115               | -   |
| Customer deposits payable  | 9,206,919   | 806,278             | -                            | 10,013,197            | -   |
| <b>Total noncurrent liabilities</b>  | <b>260,462,438</b>                                | <b>964,085</b>      | <b>6,162,020</b>             | <b>267,588,543</b>    | <b>9,420,872</b>  |
| <b>Total liabilities</b>   | <b>281,783,564</b>                                | <b>2,410,496</b>    | <b>6,833,963</b>             | <b>291,028,023</b>    | <b>10,092,887</b>   |
| <b>DEFERRED INFLOWS OF RESOURCES</b>   |   |                     |                              |                       |   |
| Other postemployment benefits  | 772,675   | 5,614               | 64,773                       | 843,062               | 59,047  |
| Pension  | 5,154,488   | 37,285              | 445,465                      | 5,637,238             | 457,761   |
| <b>Total deferred inflows of resources</b>   | <b>5,927,163</b>                                  | <b>42,899</b>       | <b>510,238</b>               | <b>6,480,300</b>      | <b>516,808</b>  |
| <b>NET POSITION</b>  |   |                     |                              |                       |   |
| Net investment in capital assets   | 222,869,361                                       | 752                 | 12,988,787                   | 235,858,900           | 14,074,274  |
| <b>Restricted for:</b>   |   |                     |                              |                       |   |
| Renewal and replacement  | 33,755,686  | -                   | -                            | 33,755,686            | -   |
| Operations and maintenance   | 5,185,744   | -                   | -                            | 5,185,744             | -   |
| System reserve   | 63,019,137  | -                   | -                            | 63,019,137            | -   |
| Unrestricted   | 117,822,326                                       | 2,128,237           | 15,518,604                   | 135,469,167           | 24,963,415  |
| <b>Total net position</b>  | <b>\$ 442,652,254</b>                             | <b>\$ 2,128,989</b> | <b>\$ 28,507,391</b>         | <b>473,288,634</b>    | <b>\$ 39,037,689</b>                                      |
| Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds. |   |                     |                              | 6,384,094             |   |
| <b>Net position of business-type activities</b>  |   |                     |                              | <b>\$ 479,672,728</b> |   |

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

CITY OF SUNRISE, FLORIDA  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2019

38

|  | <u>Business-type Activities - Enterprise Funds</u>          |                   |                                       |                    | <u>Governmental<br/>Activities -<br/>Internal Service<br/>Funds</u> |
|--|---|-------------------|---------------------------------------|--------------------|---|
|  | <u>Water,<br/>Wastewater<br/>and Gas<br/>Utility System</u> | <u>Sanitation</u> | <u>Other<br/>Enterprise<br/>Funds</u> | <u>Total</u>       |   |
| <b>Operating revenues:</b>             |   |                   |                                       |                    |   |
| <b>Charges for sales and services:</b> |   |                   |                                       |                    |   |
| Water sales                            | \$ 54,585,112   | \$ -              | \$ -                                  | \$ 54,585,112      | \$ -  |
| Wastewater service                     | 59,504,061  | -                 | -                                     | 59,504,061         | -   |
| Gas sales                              | 8,081,361   | -                 | -                                     | 8,081,361          | -   |
| Fees                                   | -   | 12,256,133        | 10,084,411                            | 22,340,544         | -   |
| Service charges                        | 2,151,374   | -                 | -                                     | 2,151,374          | 27,514,233  |
| Guaranteed revenues                    | 1,438,530   | -                 | -                                     | 1,438,530          | -   |
| Administrative charges                 | 663,780   | -                 | -                                     | 663,780            | -   |
| <b>Total operating revenues</b>        | <u>126,424,218</u>  | <u>12,256,133</u> | <u>10,084,411</u>                     | <u>148,764,762</u> | <u>27,514,233</u>   |
| <b>Operating expenses:</b>             |   |                   |                                       |                    |   |
| <b>Costs of sales and services:</b>    |   |                   |                                       |                    |   |
| Power, water and wastewater purchases  | 3,673,020   | -                 | 153,170                               | 3,826,190          | 33,685  |
| Natural gas purchases                  | 2,288,955   | -                 | -                                     | 2,288,955          | -   |
| Chemical purchases                     | 2,714,837   | -                 | 148,407                               | 2,863,244          | -   |
| Solid waste/sludge removal             | 1,091,155   | 11,198,683        | -                                     | 12,289,838         | -   |
| Recycling charges                      | -   | -                 | 800,087                               | 800,087            | -   |
| Materials and supplies                 | 1,314,354   | -                 | 133,760                               | 1,448,114          | 1,207,651   |
| Repairs and maintenance                | 6,109,562   | 12,160            | 137,383                               | 6,259,105          | 2,188,187   |
| Salaries, wages and employee benefits  | 30,771,729  | 266,650           | 2,291,720                             | 33,330,099         | 3,368,348   |
| Insurance and other expenses           | 12,756,359  | 33,116            | 2,573,521                             | 15,362,996         | 4,356,836   |
| Claims expense                         | -   | -                 | -                                     | -                  | 14,181,331  |
| Administrative fees                    | 5,554,480   | 773,870           | 885,170                               | 7,213,520          | -   |
| Depreciation and amortization          | 23,545,040  | 301               | 749,491                               | 24,294,832         | 1,852,627   |
| <b>Total operating expenses</b>        | <u>89,819,491</u>   | <u>12,284,780</u> | <u>7,872,709</u>                      | <u>109,976,980</u> | <u>27,188,665</u>   |
| <b>Operating income (loss)</b>         | <u>36,604,727</u>   | <u>(28,647)</u>   | <u>2,211,702</u>                      | <u>38,787,782</u>  | <u>325,568</u>  |

**Business-type Activities - Enterprise Funds**

|   | <b>Water,<br/>Wastewater<br/>and Gas<br/>Utility System</b> | <b>Sanitation</b>   | <b>Other<br/>Enterprise<br/>Funds</b> | <b>Total</b>         | <b>Governmental<br/>Activities -<br/>Internal Service<br/>Funds</b> |
|---|---|---------------------|---------------------------------------|----------------------|---|
| <b>Non-operating revenues (expenses):</b>   |   |                     |                                       |                      |   |
| Investment earnings   | 5,746,432   | 42,526              | 406,348                               | 6,195,306            | 788,314   |
| Interest and amortization expense   | (8,081,685)   | (15,478)            | -                                     | (8,097,163)          | -   |
| Gain (loss) on sale of capital assets   | 44,038  | -                   | 33,582                                | 77,620               | (27,036)  |
| Other   | 2,700,962   | 23,858              | 230,803                               | 2,955,623            | 1,994,240   |
| <b>Total non-operating revenues (expenses)</b>  | <b>409,747</b>  | <b>50,906</b>       | <b>670,733</b>                        | <b>1,131,386</b>     | <b>2,755,518</b>  |
| <br>  |   |                     |                                       |                      |   |
| <b>Income before contributions and transfers</b>  | <b>37,014,474</b>   | <b>22,259</b>       | <b>2,882,435</b>                      | <b>39,919,168</b>    | <b>3,081,086</b>  |
| <br>  |   |                     |                                       |                      |   |
| Capital contributions   | 1,366,529   | -                   | -                                     | 1,366,529            | -   |
| Transfers in  | -   | 699,510             | 1,457,120                             | 2,156,630            | -   |
| Transfers out   | (5,242,464)   | -                   | -                                     | (5,242,464)          | -   |
| <br>  |   |                     |                                       |                      |   |
| <b>Change in net position</b>   | <b>33,138,539</b>   | <b>721,769</b>      | <b>4,339,555</b>                      | <b>38,199,863</b>    | <b>3,081,086</b>  |
| <br>  |   |                     |                                       |                      |   |
| <b>Total net position - beginning</b>   | <b>409,513,715</b>  | <b>1,407,220</b>    | <b>24,167,836</b>                     |                      | <b>35,956,603</b>   |
| <br>  |   |                     |                                       |                      |   |
| <b>Total net position - ending</b>  | <b>\$ 442,652,254</b>                                       | <b>\$ 2,128,989</b> | <b>\$ 28,507,391</b>                  |                      | <b>\$ 39,037,689</b>  |
| <br>  |   |                     |                                       |                      |   |
| <b>Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.</b> |   |                     |                                       | <b>749,783</b>       |   |
| <br>  |   |                     |                                       |                      |   |
| <b>Change in net position of business-type activities</b>   |   |                     |                                       | <b>\$ 38,949,646</b> |   |

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

CITY OF SUNRISE, FLORIDA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2019

|   | Business-type Activities - Enterprise Funds       |                     |                              |                       | Governmental<br>Activities -<br>Internal<br>Service Funds |
|---|---|---------------------|------------------------------|-----------------------|---|
|   | Water,<br>Wastewater<br>and Gas<br>Utility System | Sanitation          | Other<br>Enterprise<br>Funds | Total                 |   |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>   |   |                     |                              |                       |   |
| Receipts from customers and users   | \$ 128,451,853                                    | \$ 12,178,808       | \$ 9,966,528                 | \$ 150,597,189        | \$ 27,506,068   |
| Receipts from interfund services provided   | 663,780   | -                   | -                            | 663,780               | -   |
| Payments to suppliers   | (35,421,119)                                      | (11,279,453)        | (3,624,063)                  | (50,324,635)          | (21,241,706)  |
| Payments to and for employees   | (28,700,410)                                      | (248,592)           | (2,115,438)                  | (31,064,440)          | (3,155,317)   |
| Payments for interfund services used  | (5,554,480)                                       | (773,870)           | (885,170)                    | (7,213,520)           | -   |
| Net cash provided by (used for) operating activities  | <u>59,439,624</u>                                 | <u>(123,107)</u>    | <u>3,341,857</u>             | <u>62,658,374</u>     | <u>3,109,045</u>  |
| <b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>  |   |                     |                              |                       |   |
| Transfer from other funds   | -   | 699,510             | 1,457,120                    | 2,156,630             | -   |
| Transfer to other funds   | (5,242,464)                                       | -                   | -                            | (5,242,464)           | -   |
| Net cash provided by (used for) noncapital financing activities   | <u>(5,242,464)</u>                                | <u>699,510</u>      | <u>1,457,120</u>             | <u>(3,085,834)</u>    | <u>-</u>  |
| <b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>   |   |                     |                              |                       |   |
| Capital contributions   | 767,019   | -                   | -                            | 767,019               | -   |
| Acquisition and construction of capital assets  | (28,073,323)                                      | -                   | (1,157,003)                  | (29,230,326)          | (2,972,256)   |
| Principal paid on capital debt  | (4,715,000)                                       | -                   | -                            | (4,715,000)           | -   |
| Interest paid on capital debt   | (7,502,475)                                       | -                   | -                            | (7,502,475)           | -   |
| Proceeds from sales of capital assets   | 51,018  | -                   | 11,008                       | 62,026                | 3,100   |
| Net cash (used for) capital and related financing activities  | <u>(39,472,761)</u>                               | <u>-</u>            | <u>(1,145,995)</u>           | <u>(40,618,756)</u>   | <u>(2,969,156)</u>  |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>   |   |                     |                              |                       |   |
| Proceeds from sales and maturities of investments   | 27,964,791  | 129,796             | 1,695,031                    | 29,789,618            | 3,783,397   |
| Purchase of investments   | (26,208,385)                                      | (173,046)           | (1,879,441)                  | (28,260,872)          | (3,506,747)   |
| Interest and dividends received   | 5,754,634   | 43,213              | 410,042                      | 6,207,889             | 788,031   |
| Net cash provided by (used for) investing activities  | <u>7,511,040</u>                                  | <u>(37)</u>         | <u>225,632</u>               | <u>7,736,635</u>      | <u>1,064,681</u>  |
| <b>Net increase in cash and cash equivalents</b>  | <b>22,235,439</b>                                 | <b>576,366</b>      | <b>3,878,614</b>             | <b>26,690,419</b>     | <b>1,204,570</b>  |
| <b>Cash and cash equivalents, September 30, 2018</b><br>(including \$124,912,627 and \$769,381 for the utility system and<br>sanitation funds, respectively, reported in restricted accounts) | <u>225,461,316</u>                                | <u>1,320,028</u>    | <u>13,964,554</u>            | <u>240,745,898</u>    | <u>27,965,808</u>   |
| <b>Cash and cash equivalents, September 30, 2019</b><br>(including \$109,751,688 and \$806,278 for the utility system and<br>sanitation funds, respectively, reported in restricted accounts) | <u>\$ 247,696,755</u>                             | <u>\$ 1,896,394</u> | <u>\$ 17,843,168</u>         | <u>\$ 267,436,317</u> | <u>\$ 29,170,378</u>                                      |

**Business-type Activities - Enterprise Funds**

|  | <b>Water,<br/>Wastewater<br/>and Gas<br/>Utility System</b> | <b>Sanitation</b>   | <b>Other<br/>Enterprise<br/>Funds</b> | <b>Total</b>         | <b>Governmental<br/>Activities -<br/>Internal<br/>Service Funds</b> |
|--|---|---------------------|---------------------------------------|----------------------|---|
| <b>Reconciliation of operating income to net cash provided by (used for) operating activities:</b>               |   |                     |                                       |                      |   |
| Operating income (loss)  | \$ 36,604,727   | \$ (28,647)         | \$ 2,211,702                          | \$ 38,787,782        | \$ 325,568  |
| <b>Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:</b> |   |                     |                                       |                      |   |
| Miscellaneous non-operating income   | 2,700,962   | 8,380               | 230,803                               | 2,940,145            | 1,994,240   |
| Depreciation and amortization expense  | 23,545,040  | 301                 | 749,491                               | 24,294,832           | 1,852,627   |
| (Increase) in accounts receivable  | (128,590)   | (91,493)            | (104,140)                             | (324,223)            | (8,165)   |
| (Increase) in other receivables  | (7,456)   | (6)                 | -                                     | (7,462)              | (56,543)  |
| Decrease in due from other funds   | 36,821  | -                   | -                                     | 36,821               | -   |
| (Increase) decrease in intergovernmental receivables   | 302,670   | -                   | (223,632)                             | 79,038               | 1,574   |
| (Increase) decrease in inventories   | (260,909)   | -                   | 12,694                                | (248,215)            | (12,443)  |
| (Increase) decrease in prepaid items   | (2,000)   | -                   | (880)                                 | (2,880)              | 3,325   |
| Decrease in deferred outflows  | 3,790,490   | 27,327              | 318,823                               | 4,136,640            | 286,572   |
| Increase in customer deposits  | 155,324   | 36,897              | -                                     | 192,221              | -   |
| Increase (decrease) in accounts payable  | (5,061,510)   | (43,868)            | 229,109                               | (4,876,269)          | (280,177)   |
| Increase in accrued liabilities  | 104,820   | 1,207               | 3,970                                 | 109,997              | 14,845  |
| Increase (decrease) in due to other funds  | (206,814)   | (24,879)            | (1,614)                               | (233,307)            | 1,358   |
| Increase (decrease) in intergovernmental payables  | 140,532   | -                   | (271)                                 | 140,261              | -   |
| Increase in unearned revenue   | 36,620  | 2,208               | 411                                   | 39,239               | -   |
| Increase (decrease) in retainage payable   | (445,672)   | -                   | 61,884                                | (383,788)            | -   |
| Increase (decrease) in compensated absences payable  | (215,011)   | 1,415               | (12,212)                              | (225,808)            | 36,424  |
| Increase in total other postemployment benefits payable  | 44,274  | 315                 | 3,682                                 | 48,271               | 3,348   |
| (Decrease) in total pension liability - retiree subsidy  | (154,804)   | (1,101)             | (16,235)                              | (172,140)            | (11,707)  |
| (Decrease) in net pension liability  | (2,210,207)   | (15,940)            | (184,138)                             | (2,410,285)          | (167,098)   |
| Increase in deferred inflows   | 670,317   | 4,777               | 62,410                                | 737,504              | 50,703  |
| (Decrease) in claims and judgments   | -   | -                   | -                                     | -                    | (925,406)   |
| Total adjustments  | 22,834,897  | (94,460)            | 1,130,155                             | 23,870,592           | 2,783,477   |
| <b>Net cash provided by (used for) operating activities</b>  | <b>\$ 59,439,624</b>  | <b>\$ (123,107)</b> | <b>\$ 3,341,857</b>                   | <b>\$ 62,658,374</b> | <b>\$ 3,109,045</b>   |
| <b>Noncash investing, capital and financing activities:</b>  |   |                     |                                       |                      |   |
| Contributions of capital assets  | \$ 599,510  | \$ -                | \$ -                                  | \$ 599,510           | \$ -  |
| Net increase (decrease) in fair value of investments   | 109,463   | (256)               | 3,059                                 | 112,266              | 16,517  |

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



**CITY OF SUNRISE, FLORIDA  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
SEPTEMBER 30, 2019**

|                                       | <u>Pension<br/>Trust<br/>Funds</u> | <u>Special<br/>Assessment<br/>Agency<br/>Fund</u> |
|---------------------------------------|------------------------------------|---|
| <b>ASSETS</b>                         |                                    |   |
| Cash and cash equivalents             | \$ 4,026,336                       | \$ 6,748,852                                      |
| Receivable from sale of securities    | 305,671                            | -   |
| Interest and dividends receivable     | 540,024                            | -   |
| Due from other funds                  | 178,497                            | -   |
| Other receivables                     | 61                                 | -   |
| Investments:                          |                                    |   |
| Money market funds                    | 3,674,298                          | -   |
| U.S. government and agency securities | 28,933,134                         | -   |
| Corporate bonds                       | 33,101,996                         | -   |
| Mutual funds                          | 178,115,906                        | -   |
| Common stocks                         | 156,614,548                        | -   |
| International equity funds            | 55,650,701                         | -   |
| Commingled real estate funds          | 67,947,367                         | -   |
| Total investments                     | <u>524,037,950</u>                 | <u>-</u>  |
| Prepaid items                         | 642,146                            | -   |
| Total assets                          | <u>529,730,685</u>                 | <u>6,748,852</u>                                  |
| <b>LIABILITIES</b>                    |                                    |   |
| Deposits held for others              | -                                  | 6,748,852   |
| Accounts payable                      | 503,064                            | -   |
| Payable for securities purchased      | 264,805                            | -   |
| Total liabilities                     | <u>767,869</u>                     | <u>6,748,852</u>                                  |
| <b>NET POSITION</b>                   |                                    |   |
| Restricted for pensions               | <u>\$ 528,962,816</u>              |   |

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

**CITY OF SUNRISE, FLORIDA  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

|   | <b>Pension<br/>Trust<br/>Funds</b> |
|---|------------------------------------|
| <b>ADDITIONS</b>                              |                                    |
| Contributions:                                |                                    |
| Employer                                      | \$ 30,017,209                      |
| Plan members                                  | 6,333,949                          |
| Other sources                                 | 1,679,933                          |
| Total contributions                           | <u>38,031,091</u>                  |
| Investment earnings:                          |                                    |
| Interest                                      | 3,084,729                          |
| Dividends                                     | 7,318,826                          |
| Net appreciation in fair value of investments | 9,802,495                          |
| Other   | 20,119                             |
| Total investment earnings                     | <u>20,226,169</u>                  |
| Less investment expense                       | <u>2,031,627</u>                   |
| Net investment earnings                       | <u>18,194,542</u>                  |
| Total additions                               | <u>56,225,633</u>                  |
| <b>DEDUCTIONS</b>                             |                                    |
| Benefits                                      | 42,420,912                         |
| Refunds of contributions                      | 194,025                            |
| Administrative expenses                       | 682,867                            |
| Total deductions                              | <u>43,297,804</u>                  |
| Change in net position                        | 12,927,829                         |
| Net position - beginning                      | <u>516,034,987</u>                 |
| Net position - ending                         | <u>\$ 528,962,816</u>              |

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

**CITY OF SUNRISE, FLORIDA  
INDEX TO THE NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2019**

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**CITY OF SUNRISE, FLORIDA**  
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# CITY OF SUNRISE, FLORIDA

## I. Summary of Significant Accounting Policies

### A. Reporting entity

The City of Sunrise, Florida (the City) was incorporated June 22, 1961 and has a population of approximately 95,000 living within an area of approximately 18 square miles. The City was established under Charter 61-2902, which was adopted in 1961 with a mayor/commission form of government. By referendum, the city commission/city manager form of government replaced the mayor/commission form of government in 1989. Five elected city commission members comprised of the Mayor, Deputy Mayor, Assistant Deputy Mayor and two Commissioners govern the City.

In evaluating the City as a reporting entity, management has addressed all potential component units for which the City may or may not be financially accountable and, as such, be includable within the City's financial statements. The City (the primary government) is financially accountable if it appoints a voting majority of the organization's governing board and (1) it is able to impose its will on the organization or (2) there is a potential for the organization to provide specific financial benefit to or impose specific financial burden on the City and/or has operational responsibility. Additionally, the primary government is required to consider other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. If the component unit's governing body is substantively the same as the City's, the component unit is blended (reported as if it was part of the City's operations).

### Blended component units

**Special Tax District No. 1** (the District) was created by Ordinance 373. The District provides, or assists in the provision of, public works lying within its territorial limits. All elected and appointed officials and employees of the City are, ex officio, the officials and employees of the District. Management of the City has operational responsibility for the component unit.

**Metropica Improvement District** was created by Ordinance 909-X. The Metropica District provides, or assists in the provision of, land and public improvements within its territorial boundaries or outside its boundaries which benefit property lying within its territorial limits. All elected and appointed officials and employees of the City are, ex officio, the officials and employees of the Metropica District. Management of the City has operational responsibility for the component unit. The Metropica District does not have any financial activity to date.

The City Commission establishes ad valorem taxes for Special Tax District No. 1. If necessary, the City Commission would establish the ad valorem tax rate for the Metropica Improvement District.

Separate financial statements are not required or prepared for the special districts. The City reports fund balances and financial activity in the debt service funds, and the capital projects fund for Special Tax District No. 1.

### B. Government-wide and fund financial statements

The financial statements of the City have been prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental units in accordance with Governmental Standards Board Pronouncements (GASB). In November 2016, the GASB

## CITY OF SUNRISE, FLORIDA

issued *Certain Asset Retirement Obligations* (Statement No. 83). This statement had no impact to the City's financial statements. Statement No. 88, issued in April 2018, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements* was early implemented last fiscal year.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been eliminated from these statements. Exceptions to this are administrative charges where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the City's water and wastewater function and various other functions of the City. The net residual amounts due between governmental and business-type activities are presented as internal balances in the statement of net position. Amounts reported in the funds as receivable from or payable to fiduciary funds are included in the statement of net position as receivable from and payable to external parties, rather than as internal balances.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not included among program revenues are reported instead as general revenues. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on user fees and charges for support.

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.

### **C. Measurement focus, basis of accounting and financial statement presentation**

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. The economic resources measurement focus is on the determination of net income and capital maintenance. All fund assets, deferred outflows/inflows of resources, and liabilities, current and non-current, are accounted for in the fund. Under 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. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met. Certain indirect costs are included in the program expense reported for business-type activities.

Amounts reported as program revenues include 1) charges to customers for goods, services or privileges provided, 2) operating grants and contributions and 3) capital grants and

## CITY OF SUNRISE, FLORIDA

contributions, including special assessments. Internally dedicated resources are reported as general revenues, rather than as program revenues. Taxes and other items not classified as program revenues are reported as general revenues.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. The current financial resources measurement focus is on the determination of and changes in financial position. This concept emphasizes the acquisition, use and balance of governmental fund expendable available financial resources and related current liabilities. Under the modified accrual basis of accounting, revenues are recognized as soon as they are both measurable and available. "Measurable" means the amount of the transaction can be determined. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred. The exception to this general rule is that principal and interest on general long-term debt and compensated absences are recognized when due.

Property taxes, gas taxes, utility service taxes, franchise fees, fuel tax refunds, administrative charges and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. In applying the susceptible to accrual concept to intergovernmental revenues, revenues are recognized when all eligibility requirements are met. All other revenue items are considered to be measurable and available only when cash is received by the City.

Governmental funds are used to account for the City's general government activities. The City reports the following major governmental funds:

- The General Fund is the operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.
- The Capital Improvements capital projects fund accounts for general capital projects and the acquisition and construction in the Neighborhood Renaissance Program.

The other governmental funds are a summarization of all the non-major governmental funds.

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 operation. The principal operating revenues of the City's enterprise funds and internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative fees, general expenses and depreciation/ amortization on capital assets. Operating expenses for the internal service funds include claims, insurance premiums, general expenses and depreciation/amortization on capital assets. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

The City reports the following major proprietary funds:

- The Water, Wastewater, and Gas Utility System enterprise fund accounts for the provision of water, wastewater and natural gas services to customers inside and outside the City limits.
- The Sanitation enterprise fund accounts for the provision of solid waste disposal services to City residents.

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The other proprietary funds are a summarization of all the non-major proprietary funds.

Additionally, the City reports the following fund types:

The internal service funds are used to account for goods or services provided by one department to other departments of the City on a cost-reimbursement basis. The City operates four internal service funds for the purpose of workers' compensation services, fleet management, information technology and communications, and self-insured health.

Fiduciary funds include pension trust funds and an agency fund. The pension trust funds account for the activities of the City's general employees', police officers' and firefighters' pension plans, which accumulate resources for pension benefit payments to qualified employees. The agency fund is used to account for transactions related to \$70,120,000 Taxable Special Assessment Bonds, Series 2015 which includes the establishment of a debt service reserve and the debt service transactions associated with the bonds. The bonds were issued by the City and secured by assessments on real property within a specified area that stands to benefit from the improvements provided by the bonds, known as the Parking Garages Assessment Area. The City has no liability for repayment of the bonds and is merely acting as the property owners' agent in handling the debt service transactions by collecting the assessments (which are reported as deposits held for others until paid) and forwarding for payment to the bondholders each May 1 and November 1. For fiscal year ended September 30, 2019, the agency fund reports total assets of \$6,748,852, which consists of the debt service reserve of \$4,786,575 and \$1,962,277 received from the property owners for the 2020 debt service of the bonds.

### **D. Assets, liabilities, deferred outflows/inflows of resources, and net position/fund balance**

#### **1. Cash and cash equivalents**

The City has defined cash and cash equivalents to include cash on hand, demand deposits, short-term investments (including restricted assets) with original maturities at the time of purchase of three months or less, external investment pools, money market mutual funds, and equity in the City's pooled cash.

Pooled cash is an investment tool employed by the City that maximizes earning potential by investing large amounts of idle cash for short periods of time. It is available for use by all funds except those whose cash and investments must be segregated due to bond covenants or other legal restrictions. The City maintains pooled cash accounts in all of its funds except for the pension trust funds, debt service funds, capital projects funds that are funded by special assessments or debt, and the Police Confiscation fund. Interest income is distributed monthly based on average daily balances.

The City invests surplus funds in a variety of investment vehicles. One such vehicle is the Florida PRIME, an external investment pool. The City owns shares of the pool, not the underlying securities. This fund is administered by the SBA, who provides regulatory oversight, and has been managed by Federated Investors since February 2008. Florida PRIME is governed by Chapter 19-7 of the Florida Administrative Code and Chapters 215 and 218 of the Florida Statutes. These rules provide guidance and establish the policies and general operating procedures for administration of the investment pool. Florida PRIME is not a registrant with the Securities and Exchange Commission (SEC); however, the SBA has adopted operating procedures consistent with the requirements for a 2a-7 fund and



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measures all of its investments at amortized cost. The investments in Florida PRIME are not insured by FDIC or any other governmental agency. With regard to liquidity fees, Florida Statute 218.409(4) provides authority for the SBA to impose penalties for early withdrawals, subject to disclosure in the enrollment materials of the amount and purpose of such fees. At present, no such disclosure has been made. As of September 30, 2019, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100 percent of the account value.

Pooled cash and cash equivalents are also invested in various certificates of deposit and five money market mutual funds including Fidelity Investments Money Market Government Portfolio Institutional Class, Fidelity Investments Money Market Treasury Portfolio – Class III, Goldman Sachs Financial Square Government Fund – Institutional Shares, First American Funds Treasury Obligations Fund, and Federated Government Obligations Fund – Institutional Shares.

### **2. Investments**

The City's authorized investments include the Florida PRIME or any authorized intergovernmental investment pool, U.S. Government and Agency securities, certificates of deposit, corporate bonds, mortgage-backed securities, repurchase agreements, commercial paper, certain money market mutual funds, obligations of U.S. government sponsored enterprises implicitly or explicitly guaranteed by the U.S. government, obligations of state and local governments, and banker's acceptances. Investments purchased with maturities of three months or less are classified as cash equivalents.

Investments are stated at fair value (quoted market price or the best available estimate thereof). However, the Florida Prime investment pool, money market investments, including short-term, highly liquid investments with a remaining maturity at time of purchase of one year or less, and certificates of deposit are reported at amortized cost.

Bond ordinances authorize trust account investments in deposit accounts of any banks that are fully insured by federal depository insurance or fully collateralized by federal securities, repurchase agreements and general obligation or full faith credit bonds, notes or obligations of any state or subdivision provided such obligations meet certain rating requirements. The bond ordinances also provide that monies on deposit in the reserve account may be invested only in federal securities.

The City's pension funds' investment policies are determined by the respective Boards of Trustees. Their portfolios may consist of obligations guaranteed by the U.S. government, time or savings accounts, corporate bonds, common or preferred stocks, international equity funds (up to 25% of portfolios), limited real estate investments (up to 15% of portfolios), and mutual funds. Fair values of investments are determined as follows: securities traded on a national securities exchange are valued at the last reported sales price on the last business day of the fiscal year at current exchange rates; securities traded in the over-the-counter market and listed securities for which no sale was reported on that date are valued at the mean between the past reported bid and ask prices; and investments that do not have an established market are reported at estimated fair value as determined by the Board of Trustees. Time deposits and short-term investment pools are valued at amortized cost.

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### 3. Receivables and payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “interfund receivables/payables” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds”. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances”.

Advances to other funds (an asset), as reported in the governmental fund financial statements, are classified as nonspendable fund balance to indicate they are not available for appropriation. Customer receivables are shown net of an allowance for uncollectibles. All assessments are reported, including delinquencies.

### 4. Inventories and prepaid items

All City inventories are maintained on a consumption basis of accounting where items are purchased for inventory and charged as an expenditure/expense as the items are consumed. The reported governmental fund type inventories are offset by a fund balance classified as nonspendable that indicates unavailability of spendable resources. Inventories held by the General Fund consist of postage stamps while inventories included in the special revenue funds consist of irrigation parts and road materials. Inventories included in the enterprise funds consist of chemicals, meters, and parts and supplies. Inventories in the internal service funds consist of fuel. Governmental fund inventories are stated at cost, using the first-in/first-out (FIFO) method. The chemicals and fuel inventories in the enterprise and internal service funds are stated at cost using the FIFO method; the meters and parts and supplies inventories are stated at cost, using the weighted average method.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditure when consumed rather than when purchased. The governmental fund financial statements consider prepaid items to be nonspendable fund balance.

### 5. Restricted assets

Certain proceeds of the City’s enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net position because their use is limited by applicable bond covenants. The “revenue bond operations and maintenance” account is used to report resources set aside to pay operating and maintenance expenses. The “revenue bond debt service” account is used to segregate resources accumulated for debt service payments over the next twelve months. The “revenue bond reserve” account is used to report resources set aside to make up potential future deficiencies in the revenue bond debt service account. The “revenue bond renewal and replacement” account is used to report resources set aside to cure deficiencies in the debt service account or the reserve account, or to fund asset renewals and replacements.

When both restricted and unrestricted resources are available for use, it is the City’s policy to use restricted resources first and then unrestricted resources as they are needed. In the governmental funds, when both restricted resources and other resources (committed, assigned, and unassigned) can be used, the spending priority is committed, assigned, then

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unassigned, except in the General Fund where the spending priority is assigned, unassigned, then committed.

### 6. Capital assets

Capital assets, which include property, plant, equipment, vehicles, intangibles and infrastructure assets (e.g., roads, bridges, etc.), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the fund financial statements for proprietary funds. Generally, the City, with the exception of the firefighters' pension fund, defines capital assets as assets with an initial, individual cost of \$1,000 or greater and an estimated useful life in excess of one year. The firefighters' pension fund has established a capital threshold of \$5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Contributed assets are recorded at acquisition value as of the date received.

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

Capital assets are depreciated and amortized using the straight-line method over the following estimated useful lives.

|                                   |               |
|-----------------------------------|---------------|
| Intangibles                       | 5 years       |
| Buildings                         | 25 – 50 years |
| Improvements other than buildings | 5 – 20 years  |
| Water and wastewater plant        | 30 – 50 years |
| Gas plant                         | 25 – 50 years |
| Deep well injection system        | 50 years      |
| Machinery & equipment             | 3 – 10 years  |
| Vehicles                          | 5 – 10 years  |
| Public domain infrastructure      | 30 – 50 years |

Contributions of funds from federal, state or local sources for the purpose of purchasing property, plant and equipment and connection fees intended to recover the cost of connecting new customers to the system are recorded as capital contributions on the proprietary statement of revenues, expenses, and changes in net position.

### 7. Pensions

Net pension liability, deferred outflows and inflows of resources, pension expense and information about the fiduciary net position, and additions and deductions to fiduciary net position have been determined and reported on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

### 8. Deferred outflows/inflows of resources

The Statement of Net Position includes a separate section for deferred outflows of resources. This represents a consumption of net position applicable to future periods and will not be recognized as an expense/expenditure until the future period to which it applies. Items in this category include a deferred charge on refunding, a deferred pension expense (see note V.C.) and a deferred OPEB expense (see note V.D.). A deferred charge on refunding is the difference between the carrying value of refunded debt and its reacquisition

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price. This amount is deferred and amortized over the shorter of the life of the refunded or the refunding debt.

The Statement of Net Position also includes a separate section, listed below total liabilities, for deferred inflows of resources that represents the acquisition of net position applicable to future periods and is not recognized as revenue until the period to which it applies. Items in this category include unavailable revenue, deferred pension income (see note V.C.) and deferred OPEB income (see note V.D.). Governmental funds report unavailable revenue using the modified accrual basis of accounting from special assessments. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available.

### **9. Compensated absences**

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits, which will be paid to employees upon separation from City service if certain criteria are met. The accumulated compensated absences and associated employee-related costs are accrued when incurred in the government-wide and proprietary fund financial statements. The current portion is the amount estimated to be used in the following fiscal year. The compensated absences balance in the governmental funds represents a reconciling item between the fund and the government-wide presentations.

### **10. 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/discounts are amortized using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

### **11. Net position or fund equity**

Net position represents the difference between assets and deferred outflows and liabilities and deferred inflows. Net investment in capital assets represent the City's capital assets net of accumulated depreciation plus the capital-related deferred outflows of resources less any capital-related borrowings and deferred inflows of resources. Net position is reported as restricted when there are limitations imposed to meet the various covenants as may be specified and defined in the revenue bond indenture or other legal document.

The governmental funds' financial statements report five categories of fund balance: nonspendable, restricted, committed, assigned and unassigned. Nonspendable fund balances include amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Amounts that are restricted to specific purposes either by a) constraints placed on the use of resources by creditors, grantors, contributors, or laws or regulations of other governments or b) imposed by law through constitutional provisions or enabling legislation are classified as restricted fund balances. Amounts that can only be used for specific purposes pursuant to constraints imposed by the City Commission through an ordinance or resolution (which are both equal and the highest level of decision making authority) are classified as committed fund balances. These constraints remain binding unless removed or changed in the same manner employed to commit those resources. Amounts that are constrained by the City's intent to be used for specific purposes but are neither restricted nor committed are classified

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as assigned fund balances. Funds can only be assigned by City Commission. With the exception of the general fund, this is the residual fund balance classification for all governmental funds with positive balances. Unassigned fund balance is the residual classification that has not been restricted, committed or assigned. Any residual (unassigned) balance must be positive in the General Fund but may be negative in any other governmental funds as a result of overspending for specific purposes for which amounts have been restricted, committed or assigned.

### **12. Revenue stabilization**

A general fund revenue stabilization account was approved by City Commission through resolution to mitigate the impacts of future revenue shortfalls. The minimum funding level is five percent (5%) of audited actual operating expenditures based on the most recent year in which audited operating expenditures are available. Disbursements from the revenue stabilization account may be made by the City Commission by enactment of an ordinance requiring a majority plus one vote if the following criteria is met: the revenue shortfall in a fiscal year results from revenue collections short of the amount budgeted by five percent (5%) or more or the revenue shortfall results from projected budgeted revenues for any ensuing year that are less than the previous year's adopted revenue budget and the revenue shortfall is expected to persist through the end of the fiscal year.

### **13. Use of estimates**

The preparation of the financial statements in conformity with GAAP in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

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### II. Reconciliation of Government-wide and Fund Financial Statements

#### A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position

The governmental fund balance sheet includes the reconciliation between *fund balances – total governmental funds* and *net position of governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that “long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds”. The details of this \$51,097,538 are as follows:

|  |                      |
|--|----------------------|
| Bonds payable  | \$ 39,535,000        |
| Plus: Issuance premiums  | 1,065,317            |
| Less: Bond insurance costs   | (16,131)             |
| Compensated absences   | <u>10,513,352</u>    |
| Net adjustment to reduce <i>fund balances - total governmental funds</i> to arrive at <i>net position of governmental activities</i> | <u>\$ 51,097,538</u> |

#### B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes the reconciliation between *net change in fund balances – total governmental funds* and *change in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense”. The details of this \$9,820,233 difference are as follows:

|  |                     |
|--|---------------------|
| Capital outlay   | \$ 23,498,498       |
| Depreciation expense   | (13,314,649)        |
| Capitalized operating expenditures   | 8,247               |
| Non-capitalized capital outlay expenditures  | <u>(371,863)</u>    |
| Net adjustment to increase <i>net change in fund balances - total governmental funds</i> to arrive at <i>change in net position of governmental activities</i> | <u>\$ 9,820,233</u> |

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Another element of that reconciliation states that "the net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, write-offs and donations) is to increase/ (decrease) net position". The details of this \$(43,348) difference are as follows:

|  |                    |
|--|--------------------|
| Donations of capital assets increase net position in the statement of activities but do not appear in the governmental funds because they are not financial resources.       | \$ 8,000           |
| Trade-ins of existing capital assets to acquire new capital assets increase net position. Governmental funds do not report gains or losses on trade-ins.                     | 15,400             |
| The statement of activities reports losses arising from the write-off of capital assets. Governmental funds do not report any loss resulting from a capital asset write-off. | <u>(66,748)</u>    |
| Net adjustment to decrease <i>net change in fund balances - total governmental funds to arrive at change in net position of governmental activities</i>                      | <u>\$ (43,348)</u> |

Another element of that reconciliation states that "the issuance of long-term debt (e.g., bonds, leases) 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". The details of this \$3,246,551 difference are as follows:

|   |                     |
|---|---------------------|
| Amortization of bond premium  | \$ 239,928          |
| Interest accrual for General Obligation bonds   | 9,687               |
| Amortization of bond insurance costs  | (8,064)             |
| Bond principal repayments   | <u>3,005,000</u>    |
| Net adjustment to increase <i>net change in fund balances - total governmental funds to arrive at change in net position of governmental activities</i> | <u>\$ 3,246,551</u> |

Another element of that reconciliation states that "some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds". The details of the \$989,972 difference are as follows:

|   |                   |
|---|-------------------|
| Other post employment benefits  | \$ 752,669        |
| Compensated absences  | <u>237,303</u>    |
| <i>Net adjustment to decrease net change in fund balances - total governmental funds to arrive at change in net position of governmental activities</i> | <u>\$ 989,972</u> |

### III. Stewardship, Compliance and Accountability

#### A. Budgetary information

Budgets are legally adopted for all governmental and proprietary fund types. Annual budgets are adopted on a basis consistent with generally accepted accounting principles. Project-length budgets are adopted in the capital projects funds. All unencumbered, annual

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appropriations lapse at fiscal year-end. Significant appropriations outstanding at year-end are re-appropriated in the following year.

The appropriated budget is prepared by fund, function, and department. The city manager may make transfers of appropriations among programs within a department, office or agency. Transfers of appropriations between departments require the approval of the city commission.

Expenditures/expenses may not legally exceed appropriations at the individual fund level; exception is the general fund expenditures, which may not exceed appropriations at the department level. Supplemental appropriations for operating and capital expenditures of \$1,131,770 for the general fund, \$364,582 for the special revenue funds, and \$6,125,000 for the capital projects funds were approved during the year and are included in the final budget.

The City follows these procedures in establishing the legally adopted budgetary data:

1. Prior to August 1<sup>st</sup>, the City Manager submits to the City Commission a proposed annual budget, budget message and capital program for the fiscal year commencing October 1<sup>st</sup>. The operating budget includes proposed expenditures/expenses and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.
3. Prior to October 1<sup>st</sup>, the budget is legally enacted through the passage of an ordinance as required by the City Charter.

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders) outstanding at year-end are reported as assigned fund balance and do not constitute expenditures or liabilities because the commitments will be re-appropriated and honored during the subsequent year.

### **IV. Detailed Notes on all Funds**

#### **A. Deposits and investments**

As of September 30, 2019, the carrying value of the City's deposits and investments, exclusive of the Pension trust and agency funds, was \$10,488,103 in U.S. Treasuries, \$361,549 in certificates of deposit, \$145,310,866 in the SBA Florida PRIME, \$41,874,061 in the Florida Fixed Income Trust, \$42,849,548 in the FL Class Local Government Investment Pool, and \$85,579,303 in five money market mutual funds (Fidelity Investments Money Market Government Portfolio Institutional Class with Wells Fargo Bank, Fidelity Investments Money Market Treasury Portfolio – Class III with Bank of New York Mellon, Goldman Sachs Financial Square Government Fund – Institutional Shares with Regions Bank, First American Funds Treasury Obligations Fund with US Bank, and Federated Government Obligations Fund – Institutional Shares with Wells Fargo Bank and Hancock Bank). The investments in Florida PRIME and the five money market mutual funds are classified as cash and cash equivalents. Additionally, cash and cash equivalents are comprised of \$70,280 on hand and \$177,722,408 with qualified public depositories. Total restricted and unrestricted cash and cash equivalents at September 30, 2019 are \$451,532,405. Total investments, including restricted and unrestricted, amount to \$52,723,713.

*Interest rate risk.* The City's investment policy, exclusive of the Pension trust funds, addresses exposure to declines in fair value by limiting the weighted average duration of its investment portfolio to less than three years. The single U.S. Treasury investment that is in the City's investment portfolio at September 30, 2019 matures in 167 days. The weighted



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average days to maturity of the SBA Florida PRIME is 37 days. The weighted average days to maturity of the FL Class is 52 days. The weighted average maturity for the Florida Fixed Income Trust is 1,022 days. The weighted average maturity for the Fidelity Investments Money Market Government Portfolio Institutional Class is 23 days. The weighted average maturity for Fidelity Investments Money Market Treasury Portfolio – Class III is 36 days. The weighted average maturity for Goldman Sachs Financial Square Government Fund is 43 days. The weighted average maturity for First American Funds Treasury Obligations Fund is 26 days. The weighted average maturity for Federated Government Obligations Fund is 33 days. The City may withdraw its funds from any of the above mentioned investment vehicles, other than the U.S. Treasury investment, upon one day's notice. To limit exposure to interest rate risk, the City and its three Pension Plans: General Employees, Firefighters and Police Officers diversify investments by security type and institution, and limit holdings in any one type of investment with any one issuer with various durations of maturity. In addition, the Police Officers' Pension Plan manages its exposure to declines in fair values by limiting the effective duration of its investment portfolio through the adoption of the Barclays Capital Government/Credit Intermediate Index.

As of September 30, 2019, the General Employees' Pension trust fund had the following fixed income investments:

| <u>Investment Type</u> | <u>Fair Value</u> | <u>Investment Maturities (In Years)</u> |              |              |                     |
|------------------------|-------------------|---|--------------|--------------|---------------------|
|                        |                   | <u>Less than 1</u>                      | <u>1-5</u>   | <u>6-10</u>  | <u>More than 10</u> |
| Bond mutual funds      | \$50,382,034      | \$(5,542,024)                           | \$40,607,919 | \$11,134,430 | \$4,181,709         |

The City's Police Officers' Pension trust fund contained the following fixed income investments as of September 30, 2019:

| <u>Investment Type</u>              | <u>Fair Value</u>    | <u>Effective Duration (Years)</u> | <u>Lehman Aggregate Bond Rating</u> |
|-------------------------------------|----------------------|-----------------------------------|-------------------------------------|
| U.S. treasuries                     | \$ 13,789,350        | 4.80                              | AA                                  |
| U.S. agencies                       | 5,512,799            | 6.90                              | AA                                  |
| Corporate bonds                     | 29,218,063           | 7.20                              | A-AAA                               |
| Total fair value                    | <u>\$ 48,520,212</u> |                                   |                                     |
| Portfolio weighted average duration |                      | 6.48                              |                                     |

At September 30, 2019, the City's Firefighters' Pension trust fund had the following fixed income investments:

| <u>Investment Type</u> | <u>Fair Value</u>    | <u>Investment Maturities (In Years)</u> |                   |                     |                     |
|------------------------|----------------------|---|-------------------|---------------------|---------------------|
|                        |                      | <u>Less than 1</u>                      | <u>1-5</u>        | <u>6-10</u>         | <u>More than 10</u> |
| U.S. treasuries        | \$ 9,342,644         | \$ -                                    | \$ -              | \$ 4,747,584        | \$ 4,595,060        |
| U.S. agencies          | 288,341              |   |                   | 288,341             |                     |
| Corporate bonds        | 3,883,933            |   | 608,422           | 3,016,390           | 259,121             |
|                        | <u>\$ 13,514,918</u> | <u>\$ -</u>                             | <u>\$ 608,422</u> | <u>\$ 8,052,315</u> | <u>\$ 4,854,181</u> |

*Credit risk.* The City's investment policy limits the quality and quantity of investments in order to mitigate the effects of credit risk. Funds that are invested in U.S. government obligations are considered to have no credit risk. Consistent with State law, the General Employees' Pension Plan and the Police Officers' Pension Plans' investment guidelines limit corporate bonds to the top three ratings issued by one of the nationally recognized statistical rating organizations. The SBA Florida PRIME investment guidelines limit securities to the

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highest short-term rating category by one or more nationally recognized rating organizations (“NRSROs”), or be deemed to be of comparable quality by the Investment Manager, subject to section 215.47(1)(j), Florida Statutes. Florida PRIME and FL Class are rated AAAM by Standard and Poor’s. The Florida Fixed Income Trust is rated AAAs/S1 by Standard and Poor’s. The City’s money market funds are all rated AAAM by Standard and Poor’s and Aaa-mf by Moody’s. Of the General Employees’ Pension Plan’s investments at September 30, 2019, \$28,616,995 were rated AAA, \$2,216,809 were rated AA, \$7,053,485 were rated A, \$7,406,159 were rated BAA, \$2,418,338 were rated BB, and \$2,670,248 were rated B or lower. The credit ratings of investments in the corporate bonds of the Firefighters’ Pension Plan at September 30, 2019 range from AAA to BBB+ and total \$3,883,933. U.S. Government agencies are rated AA+ and total \$288,341 while U.S. Government obligations of \$9,342,644 are considered to have no credit risk.

*Concentration of credit risk.* The City’s revised investment policy limits the investment in any single issuer from 5% to no more than 40% of the value of the portfolio depending on the investment sector. The 40% maximum is restricted to U.S. Government and Agency instruments and Government Sponsored Enterprise (GSE) securities. Depository accounts (other than operating) secured by the Florida Security for Public Deposits Act, Chapter 280, Florida Statutes are limited to 25% of the portfolio per issuer. The City had a total of \$71,775,005 or 14.2% of the total portfolio invested with BankUnited and an additional \$70,021,063 or 13.9% of the portfolio with Synovus Bank. Investments in intergovernmental investment pools authorized pursuant to the Florida Interlocal Cooperation Act as provided in Florida Statute 163.01, is limited to no more than 60% of the value of the portfolio. The policy further limits investments in intergovernmental investment pools to a maximum of 35% in any one issuer. The Florida PRIME fund investment pool’s exposure to a single non-governmental issuer is limited to 5% and exposure to any single money market mutual fund will not exceed 10% of the Florida PRIME assets. At September 30, 2019, the Florida PRIME Fund Investment Pool held \$145,310,866 or 28.8% of the City’s portfolio. The Florida Fixed Income Trust held \$41,874,061 or 8.3% of the total portfolio and the FL Class Investment Pool held \$42,849,548 or 8.5% of the total portfolio. The policy restricts investments in registered investment companies (money market mutual funds) to 50% of the portfolio and 20% per issuer. At September 30, 2019, the City had \$35,526,244 or 7.0% invested in Federated Government Obligations Fund and \$34,739,757 or 6.9% in Fidelity Investments Money Market Government Portfolio Institutional Class. The General Employees’, Police Officers’ and Firefighters’ Pension Plans’ investment policies do not allow for an investment in any one issuer that is five percent or more of the Plans’ net position available for benefits.

*Custodial credit risk – deposits.* In the case of deposits, this is the risk that in the event of a bank failure, the City’s deposits may not be returned to it. All cash deposits are held in qualified public depositories pursuant to State of Florida Statutes Chapter 280, “Florida Security for Public Deposits Act”. Under the Act, all qualified public depositories are required to pledge eligible collateral having a market value equal to or greater than the average daily or monthly balance of all public deposits times the depository’s collateral pledging level. The pledging level may range from 25% to 150% depending upon the depository’s financial condition and establishment period. All collateral must be deposited with the Chief Financial Officer. Any losses to a public depositor, not covered by deposit insurance and the proceeds from the sale of collateral pledged by the defaulting depository, will be assessed against other qualified public depositories. Accordingly, all deposits are deemed insured or collateralized.

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*Custodial credit risk – investments.* 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 in the possession of an outside party. No custodial credit risk exposure exists for the City or the pension plans as all investments are held by each entity’s custodial bank and registered in each entity’s name.

*Foreign currency risk.* This is the risk that changes in the exchange rates will adversely affect the fair value of an investment. The City’s investment policy requires all securities be denominated in U.S. dollars. Therefore, there is no foreign currency risk exposure. The foreign pension investments that are held by the General Employees’, Police Officers’ and Firefighters’ pension funds are not subject to foreign currency risk as they are denominated in U.S. currency.

*Fair Value Measurement* – When applicable, the City measures and records its investments using fair value measurement guidelines established in accordance with GASB Statements. GASB defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques.

These guidelines recognize a three-tiered fair value hierarchy, in order of highest priority, as follows:

- Level 1: Investments whose values are based on unadjusted quoted prices for identical investments in active markets that the City has the ability to access;
- Level 2: Investments whose inputs - other than quoted market prices - are observable either directly or indirectly; and,
- Level 3: Investments whose inputs are unobservable.

The fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the entire fair value measurement. Valuation techniques used should maximize the use of observable inputs and minimize the use of unobservable inputs.

The following table summarizes the City’s investments, excluding the pension funds, within the fair value hierarchy at September 30, 2019:

| Row Header                                    | Fair Value           | Level 1     | Level 2              |
|---|----------------------|-------------|----------------------|
| U.S. treasuries                               | \$ 10,488,103        | \$ -        | \$ 10,488,103        |
| Total investments at fair value               | <u>10,488,103</u>    | <u>\$ -</u> | <u>\$ 10,488,103</u> |
| Investments measured at net asset value (NAV) |                      |             |                      |
| Fixed Income Trust (FIT)                      | <u>41,874,061</u>    |             |                      |
| Investments reported at amortized cost        |                      |             |                      |
| Certificates of deposit                       | <u>361,549</u>       |             |                      |
| Total investments                             | <u>\$ 52,723,713</u> |             |                      |

*Debt securities:* Debt securities consist primarily of negotiable obligations of the U.S. government and U.S. government-sponsored agencies, preferred securities, and bond funds. These securities can typically be valued using the close or last traded price on a specific date (quoted prices in active markets). When quoted prices are not available, fair value is determined based on valuation models that use inputs that include market observable inputs. These inputs included recent trades, yields, price quotes, cash flows,

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maturity, credit ratings, and other assumptions based upon the specifics of the investment's type.

| <b>Investments Measured at Net Asset Value (NAV)</b> |               |                         |                         |                             |
|--|---------------|-------------------------|-------------------------|-----------------------------|
| Raw Header   |               | Unfunded<br>Commitments | Redemption<br>Frequency | Redemption<br>Notice Period |
| Collective funds (FIT)                               | \$ 41,874,061 | -                       | Daily                   | Next Day                    |
| Total investments<br>measured at NAV                 | \$ 41,874,061 |                         |                         |                             |

The FL FIT is a commingled Pool designed to provide a high level of current income consistent with low volatility of net asset value and provide positive holding period returns for time horizons of 1-3 years or greater. The management team utilizes multiple short term investment strategies based upon the interest rate outlook for the 1 to 5 year part of the treasury curve. The management team takes advantage of these short term strategies by utilizing a diversified portfolio of fixed income securities such as U.S. Treasury and Agencies Securities, government securities and agency mortgage back securities, corporate securities, commercial paper and other money market investments.

The following table summarizes the General Pension Plan's investments within the fair value hierarchy at September 30, 2019:

| Raw Header                       | Fair Value     | Level 1       | Level 2        |
|----------------------------------|----------------|---------------|----------------|
| Common stocks                    | \$ 23,709,846  | \$ 23,709,846 | \$ -           |
| Fixed income mutual funds        | 50,382,034     | -             | 50,382,034     |
| Equity mutual funds              | 52,473,923     | -             | 52,473,923     |
| International equity trust funds | 32,260,664     | -             | 32,260,664     |
| Collective investment trust      | 29,678,683     | -             | 29,678,683     |
| Real estate funds                | 33,689,598     | -             | 33,689,598     |
| Total investments at fair value  | \$ 222,194,748 | \$ 23,709,846 | \$ 198,484,902 |

*Common stocks* – Investments traded on U.S. or foreign securities exchanges are generally valued at the regular trading session closing price on the exchange or market in which such securities are principally traded.

*Fixed income and equity mutual funds* – Some of the underlying securities have observable level 1 quoted pricing inputs. However, while the underlying asset values may be based on quoted market prices, the net asset value of the portfolios is not publicly quoted. Additionally, some of the underlying securities employ matrix pricing. Accordingly, these investments have been reported as level 2.

*International equity trust funds* – The Plan invests in two international equity trusts (“IETs”). The IETs’ underlying investments consist mostly of common stocks which are considered Level 1 securities under the fair value hierarchy. One of the IETs also includes forward exchange currency contracts which are considered Level 2 liabilities under the fair value hierarchy. The other IET holds short term investments which consist of cash held by its custodian who sweeps it into money market funds, and are considered Level 2 investments.

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*Collective investment trust* – The Plan invests in a collective investment trust (“CIT”). The CIT’s underlying investments consist mostly of common stocks which are considered Level 1 securities under the fair value hierarchy. It also invests in investment-grade corporate fixed income securities with maturities of 365 days or less that are valued at the applicable unit net asset value which is determinative of fair value; overall, this collective trust is considered Level 2 investments.

*Real estate funds* – Investments are not quoted in active markets, but inputs to pricing are observable. Accordingly, these investments have been reported as Level 2 investments.

The following table summarizes the Police Pension Plan’s investments (excluding money market funds) within the fair value hierarchy at September 30, 2019:

| Raw Header                            | Fair Value    | Level 1       | Level 2       |
|---------------------------------------|---------------|---------------|---------------|
| U.S. Government obligations           | \$ 13,789,350 | \$ -          | \$ 13,789,350 |
| U.S. Government agency obligations    | 5,512,799     | -             | 5,512,799     |
| Corporate bonds                       | 29,218,063    | -             | 29,218,063    |
| Domestic stocks                       | 60,253,422    | 60,253,422    | -             |
| Domestic equity investment funds      | 20,364,444    | 20,364,444    | -             |
| International equity investment funds | 13,867,277    | 13,867,277    | -             |
| Total investments at fair value       | 143,005,355   | \$ 94,485,143 | 48,520,212    |

Investments measured at net asset value (NAV)

|                              |                |
|------------------------------|----------------|
| Commingled real estate funds | 12,749,281     |
| Total investments            | \$ 155,754,636 |

*Debt securities* - Debt securities classified in Level 2 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used by Interactive Data Pricing and Reference Data, LLC to value securities based on the securities' relationship to benchmark quoted prices.

*Equity funds* - Valued at market prices for similar assets in active markets for inclusion in Level 1.

*Common stock* - Valued at quoted market prices for identical assets in active markets.

| Investments Measured at Net Asset Value (NAV) |                      |                      |                          |         |
|---|----------------------|----------------------|--------------------------|---------|
| Raw Header                                    | Unfunded Commitments | Redemption Frequency | Redemption Notice Period |         |
| Commingled real estate                        | \$ 12,749,281        | -                    | Quarterly                | 60 days |
| Total investments measured at NAV             | \$ 12,749,281        |                      |                          |         |

The real estate investment funds are open end, commingled private equity real estate portfolios. These REIT-based funds are structured as limited partnerships. Their primary focus is to invest in well-based income producing properties within major U.S. markets. The fair values of the investments in these funds have been determined using the NAV per unit of the trusts ownership interest in partners’ capital. The investments of the fund are valued quarterly. Withdrawal requests must be made 60 days in advance and may be in one or more installments.

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The following table summarizes the Firefighters' Pension Plan's investments (excluding money market funds) within the fair value hierarchy at September 30, 2019:

| Raw Header                                    | Fair Value            | Level 1              | Level 2              |
|---|-----------------------|----------------------|----------------------|
| U.S. treasuries                               | \$ 3,962,155          | \$ -                 | \$ 3,962,155         |
| U.S. agencies                                 | 288,341               | -                    | 288,341              |
| Mortgage backed securities                    | 5,380,489             | -                    | 5,380,489            |
| Corporate bonds                               | 3,883,933             | -                    | 3,883,933            |
| Common stock                                  | 52,286,836            | 52,286,836           | -                    |
| International equity investment fund          | 9,522,760             | 9,522,760            | -                    |
| Total investments at fair value               | <u>75,324,514</u>     | <u>\$ 61,809,596</u> | <u>\$ 13,514,918</u> |
| Investments measured at net asset value (NAV) |                       |                      |                      |
| Collective fund                               | 45,581,266            |                      |                      |
| Commingled real estate funds                  | 21,508,488            |                      |                      |
| Total investments                             | <u>\$ 142,414,268</u> |                      |                      |

*Equity securities:* These include common stock, domestic and international equity funds. Domestic securities traded on a national securities exchange are valued at the last reported sales price on the last business day of the fiscal year. Securities traded in the over-the-counter market and listed securities for which no sale was reported on that date are valued at the last reported bid price. International equities are valued based upon quoted foreign market prices and translated into U.S. dollars at the exchange rate in effect at September 30, 2019. Securities which are not traded on a national security exchange are valued by the respective fund manager or other third parties based on yields currently available on comparable securities of issuers with similar credit ratings.

*Debt securities:* Debt securities consist primarily of negotiable obligations of the U.S. government and U.S. government-sponsored agencies, preferred securities, and bond funds. These securities can typically be valued using the close or last traded price on a specific date (quoted prices in active markets). When quoted prices are not available, fair value is determined based on valuation models that use inputs that include market observable inputs. These inputs included recent trades, yields, price quotes, cash flows, maturity, credit ratings, and other assumptions based upon the specifics of the investment's type.

| <b>Investments Measured at Net Asset Value (NAV)</b> |                      |                         |                         |                             |
|--|----------------------|-------------------------|-------------------------|-----------------------------|
| Raw Header   |                      | Unfunded<br>Commitments | Redemption<br>Frequency | Redemption<br>Notice Period |
| Collective funds                                     | \$ 45,581,266        | -                       | Daily                   | Same Day                    |
| Commingled real estate                               | 21,508,488           | -                       | Daily                   | Same Day                    |
| Total investments<br>measured at NAV                 | <u>\$ 67,089,754</u> |                         |                         |                             |

Collective funds consist of collective investment vehicles which invests primarily in publicly traded equity securities. The funds are valued at the net asset value of units held at the end of the period based upon the fair value of the underlying investments.

The fair values of the investments in the commingled real estate funds have been determined using the NAV. Net asset values of the commingled real estate are determined by the fund managers using fair values of the underlying investments of the fund. There are

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no restrictions or terms and conditions. Real estate values are based upon independent appraisals performed for assets held by the open-end fund annually, with restricted-scope appraisals conducted on a quarterly basis for those assets not receiving a full appraisal. The fair value of real estate is determined as the price that the plan would expect to receive if the asset was sold to a market participant assuming the highest and best use of each asset at the date of the statement of fiduciary net position.

### B. Receivables and unearned revenue

Receivables at September 30, 2019, are as follows:

|   | <u>Interest</u>  | <u>Taxes/<br/>Franchise<br/>Fees</u> | <u>Accounts</u>     | <u>Other</u>     | <u>Inter-<br/>governmental</u> | <u>Total<br/>Receivables</u> |
|---|------------------|--------------------------------------|---------------------|------------------|--------------------------------|------------------------------|
| Governmental activities:                |                  |                                      |                     |                  |                                |                              |
| General                                 | \$ 22,997        | \$1,780,055                          | \$ 1,119,538        | \$230,227        | \$ 3,018,590                   | \$ 6,171,407                 |
| Capital Improvements                    | 13,286           | -                                    | -                   | -                | 628,049                        | 641,335                      |
| Internal Service                        | 11,290           | -                                    | 62,746              | 217,582          | 2,671                          | 294,289                      |
| Other governmental                      | <u>17,205</u>    | -                                    | -                   | <u>6,573</u>     | <u>567,789</u>                 | <u>591,567</u>               |
| Total – governmental activities         | <u>\$ 64,778</u> | <u>\$1,780,055</u>                   | <u>\$ 1,182,284</u> | <u>\$454,382</u> | <u>\$ 4,217,099</u>            | <u>\$ 7,698,598</u>          |
| Business-type activities:               |                  |                                      |                     |                  |                                |                              |
| Water, Wastewater & Gas Utility System: |                  |                                      |                     |                  |                                |                              |
| Unrestricted                            | \$ 46,604        | \$ -                                 | \$17,681,770        | \$ 72,323        | \$ 265,740                     | \$ 18,066,437                |
| Restricted                              | 63,103           | -                                    | -                   | -                | -                              | 63,103                       |
| Sanitation                              | 1,188            | -                                    | 2,466,197           | 234              | -                              | 2,467,619                    |
| Other proprietary                       | <u>7,091</u>     | -                                    | <u>880,563</u>      | <u>35</u>        | <u>463,724</u>                 | <u>1,351,413</u>             |
| Gross receivables                       | 117,986          | -                                    | 21,028,530          | 72,592           | 729,464                        | 21,948,572                   |
| Less: Uncollectibles                    | -                | -                                    | (150,000)           | -                | -                              | (150,000)                    |
| Total – business-type activities        | <u>\$117,986</u> | <u>\$ -</u>                          | <u>\$20,878,530</u> | <u>\$ 72,592</u> | <u>\$ 729,464</u>              | <u>\$ 21,798,572</u>         |

Revenues of the Water, Wastewater & Gas Utility System enterprise fund are reported net of uncollectible amounts. Actual uncollectible amounts related to revenues of the current period are as follows:

|  |                |
|--|----------------|
| Uncollectibles related to water and wastewater sales | \$ 139,722     |
| Uncollectibles related to gas sales                  | 19,348         |
| Uncollectibles related to sanitation                 | 8,069          |
| Uncollectibles related to recycling services         | 389            |
| Uncollectibles related to stormwater services        | <u>12,252</u>  |
| Total uncollectibles for the current fiscal year     | <u>179,780</u> |

Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

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### Unearned revenue

At the end of the current fiscal year, the various components of unearned revenue reported in the governmental funds were as follows:

|   |                     |
|---|---------------------|
| Prepaid local business license tax (General fund)                           | \$ 1,537,890        |
| Prepaid inspection/plans review fees (General fund)                         | 685,857             |
| Prepaid inspection/plans review fees (Building fund)                        | 89,539              |
| Prepaid sidewalk replacement fees (Fuel and Roadway special revenue fund)   | 8,563               |
| Grant proceeds prior to meeting all eligibility requirements (General fund) | <u>33,244</u>       |
| Total unearned revenue for governmental funds                               | <u>\$ 2,355,093</u> |

### C. Capital assets

Capital asset activity for the year ended September 30, 2019 was as follows:

|   | Beginning<br>Balance | Increases            | Decreases             | Ending<br>Balance    |
|---|----------------------|----------------------|-----------------------|----------------------|
| <b>Governmental activities:</b>                           |                      |                      |                       |                      |
| Capital assets, not being depreciated or amortized:       |                      |                      |                       |                      |
| Land  | \$ 26,442,757        | \$ 261,642           | \$ -                  | \$ 26,704,399        |
| Construction in progress                                  | 36,683,094           | 21,178,844           | (10,170,421)          | 47,691,517           |
| Total capital assets, not being depreciated or amortized  | <u>63,125,851</u>    | <u>21,440,486</u>    | <u>(10,170,421)</u>   | <u>74,395,916</u>    |
| Capital assets, being depreciated or amortized:           |                      |                      |                       |                      |
| Intangibles   | 1,565,770            |                      |                       | 1,565,770            |
| Buildings and system                                      | 150,295,402          | 174,028              |                       | 150,469,430          |
| Improvements other than buildings                         | 55,304,691           | 8,304,907            | (24,966)              | 63,584,632           |
| Machinery and equipment                                   | 21,882,006           | 1,762,206            | (1,131,058)           | 22,513,154           |
| Vehicles  | 27,113,823           | 2,575,891            | (1,806,787)           | 27,882,927           |
| Infrastructure  | <u>335,291,099</u>   | <u>2,041,361</u>     |                       | <u>337,332,460</u>   |
| Total capital assets, being depreciated or amortized      | 591,452,791          | 14,858,393           | (2,962,811)           | 603,348,373          |
| Less accumulated depreciation/ amortization for:          |                      |                      |                       |                      |
| Intangibles   | (1,399,721)          | (110,331)            |                       | (1,510,052)          |
| Buildings and system                                      | (47,042,474)         | (4,733,808)          |                       | (51,776,282)         |
| Improvements other than buildings                         | (40,759,271)         | (2,404,937)          | 24,966                | (43,139,242)         |
| Machinery and equipment                                   | (15,294,686)         | (1,863,547)          | 1,085,012             | (16,073,221)         |
| Vehicles  | (16,133,267)         | (1,935,994)          | 1,758,028             | (16,311,233)         |
| Infrastructure  | <u>(323,272,814)</u> | <u>(4,118,659)</u>   |                       | <u>(327,391,473)</u> |
| Total accumulated depreciation/ amortization              | <u>(443,902,233)</u> | <u>(15,167,276)</u>  | <u>2,868,006</u>      | <u>(456,201,503)</u> |
| Total capital assets, being depreciated or amortized, net | <u>147,550,558</u>   | <u>(308,883)</u>     | <u>(94,805)</u>       | <u>147,146,870</u>   |
| Governmental activities capital assets, net               | <u>\$210,676,409</u> | <u>\$ 21,131,603</u> | <u>\$(10,265,226)</u> | <u>\$221,542,786</u> |



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|   | Beginning<br>Balance  | Increases            | Decreases              | Ending<br>Balance     |
|---|-----------------------|----------------------|------------------------|-----------------------|
| <b>Business-type activities:</b>                          |                       |                      |                        |                       |
| Capital assets, not being depreciated or amortized:       |                       |                      |                        |                       |
| Land  | \$ 12,412,438         | \$ -                 | \$ -                   | \$ 12,412,438         |
| Construction in progress                                  | 72,014,613            | 26,315,543           | (26,334,342)           | 71,995,814            |
| Total capital assets, not being depreciated or amortized  | <u>84,427,051</u>     | <u>26,315,543</u>    | <u>(26,334,342)</u>    | <u>84,408,252</u>     |
| Capital assets, being depreciated or amortized:           |                       |                      |                        |                       |
| Intangibles   | 352,586               | -                    | -                      | 352,586               |
| Buildings and system                                      | 610,005,864           | 27,732,548           | (109,708)              | 637,628,704           |
| Improvements other than buildings                         | 18,588,684            | 113,308              | (13,826)               | 18,688,166            |
| Machinery and equipment                                   | 9,005,196             | 678,430              | (585,793)              | 9,097,833             |
| Vehicles  | 11,293,292            | 1,350,848            | (468,444)              | 12,175,696            |
| Total capital assets, being depreciated or amortized      | 649,245,622           | 29,875,134           | (1,177,771)            | 677,942,985           |
| Less accumulated depreciation/ amortization for:          |                       |                      |                        |                       |
| Intangibles   | (332,703)             | (5,480)              |                        | (338,183)             |
| Buildings and system                                      | (287,449,690)         | (22,111,925)         | 109,171                | (309,452,444)         |
| Improvements other than buildings                         | (8,498,009)           | (952,487)            | 13,826                 | (9,436,670)           |
| Machinery and equipment                                   | (6,466,831)           | (439,860)            | 575,426                | (6,331,265)           |
| Vehicles  | (7,006,022)           | (785,080)            | 468,444                | (7,322,658)           |
| Total accumulated depreciation/ amortization              | <u>(309,753,255)</u>  | <u>(24,294,832)</u>  | <u>1,166,867</u>       | <u>(332,881,220)</u>  |
| Total capital assets, being depreciated or amortized, net | <u>339,492,367</u>    | <u>5,580,302</u>     | <u>(10,904)</u>        | <u>345,061,765</u>    |
| Business-type activities capital assets, net              | <u>\$ 423,919,418</u> | <u>\$ 31,895,845</u> | <u>\$ (26,345,246)</u> | <u>\$ 429,470,017</u> |

Depreciation expense was charged to functions/programs of the primary government as follows:

|   |                      |
|---|----------------------|
| Governmental activities:  |                      |
| General government  | \$ 3,731,344         |
| Public safety   | 3,549,945            |
| Transportation, including depreciation of general infrastructure assets | 4,540,983            |
| Culture and recreation  | 3,345,004            |
| Total depreciation expense - governmental activities                    | <u>\$ 15,167,276</u> |
| Business-type activities:   |                      |
| Water, wastewater, and gas  | \$ 23,545,040        |
| Sanitation  | 301                  |
| Stormwater  | 643,185              |
| Golf course   | 106,306              |
| Total depreciation expense - business-type activities                   | <u>\$ 24,294,832</u> |

### D. Construction commitments

At September 30, 2019, the City had in process various uncompleted construction projects with remaining balances totaling \$51,665,575. Funding of these projects is to be made primarily through the proceeds of the related bond issues or restricted funds.

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### E. Encumbrances

Purchase orders are issued throughout the fiscal year to encumber budgets in the governmental funds. Encumbrances as of September 30, 2019 are as follows:

|  |                            |
|--|----------------------------|
| Major funds:                               |                            |
| General Fund                               | \$ 1,283,453               |
| Capital Improvements Capital Projects Fund | 19,323,634                 |
| Other governmental funds                   | <u>673,519</u>             |
| Total Encumbrances                         | <u><u>\$21,280,606</u></u> |

### F. Interfund receivables, payables and transfers

The General Fund advanced \$100,000 to the CDBG Grant special revenue fund. This advance was made to enable expenditures in this fund prior to grant reimbursement. The General Fund recognizes the advance as an asset with a corresponding nonspendable fund balance.

The General Fund advanced \$120,000 to the Police Confiscation special revenue fund. This advance was made to fund certain police operations. The General Fund recognizes the advance as an asset with a corresponding nonspendable fund balance.

The General Fund advanced \$18,400,000 to the Capital Improvements capital projects fund. This advance was made to fund certain park, recreation and leisure services projects. The General Fund recognizes the advance as an asset with a corresponding nonspendable fund balance.

The General Fund advanced \$82,393 to the Urban Area Security Initiative Grant special revenue fund revenue fund as a short-term loan to fund operations.

The General Fund advanced \$28,738 to the CDBG Grant special revenue fund revenue fund as a short-term loan to fund operations.

The composition of interfund balances as of September 30, 2019, is as follows.

| <u>Fund</u>                          | <u>Interfund<br/>receivables</u> | <u>Interfund<br/>payables</u> |
|--------------------------------------|----------------------------------|-------------------------------|
| General fund                         | \$ 111,131                       | \$ -                          |
| Non-major governmental funds:        |                                  |                               |
| Special revenue funds:               |                                  |                               |
| Urban Area Security Initiative Grant | -                                | 82,393                        |
| Community Development Block Grant    | -                                | <u>28,738</u>                 |
| Total interfund receivables/payables | <u>\$ 111,131</u>                | <u>\$ 111,131</u>             |
| <br>                                 |                                  |                               |
| <u>Fund</u>                          | <u>Advance from</u>              | <u>Advance to</u>             |
| General fund                         | \$ 18,620,000                    | \$ -                          |
| Non-major governmental funds:        |                                  |                               |
| Special revenue funds:               |                                  |                               |
| Community Development Block Grant    | -                                | 100,000                       |
| Police Confiscation                  | -                                | 120,000                       |
| Capital projects funds:              |                                  |                               |
| Capital Improvements                 |                                  | <u>18,400,000</u>             |
| Total advances                       | <u>\$ 18,620,000</u>             | <u>\$ 18,620,000</u>          |

**CITY OF SUNRISE, FLORIDA**

| <u>Fund</u>                               | <u>Due from<br/>other funds</u> | <u>Due to<br/>other funds</u> | <u>Purpose</u> |
|---|---------------------------------|-------------------------------|----------------|
| General fund                              | \$ 571,681                      | \$ 141,440                    | 1,2,3,4        |
| Capital Improvements capital projects     |                                 |                               | 1              |
| Special revenue funds:                    |                                 |                               |                |
| Building Fees                             | -                               | 4,878                         | 2              |
| Community Development Block Grant         | -                               |                               | 2              |
| Fuel and Roadway                          | -                               | 2,110                         | 2              |
| Police Confiscation                       | 1,414                           | 21,945                        | 1,2            |
| Debt service funds:                       |                                 |                               |                |
| Special Tax District No. 1                |                                 |                               | 4              |
| General Obligation Bond Series 2015       |                                 |                               | 1,4            |
| Capital project funds:                    |                                 |                               |                |
| General Obligation Bond Series 2015       | <u>3,017</u>                    | <u>20,910</u>                 | 1,4            |
| Total non-major governmental funds        | <u>4,531</u>                    | <u>49,996</u>                 |                |
| Enterprise funds:                         |                                 |                               |                |
| Water, Wastewater, and Gas Utility System | <u>20,074</u>                   | <u>401,545</u>                | 1,2            |
| Sanitation                                | <u>-</u>                        | <u>166,461</u>                | 2,3            |
| Non-major enterprise funds:               |                                 |                               |                |
| Recycling                                 | -                               | 9,939                         | 2              |
| Stormwater                                | <u>-</u>                        | <u>1,513</u>                  | 2              |
| Total non-major enterprise funds          | <u>-</u>                        | <u>11,452</u>                 |                |
| Internal service funds:                   |                                 |                               |                |
| Fleet Management                          | -                               | 1,766                         | 2              |
| Information Technology & Communications   | <u>-</u>                        | <u>2,959</u>                  | 2              |
| Total internal service funds              | <u>-</u>                        | <u>4,725</u>                  |                |
| General Employees' Pension                | 71,369                          | -                             | 2              |
| Police Officers' Pension                  | 59,045                          | -                             | 2              |
| Firefighters' Pension                     | <u>48,083</u>                   | <u>-</u>                      | 2              |
| Total pension trust/agency funds          | <u>178,497</u>                  | <u>-</u>                      |                |
| Total due to/due from                     | <u>\$ 775,619</u>               | <u>\$ 775,619</u>             |                |

The reasons for the due to/due from other funds are:

- 1) Salary, fringe benefit, operating expense reimbursements
- 2) Pension plan funding
- 3) Franchise fee receivable/payable
- 4) Interest

|                              | <u>Transfers out:</u>   |  |                     |
|------------------------------|-------------------------|--|---------------------|
|                              | <u>General<br/>fund</u> | <u>Water, Wastewater,<br/>and Gas<br/>Utility System<br/>enterprise fund</u> | <u>Total</u>        |
| <b>Transfers in:</b>         |                         |  |                     |
| General fund                 | \$ -                    | \$ 5,242,464 a   | \$ 5,242,464        |
| Non-major governmental funds | 1,019,870 a/b           |  | 1,019,870           |
| Sanitation fund              | 699,510 c               |  | 699,510             |
| Non-major enterprise funds   | <u>1,457,120 c</u>      |  | <u>1,457,120</u>    |
|                              | <u>\$ 3,176,500</u>     |  | <u>\$ 8,418,964</u> |

The reasons for these transfers are set forth below:

- a) Move unrestricted revenues collected in funds to finance various programs accounted for in other funds in accordance with budgetary authorizations
- b) Provide funds for capital outlay
- c) Subsidize operations

## CITY OF SUNRISE, FLORIDA

### G. Leases

The City leases office equipment and other items. There are no outstanding capital leases and no material operating leases with non-cancellable terms in excess of one year.

### H. Long-term debt

The schedule below details the changes in long-term liabilities for the year ended September 30, 2019:

|   | Beginning<br>Balance  | Additions           | Reductions            | Ending<br>Balance     | Due Within<br>One Year |
|---|-----------------------|---------------------|-----------------------|-----------------------|------------------------|
| Governmental activities:                          |                       |                     |                       |                       |                        |
| Bonds payable                                     | \$ 44,670,000         | \$ -                | \$ (2,905,000)        | \$ 41,765,000         | \$ 2,230,000           |
| Less deferred amounts:                            |                       |                     |                       |                       |                        |
| For issuance premiums                             | 1,305,245             |                     | (239,928)             | 1,065,317             |                        |
| Total bonds payable                               | 45,975,245            |                     | (3,144,928)           | 42,830,317            | 2,230,000              |
| Compensated absences                              | 10,560,135            | 5,633,558           | (5,359,831)           | 10,833,862            | 979,361                |
| Claims  | 4,477,000             | 120,753             | (1,046,159)           | 3,551,594             | 1,200,000              |
| Governmental activities<br>long-term liabilities  | <u>\$ 61,012,380</u>  | <u>\$ 5,754,311</u> | <u>\$ (9,550,918)</u> | <u>\$ 57,215,773</u>  | <u>\$ 4,409,361</u>    |
| Business-type activities:                         |                       |                     |                       |                       |                        |
| Bonds payable:                                    |                       |                     |                       |                       |                        |
| Revenue bonds                                     | \$ 107,060,000        | \$ -                | \$ (4,715,000)        | \$ 102,345,000        | \$ 4,925,000           |
| Less deferred amounts:                            |                       |                     |                       |                       |                        |
| For issuance premiums                             | 185,901               |                     | (131,943)             | 53,958                |                        |
| Total bonds payable                               | 107,245,901           |                     | (4,846,943)           | 102,398,958           | 4,925,000              |
| Direct borrowing                                  | 89,625,000            |                     |                       | 89,625,000            | 1,065,000              |
| Compensated absences                              | 4,221,918             | 1,980,619           | (2,206,427)           | 3,996,110             | 313,658                |
| Business-type activities<br>long-term liabilities | <u>\$ 201,092,819</u> | <u>\$ 1,980,619</u> | <u>\$ (7,053,370)</u> | <u>\$ 196,020,068</u> | <u>\$ 6,303,658</u>    |

For governmental activities, pension liabilities, compensated absences and other post-employment benefits are generally liquidated by the general fund. Pension contributions are paid by the General Fund, Building Fees Fund, Fuel and Roadway Fund, Community Development Block Grant Fund and Police Confiscation Fund. Claims and judgments are liquidated by the Workers' Compensation internal service fund.

Revenue bonds and other long-term liabilities directly related to and intended to be paid from proprietary funds are included in the accounts of such funds. Utility system revenue bonds and direct borrowings are collateralized by a lien on the revenues earned by the utility system.

On July 3, 2018, the City issued Utility System Revenue Refunding bonds, Series 2018, as a direct borrowing totaling \$89,625,000. This was done to refund the Utility System Revenue Refunding Bonds, Series 1998. The true interest cost is 2.33% and matures in 2026.

General Long-Term Debt Bonds are collateralized by multiple sources. The Special Tax District No. 1 ad valorem tax bonds and ad valorem tax refunding bonds are collateralized by voted debt service ad valorem taxes to be levied upon all taxable property within the District. The bonds issued by the special districts are not general or limited obligation debt or bonded indebtedness of the City and the City is not obligated to pay the bonds or bond service charges.

## CITY OF SUNRISE, FLORIDA

The General Obligation Bonds, Series 2015 were issued in the amount of \$37,630,000 and are collateralized by voted debt service ad valorem taxes to be levied upon all taxable property within the City. These bonds were issued to finance the design, acquisition, construction, equipment, and installation of certain parks, recreation, and leisure projects within the City. The issuance of the Series 2015 bonds was approved by a majority vote of the qualified electors of the City in a bond referendum held in November 2014.

Annual debt service requirements to maturity for revenue bonds are as follows:

| Raw Header<br>Year Ending September 30: | Business-type Activities |                      |                      |                     |
|---|--------------------------|----------------------|----------------------|---------------------|
|   | Bonds                    |                      | Direct Borrowing     |                     |
|   | Principal                | Interest*            | Principal            | Interest            |
| 2020                                    | \$ 4,925,000             | \$ 5,656,579         | \$ 1,065,000         | \$ 2,063,448        |
| 2021                                    | 3,505,000                | 5,516,379            | 2,740,000            | 1,999,606           |
| 2022                                    |                          | 5,516,379            | 13,500,000           | 1,685,056           |
| 2023                                    | -                        | 5,516,379            | 13,810,000           | 1,361,283           |
| 2024                                    | -                        | 5,516,379            | 14,125,000           | 1,034,171           |
| 2025-2029                               | 16,750,000               | 26,130,098           | 44,385,000           | 1,049,898           |
| 2030-2034                               | 53,055,000               | 13,621,911           | -                    | -                   |
| 2035-2036                               | 24,110,000               | 725,821              | -                    | -                   |
| Sub-total                               | 102,345,000              | 68,199,925           | 89,625,000           | 9,193,462           |
| Bond premium                            | 53,958                   | -                    | -                    | -                   |
| Total                                   | <u>\$ 102,398,958</u>    | <u>\$ 68,199,925</u> | <u>\$ 89,625,000</u> | <u>\$ 9,193,462</u> |

\*Does not take into account 35% Build America Bonds interest subsidy.

### Governmental Activities

Annual debt service requirements for public improvement and ad valorem tax bonds are as follows:

| <u>Year Ending September 30:</u> | <u>Principal</u>     | <u>Interest</u>      |
|----------------------------------|----------------------|----------------------|
| 2020                             | \$ 2,230,000         | \$ 1,561,686         |
| 2021                             | 3,155,000            |                      |
| 2022                             | 3,310,000            | 1,242,946            |
| 2023                             | 900,000              | 1,197,946            |
| 2024                             | 945,000              | 1,150,696            |
| 2025-2029                        | 5,470,000            | 4,983,830            |
| 2030-2034                        | 6,585,000            | 3,816,749            |
| 2035-2039                        | 7,775,000            | 2,644,120            |
| 2040-2044                        | 9,325,000            | 1,037,213            |
| 2045                             | <u>2,070,000</u>     |                      |
|                                  | 41,765,000           | 19,041,572           |
| Plus: Bond premium               | <u>1,065,317</u>     |                      |
| Total                            | <u>\$ 42,830,317</u> | <u>\$ 19,041,572</u> |

## CITY OF SUNRISE, FLORIDA

Description of Individual Bond Issues Outstanding – Summarized below are the bonds outstanding for the City’s governmental activities:

|   | <u>Purpose of Issue</u>                    | <u>Amount Issued</u>            | <u>Principal Outstanding</u>    | <u>Interest Rate</u>     |
|---|--|---------------------------------|---------------------------------|--------------------------|
| <b>Governmental activities</b>                                      |  |                                 |                                 |                          |
| Special Tax District No. 1  |  |                                 |                                 |                          |
| Ad Valorem Tax Refunding Bonds, Series 2001<br>Serial bonds         | Refunding                                  | \$ 26,660,000                   | \$ 5,550,000                    | 2.70%-5.00%              |
| Ad Valorem Tax Bonds, Series 2003<br>Serial bonds                   | Fund certain District capital improvements | 6,770,000                       | 1,475,000                       | 1.25%-4.60%              |
| General Obligation Bonds, Series 2015<br>Serial bonds<br>Term bonds | Park, Recreation & Leisure Projects        | 18,460,000<br><u>19,170,000</u> | 15,570,000<br><u>19,170,000</u> | 3.0%-5.0%<br>3.375%-4.0% |
| Total governmental activities bonds                                 |  | <u>\$ 71,060,000</u>            | <u>\$ 41,765,000</u>            |                          |

Description of Individual Bond Issues Outstanding – Summarized below are the bonds outstanding for the City’s business-type activities:

|                                      | <u>Purpose of Issue</u>          | <u>Amount Issued</u>  | <u>Principal Outstanding</u> | <u>Interest Rate</u> |
|--------------------------------------|----------------------------------|-----------------------|------------------------------|----------------------|
| <b>Business-type activities</b>      |                                  |                       |                              |                      |
| Utility revenue bonds:               |                                  |                       |                              |                      |
| Series 2010A<br>Serial bonds         | Fund utility system improvements | 19,960,000            | 7,740,000                    | 4.00%                |
| Series 2010B<br>Term bonds           | Fund utility system improvements | 93,915,000            | 93,915,000                   | 5.813-5.913%         |
| Series 2010C<br>Term bonds           | Refunding                        | <u>4,740,000</u>      | <u>690,000</u>               | 3.00%-4.00%          |
| Total business-type activities bonds |                                  | <u>\$ 118,615,000</u> | <u>\$ 102,345,000</u>        |                      |

The City has outstanding utility revenue bonds and a direct borrowing totaling \$102,345,000 and \$89,625,000, respectively. The City has pledged future net water, wastewater, and gas revenues to repay this debt. Proceeds from the Series 2010A bonds and Series 2010B bonds were issued to fund construction, acquisition or equipping of certain capital improvements to the City’s water/wastewater utility facilities; and proceeds from the Series 2010C bonds were issued to refund a portion of the City’s Utility System Revenue Refunding Bonds, Series 1993 and Utility System Revenue Refunding Bonds, Series 1996. The Series 2010A bonds are payable through 2021; the Series 2010B bonds are payable through 2036; and the Series 2010C bonds are payable through 2020. Funds from the direct borrowing, which are payable through 2026, were used to refund the Series 1998 bonds. Total principal and interest remaining to be paid on the utility bonds and direct borrowing is \$269,363,387. Principal and interest paid for the current year and total customer net revenue were \$12,656,841 and \$60,149,767, respectively. The pledged revenues are expected to continue through maturity of the debt.

## CITY OF SUNRISE, FLORIDA

### Defeased and refunded debt

The City has a number of bond issues that have been refunded. An advanced refunding provides for an irrevocable deposit with an escrow agent (a third party banking institution) of sufficient funds to pay the principal and interest, when due, on the refunded bonds to the earliest call date. On the earliest call date, all bonds outstanding are redeemed and interest subsequent to the refunding date will cease. Bonds are typically refunded for either economic gain to the governmental unit or to eliminate restrictive and antiquated covenants often associated therewith. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the City's books.

Summarized below are the refunded bonds of the City's governmental and business-type activities held with escrow agents:

| <u>Type</u>                               | <u>Series</u> | <u>Year<br/>Refunded</u> | <u>Outstanding<br/>as of 9/30/19</u> |
|---|---------------|--------------------------|--------------------------------------|
| Governmental activities:                  |               |                          |                                      |
| Public Facilities revenue bonds           | 1992B         | 2013                     | \$ 17,360,000                        |
| Business-type activities:                 |               |                          |                                      |
| Utility System revenue bonds              | 1983A         | 1985                     | 680,000                              |
|   | 1983C         | 1985                     | 980,000                              |
|   | 1998          | 2010                     | <u>20,640,000</u>                    |
| Total outstanding defeased, refunded debt |               |                          | <u>\$ 39,660,000</u>                 |

### I. Property taxes

The State of Florida permits the City to levy taxes up to 10 mills of assessed property valuation for the general fund except for special benefits and debt service obligations which may be issued with the approval of those taxpayers subject to ad valorem taxes. The operating millage rate levied by the City and budgeted for the 2018-2019 fiscal year is 6.0543 mills. On January 29, 2008, the Florida electorate approved an amendment to the Florida Constitution relative to property taxation. This amendment (referred to as Amendment 1) was placed on the ballot by the Florida Legislature at a special session held during 2007 and became effective October 1, 2008. Amendment 1 increased the current \$25,000 homestead exemption by an additional \$25,000 (for property values between \$50,000 and \$75,000), except for school district taxes. Amendment 1 also provided "portability", allowing property owners to transfer up to \$500,000 of their "Save Our Homes" benefits to their next homestead when they move. "Save Our Homes" became effective in 1995 and limits (caps) the annual increase in assessed value for homesteaded property to three percent (3%) or the percentage change in the Consumer Price Index, whichever is less. Amendment 1 also provided a \$25,000 exemption for tangible personal property. Current tax collections for the year ended September 30, 2019 were approximately 99% of the total tax levy, net of discounts allowed.

Property taxes based on assessed values at January 1 are levied on November 1 of each year. A four percent discount is allowed if the taxes are paid in November, with the discount declining by one percentage point each month thereafter. Taxes become delinquent on April 1 of each year and tax certificates for the full amount of any unpaid taxes and assessments are auctioned beginning June 1 of each year.

The City Commission establishes the tax levy of the City. The adoption of the final millage rate occurred September 26, 2018. Property tax collections are governed by Chapter 197, Florida Statutes. The Broward County Tax Collector (Tax Collector) bills and collects all

## CITY OF SUNRISE, FLORIDA

property taxes levied within the County. The Tax Collector remits current taxes collected through four distributions to the City in the first quarter of the tax year and at least one distribution each month thereafter. The City recognizes property tax revenue in the period in which they are levied.

The property tax calendar for revenues billed and received for the fiscal year ended September 30, 2019 is shown as follows:

|   |                           |
|---|---------------------------|
| Lien date   | January 1, 2018           |
| Levy date, tax bills mailed                                 | November 1, 2018          |
| Last date for 4% discount on taxes paid                     | November 30, 2018         |
| Last date for 3% discount on taxes paid                     | December 31, 2018         |
| Last date for 2% discount on taxes paid                     | January 31, 2019          |
| Last date for 1% discount on taxes paid                     | February 28, 2019         |
| Final due date of payment of taxes                          | March 31, 2019            |
| Date for auctioning tax certificates on delinquent accounts | On or before June 1, 2019 |

### V. Other Information

#### A. Risk management

The City is exposed to various risks of loss related to torts, theft of, damage to or destruction of assets, errors and omissions, injuries to employees and natural disasters. During the 1994-1995 fiscal year, the City established a Workers' Compensation fund (an internal service fund) to account for and finance its uninsured risks of loss. Under this program, the Workers' Compensation fund self-insures losses up to \$250,000 per occurrence. The City purchases excess insurance through the Florida Municipal Insurance Trust, an intergovernmental pool, for claims in excess of coverage provided by the fund. The City also participates in intergovernmental pooling or carries commercial insurance for all other risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

All departments of the City participate in the program and make payments to the fund based on actuarial estimates of the amounts needed to pay prior and current year claims (including allocated loss adjustment expenses and incurred but not reported claims). The claims liability of \$3,551,594, which is discounted at 2%, is reported in the fund at September 30, 2019 and is based on the requirements of GASB Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the claim can be reasonably estimated.

The following schedule presents the changes in aggregate claims liability (in thousands) for the past two years:

| Raw Header                              | Year ended<br><u>9/30/19</u> | Year ended<br><u>9/30/18</u> |
|---|------------------------------|------------------------------|
| Unpaid claims, beginning of fiscal year | \$ 4,477                     | \$ 4,791                     |
| Incurred claims (and estimate changes)  | 121                          | 611                          |
| Claim payments                          | <u>(1,046)</u>               | <u>(925)</u>                 |
| Unpaid claims, end of fiscal year       | <u>\$ 3,552</u>              | <u>\$ 4,477</u>              |



## CITY OF SUNRISE, FLORIDA

### **B. Contingent liabilities**

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

The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City's counsel, the resolution of these matters will not have a significant adverse effect on the financial condition of the City.

### **C. Employee retirement systems and pension plans**

**Plan descriptions:** The City of Sunrise contributes to three single-employer defined benefit pension plans: General Employees' Pension Plan, Police Officers' Pension Plan and Firefighters' Pension Plan and one defined contribution plan: Governmental Money Purchase Plan and Trust. Additionally, the City maintains a supplemental retiree subsidy for police officers hired on or after September 30, 2015 and general employees and a preservation of benefits plan.

In addition to normal retirement benefits, all three of the defined benefit pension plans provide for long-term disability and survivor benefits, as well as deferred pensions for former employees, dependent upon length of service or years of contributions and age upon death or disability. Florida Statutes Chapter 112 and City ordinance provide the authority to establish and amend benefit provisions for all three defined benefit pension plans.

A deferred retirement option program (DROP) was implemented in the Police Officers' Pension Plan (the Plan). Upon participation in the DROP, the participant becomes a retiree for all Plan purposes and any further benefits under the pension plan cease to accrue. Normal retirement payments that would have been payable to the participant as a result of retirement are accumulated and invested in the DROP to be distributed to the participant upon termination of employment. Effective July 10, 2007, an eligible member who elects to participate in the DROP within five years following the member's earliest normal retirement date may participate in the DROP for a maximum of six years. Effective August 9, 2011, an eligible member who elects to participate in the DROP within five years following the member's earliest normal retirement date may participate in the DROP for a maximum of seven years. An eligible member hired on or after September 30, 2015 who elects to participate in the DROP within six months following the member's earliest normal retirement date may participate in the DROP for a maximum of four years. There were twenty members in the DROP as of September 30, 2019. Members of the Plan who terminate employment and begin receiving normal retirement benefits subsequent to December 31, 2005 will receive a 2% cost of living adjustment. Members who begin receiving normal retirement benefits or enter the DROP on or after October 1, 2008 will receive a 2.5% cost of living adjustment. Members hired on or after September 30, 2015 who begin receiving normal retirement benefits or enter the DROP will receive no cost of living adjustment. The Plan provides for supplemental pension distributions based on the cumulative net actuarial gain as identified in the most recent actuarial report for eligible participants who have retired prior to December 13, 2004. Any participant immediately eligible for early or normal retirement benefits or entered the DROP between August 14, 2001 and December 12, 2004 is eligible for a 13<sup>th</sup> check, the amount of which cannot exceed 100% of a participant's monthly retirement benefit. In the event that the cumulative net actuarial gain exceeds the amount distributed by the 13<sup>th</sup> check and the City's required contributions to the Plan, a 14<sup>th</sup> check

## CITY OF SUNRISE, FLORIDA

will be distributed to eligible participants – those eligible for a 13<sup>th</sup> check, except for DROP participants. Members hired on or after September 30, 2015 who begin receiving normal retirement benefits are eligible for a 13<sup>th</sup> check for years of investment gains if the plan is 100% funded.

City Ordinance 124-X-02-B, approved March 12, 2002, established a retirement incentive program for firefighters. During a “window period” of thirty calendar days, beginning February 27, 2002, eligible firefighters could have made an irrevocable election to participate in this program. The eligible firefighters must have retired and separated from City employment no later than April 15, 2002. Eligible firefighters who elected the program could have also elected to participate in a DROP for up to thirty-six months or, alternatively, elect a BAC-DROP option for up to eighteen months. Beginning four years after retirement or entry into the DROP, a 2% annual increase in retirement benefits is applicable for all members. As of June 10, 2008, eligible firefighters can participate in the DROP for a maximum period of 72 months. Effective September 25, 2012, eligible firefighters who elect to participate in the DROP program can participate for up to 84 months; eligible firefighters may elect a “BAC – DROP” option of up to 24 months, which will reduce the maximum 84-month DROP period by the same amount of time. Effective October 1, 2013, the annual COLA is increased to 2.5% for firefighter members who terminate employment and begin receiving normal retirement benefits or enter the DROP on or after October 1, 2010. As of September 30, 2019, thirty-nine firefighters were participating in this program.

Effective September 13, 1999, the General Employees’ Pension Plan distinguished between general employees, management and senior management. DROP was implemented for management and senior management effective June 12, 2001 and for general employees effective January 1, 2004. If hired prior to October 1, 2018, participation in the DROP is limited to a maximum 72 months prior to termination of employment while employees hired on or after October 1, 2018, participation in the DROP is limited to a maximum of four years. As of September 30, 2019, there were eighty-three participants in the DROP. Beginning one year after retirement or entry into the DROP, an annual increase in retirement benefits of 2% for management members and 2.5% for senior management who reach early or normal retirement age and begin receiving benefits after June 12, 2001, is applicable. For eligible general employees, a supplemental pension distribution in the form of an optional 13<sup>th</sup> check, based on the cumulative net actuarial gain is available; effective January 1, 2004, a minimum of one-half of the 13<sup>th</sup> check is guaranteed payable, notwithstanding actuarial gains; effective October 1, 2007, a minimum of 75% of the 13<sup>th</sup> check is guaranteed payable, notwithstanding actuarial gains. Effective for all general employees, including management and senior management, hired on or after October 1, 2009, a minimum of 75% of the 13<sup>th</sup> check is guaranteed payable, notwithstanding actuarial gains. Effective for all general employees, including management and senior management, hired on or after October 1, 2018, who begin receiving retirement benefits are eligible for a 13<sup>th</sup> check for years of investment gains if the funded status of the plan is equal to 100% or greater.

The Governmental Money Purchase Plan and Trust (Purchase Plan) was established for senior managers who are members of the General Employees’ Pension Plan. The Purchase Plan was subsequently amended on March 12, 2003 by Ordinance 715-X-03-A, to additionally include all management employees with more than 10 years of City service and city commissioners. The City contributes 3% of earnings each plan year (calendar year) on behalf of each eligible management employee, 6% of earnings each plan year on behalf of each senior management employee and each city commissioner, and the calendar year maximum for the City Manager; the eligible employees are not required to make contributions. The ICMA Retirement Corporation serves as administrator for this Purchase Plan. The City recognized expenditures/expenses of \$331,542 for the fiscal year ended

## CITY OF SUNRISE, FLORIDA

September 30, 2019 for the sixty-five employees covered under the plan. City ordinance provides the authority to establish and amend benefit provisions and contribution requirements for the Governmental Money Purchase Plan and Trust. The Purchase Plan was amended with Ordinance No. 715-X-09-A, effective May 1, 2009, which eliminated the benefit for general employees newly hired, rehired, or promoted from a general employee position into a management position.

The City, under Ordinance No. 715-X-99-A and amended by Ordinance No. 715-X-00-C and Ordinance No. 715-X-03-A, established a retiree subsidy benefit plan of \$200 per month for all general executive management and supervisory/professional employees who retired on or after September 28, 1999, except that senior managers who retired directly from the City after January 1, 2001, receive an amount equivalent to 80% of the total cost of family coverage under the City's health insurance program. Effective October 1, 1999, the City agreed to establish a subsidy of \$200 per month for all general employees, per the Collective Bargaining Agreement between the City and the Federation of Public Employees. The subsidy commenced at the same time the General Employees' Pension Plan member began to receive normal or early retirement benefits and continues until the plan member reaches age 65. Upon attaining age 65, bargaining unit employees will receive 75% of the \$200 per month subsidy, except that senior managers will receive 75% of the benefit received immediately prior to attaining age 65. If a general executive management or supervisory/professional employee dies before age 65, the health insurance subsidy continues to be paid to that member's spouse until the date that member would have reached age 65. Effective October 1, 2006, eligible general employees who retire and separate employment will be paid a monthly subsidy of \$250, which shall continue for the life of the retiree. Eligible general employees who retire and separate employment after February 26, 2008 will be paid a monthly subsidy of \$350, which shall continue for the life of the retiree. Effective under Ordinance No. 715-X-09-A, all management and supervisory/professional employees who separate and retire from the City after May 1, 2009, whose health benefit at retirement is less than the benefit provided to general employees under the applicable collective bargaining agreement in effect at the time of separation, will receive a retiree subsidy equal to the general employee's benefit. Effective October 1, 2015, eligible police employees who retire and separate employment will be paid a monthly subsidy of \$500 until age 65, which shall be thereafter be reduced to \$350 and shall continue for the life of the retiree. There were 363 participants during the fiscal year ended September 30, 2019. There are no assets accumulated in the retiree subsidy plan to pay related benefits.

Additionally, the City maintains a preservation of benefits plan. Effective September 28, 1999, under Ordinance No. 715-X-99-A, the City established a preservation of benefits plan as a deferred compensation plan for managers and senior managers who are members of the General Employees' Pension Plan. Effective September 12, 2017, under Ordinance No. 622, an excess benefit plan was established for eligible members of the Police Officers' Retirement Plan and Firefighters' Retirement Plan who entered the DROP between March 1, 2010 and October 17, 2017. These are administered by the City and established as a qualified governmental excess benefits arrangement pursuant to section 415(m) of the U. S. Internal Revenue Code. For each eligible payee, the City will provide a supplemental retirement benefit equal to the reduction of retirement benefits due to the application of section 401(a) (17) or section 415(b) of the U.S. Internal Revenue Code. There were eight eligible participants covered during the fiscal year ended September 30, 2019.

All three defined benefit pension plans are included as part of the City's reporting entity as pension trust funds. Copies of separately issued financial reports that include financial statements and required supplementary information for each plan is available at the following locations:

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|                                 |   |                                 |
|---------------------------------|---|---------------------------------|
| General Employees' Pension Plan | The Resource Centers, LLC<br>4360 Northlake Boulevard<br>Suite 206<br>Palm Beach Gardens, FL 33410<br>Attn: Margie Adcock                           | Telephone No.<br>(561) 624-3277 |
| Police Officers' Pension Plan   | David M. Williams, Plan Administrator<br>Sunrise Police Officers'<br>Retirement Plan<br>13790 N. W. Fourth Street<br>Suite 105<br>Sunrise, FL 33325 | Telephone No.<br>(954) 845-0298 |
| Firefighters' Pension Plan      | The Resource Centers, LLC<br>4360 Northlake Boulevard<br>Suite 206<br>Palm Beach Gardens, FL 33410<br>Attn: Scott Baur                              | Telephone No.<br>(561) 624-3277 |

**Contributions for pension plans:** The contribution requirements of plan members and the City for the City's three single-employer defined benefit pension plans are established and may be amended by City Ordinance. Plan member contributions are recognized in the period in which the contributions are due. The City contributes an actuarially determined amount to fully fund benefits for active members. Any unfunded actuarial liability is amortized as a level percent of projected member payroll over a period of twenty-five years for the Firefighters' Pension Plan and twenty years for the Police Officers' and General Employees' Pension Plans. City contributions to the plans, as calculated by the plans' actuaries, are recognized as revenue when due and the City has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plans. If the City's calculated contribution, excluding the cost of post September 13, 1999 management and senior management benefits, exceeds 14% for the General Employees' Pension Plan, member contributions, as well as the City contribution, are increased by half of the excess percentage of payroll except that the total maximum contribution for general employees is capped at 9.51% until a new bargaining unit contract is negotiated and the maximum contribution for management and senior management hired prior to October 1, 2009 is 11.75%. Effective October 1, 2009, general employees, including management and senior management, hired on or after October 1, 2009 contribute 8%. Effective September 30, 2015, police officers hired on or after September 30, 2015 contribute 8%.

## CITY OF SUNRISE, FLORIDA

|                                     | <u>General<br/>Employees'<br/>Pension Plan</u> | <u>Police<br/>Officers'<br/>Pension Plan</u> | <u>Firefighters'<br/>Pension Plan</u> |
|-------------------------------------|--|--|---------------------------------------|
| Contributions:                      |  |  |                                       |
| Contribution rates:                 |  |  |                                       |
| City                                | 37.54%   | 58.00%                                       | 49.04%                                |
| Plan members                        |  | 9.84%  | 10.63%                                |
| General employees                   | 9.51%  |  |                                       |
| Management, senior management       | 11.75%   |  |                                       |
| Employees hired after 10/1/09       | 8.00%  |  |                                       |
| Police Officers hired after 9/30/15 |  | 8.00%  |                                       |
| Actuarially determined contribution | \$ 13,530,354                                  | \$ 11,065,301                                | \$ 7,101,487                          |
| Contributions made:                 |  |  |                                       |
| City                                | \$ 13,530,354                                  | \$ 10,207,194                                | \$ 6,279,661                          |
| Plan members                        | 3,306,287                                      | 1,686,187                                    | 1,341,475                             |
| Other                               | -  | 858,107 <sup>1</sup>                         | 821,826 <sup>1</sup>                  |

The following schedule summarizes the contribution rates for the City and its plan members: <sup>1</sup>The Police Officers' and Firefighters' Pension Plans are partially funded by contributions from the State of Florida under Chapters 185 and 175, respectively, of the Florida Statutes. This contribution consists of excise taxes collected by the State on property and casualty insurance premiums on policies written within the City and totaled \$1,679,933 for the year ended September 30, 2019: \$821,826 for property insurance contracts for firefighters and \$858,107 for casualty insurance contracts for police officers. These amounts are recognized as insurance premium tax revenues and public safety expenditures in the General Fund.

**Actuarial methods and assumptions:** The City's net pension liability for all plans was measured as of September 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date (rolled forward from October 1, 2017 actuarial valuation). Mortality rates were based on the RP-2000 Combined Table for males and females with mortality improvement projected to all future years using Scale BB for all plans. The actuarial methods and assumptions for each plan are as follows:

| Raw Header   | <u>General<br/>Employees'<br/>Pension Plan</u>                                   | <u>Police<br/>Officers'<br/>Pension Plan</u> | <u>Firefighters'<br/>Pension Plan</u> |
|--|--|--|---------------------------------------|
| Actuarial cost method                                      | Entry age normal   | Entry age normal                             | Entry age normal                      |
| Amortization method  | Level percent, closed  | Level percent, closed                        | Level percent, closed                 |
| Remaining amortization period                              | 20 years   | 21 years                                     | 25 years                              |
| Actuarial assumptions:                                     |  |  |                                       |
| Investment rate of return                                  | 7.35%  | 7.70%  | 7.80%                                 |
| Inflation rate   | 2.4%   | 2.5%   | 2.5%                                  |
| Projected salary increases <sup>*</sup>                    | 3.5%-6.5%  | 4.2%-7.5%                                    | 5%-12%                                |
| Cost of living adjustments                                 | 2% management & commissioners;<br>2.5% senior management based on<br>eligibility | 2.5% for eligible<br>employees               | 2%-2.5% for eligible<br>employees     |
| Asset valuation:   |  |  |                                       |
| Reporting  | Fair value   | Fair value                                   | Fair value                            |
| Actuarial valuation  | 5 year smoothed<br>market  | 5 year smoothed<br>market                    | 5 year smoothed<br>market             |
| Non-government investment in<br>excess of 5%               | None   | None   | None                                  |
| <sup>*</sup> Projected salary increases include inflation. |  |  |                                       |
| Membership as of Actuarial Valuation Date                  |  |  |                                       |
| Retirees and beneficiaries                                 | 568  | 144  | 119                                   |
| Inactive, non-retired members                              | 66   | -  | 2                                     |
| Active members   | 540  | 155  | 114                                   |

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The actuarial valuation of the total pension liability was performed as of September 30, 2017 for the retiree subsidy plan and September 30, 2018 for the excess benefits plan. Both plans have a measurement date of September 30, 2018 based on the assumptions presented below.

| Raw Header               | <u>Retiree Subsidy</u>  | <u>Excess Plan</u> |
|--------------------------|---|--------------------|
| Actuarial valuation date | September 30, 2017  | September 30, 2018 |
| Actuarial Cost Method    | Entry Age Normal  | Entry Age Normal   |
| Inflation rate           | 2.50%   | 2.50%              |
| Discount rate            | 3.83%   | 3.83%              |
| Salary increases         | Police-based on age of employee<br>General-based on years of credited service | N/A                |

**Membership as of Actuarial Valuation Date**

|                            |     |   |
|----------------------------|-----|---|
| Retirees and beneficiaries | 314 | 6 |
| Active members             | 627 | - |

*Discount rate:* The discount rate used to measure the total pension liability was 7.35% for the General Employees' Retirement Plan, 7.70% for the Police Officers' Plan and 7.80% for the Firefighters' Pension Plan. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rates and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rates. Based on those assumptions, the pension plans' 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.

*Discount rate:* The discount rate used to measure the total pension liability for the retiree subsidy plan and excess benefits plan was based on a municipal bond rate of 3.83% based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date.

*Sensitivity of the net pension liability to changes in the discount rate:* The following presents the City's net pension liability calculated using the current discount rates and the liability using discount rates that are one percentage point lower and one percentage point higher than the current rates:

| <u>Pension Plan</u>       | <u>1% Decrease</u> | <u>Current<br/>Discount Rate</u> | <u>1% Increase</u> |
|---------------------------|--------------------|----------------------------------|--------------------|
| General Employees (7.35%) | \$ 129,519,619     | \$ 93,642,868                    | \$ 63,775,239      |
| Police Officers (7.70%)   | 87,986,135         | 59,921,557                       | 36,649,005         |
| Firefighters (7.80%)      | 73,371,424         | 48,188,391                       | 27,797,274         |

*Sensitivity of the total pension liability to changes in the discount rate:* The following presents the City's total pension liability for the retiree subsidy plan and excess benefits plan calculated using a municipal bond discount rate and the total liability using municipal bond rates that are one percentage point lower and one percentage point higher than the current rate:

## CITY OF SUNRISE, FLORIDA

| Raw Header                           | 1% Decrease   | Current<br>Discount Rate | 1% Increase   |
|--------------------------------------|---------------|--------------------------|---------------|
| Retiree Subsidy Pension Plan (3.83%) | \$ 40,289,124 | \$ 35,552,002            | \$ 31,644,823 |
| Excess Benefits Plan (3.83%)         | 1,878,425     | 1,758,019                | 1,651,568     |

*Long-term expected rate of return:* 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 expenses 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 class included in the pension plans' target asset allocations as of September 30, 2018 are summarized in the following table:

| Raw Header                               | Target<br>Allocation | Asset Class          | Long-Term<br>Expected Real<br>Rate of Return |
|--|----------------------|----------------------|--|
| <u>General Employees Retirement Plan</u> | 55.0%                | Domestic equity      | 6.16%  |
|  | 15.0%                | International equity | 2.92%  |
|  | 30.0%                | Fixed income         | 4.25%  |
| <u>Police Officers' Retirement Plan</u>  | 51.0%                | Domestic equity      | 6.20%  |
|  | 8.0%                 | Real estate          | 4.50%  |
|  | 9.0%                 | International equity | 8.50%  |
|  | 32.0%                | Fixed income         | 3.00%  |
| <u>Firefighters' Retirement Plan</u>     | 37.0%                | Large Cap            | 5.30%  |
|  | 8.0%                 | Mid Cap              | 8.50%  |
|  | 10.0%                | Small Cap            | 5.90%  |
|  | 30.0%                | Fixed income         | 2.00%  |
|  | 10.0%                | International equity | 3.30%  |
|  | 5.0%                 | Emerging Markets     | 7.90%  |

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### Changes in the Net Pension Liability:

| Raw Header  | Pension Plans        |                      |                      | Total                 |
|---|----------------------|----------------------|----------------------|-----------------------|
|   | General Employees    | Police Officers      | Firefighters'        |                       |
| Total pension liability - beginning               | \$ 297,474,737       | \$ 195,780,249       | \$ 185,882,096       | \$ 679,137,082        |
| Changes for the year:                             |                      |                      |                      |                       |
| Service cost                                      | 6,700,193            | 4,857,819            | 3,649,483            | 15,207,495            |
| Interest  | 22,116,944           | 15,162,272           | 14,426,543           | 51,705,759            |
| Difference between expected and actual experience | (2,725,152)          | 4,093,499            | 231,072              | 1,599,419             |
| Change of assumptions                             | 3,234,052            | 1,265,641            | 1,196,786            | 5,696,479             |
| Benefit payments                                  | (14,471,951)         | (9,924,857)          | (10,960,320)         | (35,357,128)          |
| Refunds   | (134,450)            | (66,853)             |                      | (201,303)             |
| Net change in total pension liability             | 14,719,636           | 15,387,521           | 8,543,564            | 38,650,721            |
| Total pension liability - ending (a)              | \$ 312,194,373       | \$ 211,167,770       | \$ 194,425,660       | \$ 717,787,803        |
| Plan fiduciary net position - beginning           | \$ 198,335,210       | \$ 138,217,216       | \$ 135,548,638       | \$ 472,101,064        |
| Employer contributions                            | 13,239,759           | 9,431,736            | 6,027,609            | 28,699,104            |
| Employee contributions                            | 3,198,740            | 1,698,916            | 1,244,670            | 6,142,326             |
| Other contributions                               | -                    | 785,047              | 763,749              | 1,548,796             |
| Net investment income                             | 18,581,100           | 11,384,925           | 13,810,392           | 43,776,417            |
| Benefit payments                                  | (14,471,951)         | (9,924,857)          | (10,960,320)         | (35,357,128)          |
| Refunds   | (134,450)            | (66,853)             | -                    | (201,303)             |
| Administrative expenses                           |                      | (279,917)            | (197,469)            | (674,289)             |
| Net change in fiduciary net position              | 20,216,295           | 13,028,997           | 10,688,631           | 43,933,923            |
| Plan fiduciary net position - ending (b)          | \$ 218,551,505       | \$ 151,246,213       | \$ 146,237,269       | \$ 516,034,987        |
| <b>Net pension liability (a-b)</b>                | <b>\$ 93,642,868</b> | <b>\$ 59,921,557</b> | <b>\$ 48,188,391</b> | <b>\$ 201,752,816</b> |

The Schedules of Changes in the City's Net Pension Liability and Related Ratios and Schedule of Contributions, presented as required supplementary information following the notes to the financial statements, present multiyear trend information.

### Changes in the Total Pension Liability:

| Raw Header   | Other Pension Plans |                 | Total         |
|--|---------------------|-----------------|---------------|
|  | Retiree Subsidy     | Excess Benefits |               |
| Total pension liability - beginning                        | \$ 35,959,918       | \$ 2,241,127    | \$ 38,201,045 |
| Changes for the year:                                      |                     |                 |               |
| Service cost   | 1,336,943           |                 | 1,336,943     |
| Interest   | 1,278,867           |                 | 1,353,515     |
| Difference between expected and actual experience          | -                   | (303,048)       | (303,048)     |
| Change of assumptions                                      | (1,508,136)         | (38,066)        | (1,546,202)   |
| Benefit payments   | (1,515,590)         | (216,642)       | (1,732,232)   |
| Net change in total pension liability                      | (407,916)           | (483,108)       | (891,024)     |
| Total pension liability - ending                           | \$ 35,552,002       | \$ 1,758,019    | \$ 37,310,021 |
| Covered payroll  | \$ 42,509,034       |                 | N/A           |
| Total pension liability as a percentage of covered payroll | 83.63%              |                 | N/A           |



## CITY OF SUNRISE, FLORIDA

The Schedules of Changes in the City's Total Pension Liability and Related Ratios for the retiree subsidy and excess benefits plans are presented as required supplementary information following the notes to the financial statements, present multiyear trend information.

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

For the year ended September 30, 2019, the City recognized pension income of \$8,183,152 and pension expense of \$11,595,885 as the result of GASB No. 68. Deferred outflows and inflows of resources related to the City's three defined benefit pension plans are as follows:

|  | Pension Plans         |                      |                      | Total                |
|--|-----------------------|----------------------|----------------------|----------------------|
|  | General<br>Employees' | Police<br>Officers'  | Firefighters'        |                      |
| <u>Deferred outflow s</u>                                      |                       |                      |                      |                      |
| Difference between expected and actual experience              | \$ 3,870,574          | \$ 4,282,033         | \$ 885,545           | \$ 9,038,152         |
| Contributions subsequent to the measurement date               | 13,530,354            | 11,065,301           | 7,101,487            | 31,697,142           |
| Changes in assumptions   | 12,795,154            | 2,110,109            | 4,515,015            | 19,420,278           |
| Total deferred outflow s                                       | <u>\$ 30,196,082</u>  | <u>\$ 17,457,443</u> | <u>\$ 12,502,047</u> | <u>\$ 60,155,572</u> |
| <u>Deferred inflow s</u>                                       |                       |                      |                      |                      |
| Difference between expected and actual experience              | \$ 2,171,966          | \$ -                 | \$ 337,479           | \$ 2,509,445         |
| Difference between expected and actual earnings on investments | 7,062,757             | 1,510,647            | 4,552,806            | 13,126,210           |
| Changes in assumptions   | -                     | 713,522              | -                    | 713,522              |
| Total deferred inflow s  | <u>\$ 9,234,723</u>   | <u>\$ 2,224,169</u>  | <u>\$ 4,890,285</u>  | <u>\$ 16,349,177</u> |

As a result of GASB No. 73, for the year ended September 30, 2019, the City recognized pension income of \$57,360 for the retiree subsidy and \$515,979 for the excess benefits plans. Additionally, the City recognized pension expense of \$826,740 for the retiree subsidy benefit plan. Deferred outflows and inflows of resources related to the City's other pension plans are as follows:

|   | Other Pension Plans |                    | Total               |
|---|---------------------|--------------------|---------------------|
|   | Retiree<br>Subsidy  | Excess<br>Benefits |                     |
| <u>Deferred outflows</u>                          |                     |                    |                     |
| Contributions subsequent to the measurement date  | \$ 1,572,950        | \$ 249,513         | \$ 1,822,463        |
| Changes in assumptions                            | 1,705,524           | -                  | 1,705,524           |
| Total deferred outflows                           | <u>\$ 3,278,474</u> | <u>\$ 249,513</u>  | <u>\$ 3,527,987</u> |
| <u>Deferred inflows</u>                           |                     |                    |                     |
| Difference between expected and actual experience | \$ 721,409          | \$ -               | \$ 721,409          |
| Changes in assumptions                            | 2,726,462           | -                  | 2,726,462           |
| Total deferred inflows                            | <u>\$ 3,447,871</u> | <u>\$ -</u>        | <u>\$ 3,447,871</u> |

Deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date totaling \$33,519,605 will be recognized as a reduction in net pension liability in the year ending September 30, 2020 for each respective pension plan.

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Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized as pension expense (income) as follows:

| Fiscal<br>Year | Defined Benefit Pension Plans |                     |               |                    |
|----------------|-------------------------------|---------------------|---------------|--------------------|
|                | General<br>Employees'         | Police<br>Officers' | Firefighters' | Retiree<br>Subsidy |
| 2020           | \$ 5,669,379                  | \$ 3,330,287        | \$ 1,272,369  | \$ (273,480)       |
| 2021           | 2,531,434                     | 338,253             | (443,249)     | (273,480)          |
| 2022           | (56,931)                      | 417,500             | (88,424)      | (273,480)          |
| 2023           | (712,877)                     | 81,933              | (230,421)     | (273,480)          |
| 2024           | -                             | -                   | -             | (511,321)          |
| Thereafter     | -                             | -                   | -             | (137,106)          |
|                | \$ 7,431,005                  | \$ 4,167,973        | \$ 510,275    | \$ (1,742,347)     |

### D. Postemployment benefits

The cost of post-employment healthcare, life insurance, and long-term care benefits, like the cost of pension benefits, generally should be associated with the periods in which the cost occurs, rather than in the future year when it will be paid. In adopting the requirements of GASB Statement No. 75, the City recognizes the total OPEB liability and the OPEB expense cost of these post-employment benefits in the year when the employee services are received.

**Plan descriptions:** The City has previously established and maintains a self-funded employee group medical insurance plan, a fully-insured employee group life insurance plan, and a fully-insured employee group long-term care insurance plan that it makes available to eligible retirees in accordance with State of Florida law and City ordinance. The self-funded medical and fully-insured life insurance plans are single-employer, experience-rated insurance plans that provide benefits to eligible retirees and their eligible dependents. The fully-insured long-term care insurance plan is a single-employer, statewide filed and rated insurance plan available to eligible retirees and their eligible dependents. These plans are not accounted for in a trust fund, as an irrevocable trust has not been established.

**Funding policy:** To date, the City has followed a pay-as-you-go funding policy, contributing only those amounts necessary to provide for its portion of current year benefit costs and expenses. The contribution requirements, if any, of plan members are established by the City. The City pays any remaining required amounts after contributions of plan members are taken into account. Currently, eligible retirees do not pay for life insurance or long-term care insurance plans provided by the City, but do pay the premiums associated with the medical plan elected - no direct City subsidy is currently applicable. However, there are implicit costs of medical and direct costs of life and long-term care insurance plan benefits. Retiree's spouses and other eligible dependents are also eligible under the City's medical and life insurance plans and the retiree is responsible for the payment of the applicable medical and life insurance premiums.

State of Florida law prohibits the City from separately rating retirees and active employees for medical plan benefits. The City therefore assigns to both groups equal, blended-rate premiums and makes available to both groups the same plan options. Although both groups are assigned the same blended-rate premiums, GAAP requires the actuarial liabilities to be calculated using age-adjusted premiums approximating claim costs for eligible retirees separate from active eligible members. The use of age-adjusted premiums results in the entire expected retiree obligation recognized in this disclosure.

## CITY OF SUNRISE, FLORIDA

**Actuarial methods and assumptions:** Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

Projections of other post-employment benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the type of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial calculations reflect a long-term perspective. The annual health care cost projected trend rates are based on the Getzen Model with a trend rate of 7% effective October 1, 2018, 6.75% effective October 1, 2019, and gradually decreasing to an ultimate trend rate of 4.24% plus .58% increase for excise tax. Benefits are assumed to be unfunded. The actuarial valuation of the total OPEB liability was performed as of September 30, 2017 and with a measurement date of September 30, 2018 based on the assumptions presented below.

|   |  |
|---|--|
| Actuarial valuation date                  | September 30, 2017   |
| Actuarial cost method                     | Entry age normal   |
| Actuarial assumptions:                    |  |
| Discount rate                             | 3.83%  |
| Inflation rate                            | 2.50%  |
| Projected salary increases                | Police-based on age of employee<br>General-based on years of credited service<br>Fire-based on years of credited service |
| Asset valuation method                    | n/a  |
| Membership as of Actuarial Valuation Date |  |
| Retirees and beneficiaries                | 367  |
| Active members                            | 940  |

### Changes in the Total OPEB Liability:

|   |                     |
|---|---------------------|
| Total OPEB obligation – beginning                       | \$28,819,812        |
| Changes for the year:                                   |                     |
| Service cost  | 1,303,902           |
| Interest on total OPEB liability                        | 1,045,133           |
| Changes of assumptions                                  | (1,657,674)         |
| Benefit payments  | <u>(525,543)</u>    |
| Net change in total OPEB liability                      | <u>165,818</u>      |
| Total OPEB obligation – ending                          | <u>\$28,985,630</u> |
| <br>Covered payroll                                     | <br>\$63,617,031    |
| Total OPEB liability as a percentage of covered payroll | 45.56%              |

## CITY OF SUNRISE, FLORIDA

The Schedules of Changes in the City's Total OPEB Liability and Related Ratios, presented as required supplementary information following the notes to the financial statements, present multiyear trend information.

*Discount rate:* The discount rate used to measure the total OPEB liability was based on a tax-exempt municipal bond rate of 3.83% based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date.

*Mortality rate:* The mortality rate used to measure the total OPEB liability was based on July 1, 2016 mortality tables of the Florida Retirement System. They are based on the results of a statewide experience study covering the period 2008 through 2013.

*Sensitivity of the total OPEB liability to changes in the discount rate:* The following presents the City's total OPEB liability calculated using a discount rate of 3.83%, as well as the total OPEB liability using a discount rate that is one percentage point lower and one percentage point higher than the current rate:

| Raw Header             | 1% Decrease   | Current<br>Discount Rate | 1% Increase   |
|------------------------|---------------|--------------------------|---------------|
| OPEB liability (3.83%) | \$ 34,317,718 | \$ 28,985,630            | \$ 24,823,053 |

*Sensitivity of the total OPEB liability to changes in the healthcare cost trend rate:* The following presents the City's total OPEB liability calculated using the assumed trend rates, as well as the total OPEB liability using a trend rate that is one percentage point lower and one percentage point higher than the current rate:

| Raw Header             | 1% Decrease   | Current<br>Discount Rate | 1% Increase   |
|------------------------|---------------|--------------------------|---------------|
| OPEB liability (7.00%) | \$ 26,619,755 | \$ 28,985,630            | \$ 31,972,584 |

### **OPEB Expense, Deferred Outflows and Deferred Inflows of Resources Related to OPEB**

For the year ended September 30, 2019, the City recognized OPEB income of \$185,050 and OPEB expense of \$1,277,934 as the result of GASB No. 75. Deferred outflows and inflows of resources related to OPEB are as follows:

| Raw Header                                       | Deferred Outflows<br>of Resources | Deferred Inflows<br>of Resources |
|--|-----------------------------------|----------------------------------|
| Contributions subsequent to the measurement date | \$ 710,593                        | \$ -                             |
| Changes in assumptions                           |                                   | 2,862,452                        |
|  | \$ 710,593                        | \$ 2,862,452                     |

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

| Year Ending<br>September 30 | Deferred Inflows<br>of Resources |
|-----------------------------|----------------------------------|
| 2020                        | \$ (545,558)                     |
| 2021                        | (545,558)                        |
| 2022                        | (545,558)                        |
| 2023                        | (545,558)                        |
| 2024                        | (485,201)                        |
| Thereafter                  | (195,019)                        |
|                             | \$ (2,862,452)                   |

## CITY OF SUNRISE, FLORIDA

### **E. Subsequent event**

On November 4, 2014, voters approved the issuance of general obligation bonds in a principal amount not to exceed \$65,000,000 in one or more series. The first series was issued April 8, 2015 for \$39,995,865.45 and the second series was issued November 21, 2019 for \$24,997,095.25. The bonds are secured by a pledge of the full faith and credit of the City and shall be payable from ad valorem taxes levied on all taxable property within the City. The bond proceeds are being used to finance park, recreation and leisure projects.

**CITY OF SUNRISE, FLORIDA  
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**

| Measurement date September 30,  | General Employees'<br>Pension Plan |                      |                      |                      |                      |
|---|------------------------------------|----------------------|----------------------|----------------------|----------------------|
|   | 2018                               | 2017                 | 2016                 | 2015                 | 2014                 |
| Total pension liability - beginning   | \$ 297,474,737                     | \$ 263,928,563       | \$ 246,978,656       | \$ 230,997,644       | \$ 225,236,553       |
| Changes for the year:   |                                    |                      |                      |                      |                      |
| Service cost  | 6,700,193                          | 6,719,925            | 6,249,017            | 5,709,473            | 5,592,989            |
| Interest  | 22,116,944                         | 19,803,514           | 18,468,241           | 17,739,018           | 16,695,690           |
| Difference between expected and<br>actual experience                          | (2,725,152)                        | 2,638,592            | 6,201,568            | 4,223,251            | (86,907)             |
| Change of assumptions   | 3,234,052                          | 17,587,407           | -                    | 2,870,501            | -                    |
| Benefit payments  | (14,471,951)                       | (13,058,734)         | (13,886,080)         | (14,424,957)         | (16,155,069)         |
| Refunds   | (134,450)                          | (144,530)            | (82,839)             | (136,274)            | (285,612)            |
| Net change in total pension liability   | 14,719,636                         | 33,546,174           | 16,949,907           | 15,981,012           | 5,761,091            |
| Total pension liability - ending (a)  | \$ 312,194,373                     | \$ 297,474,737       | \$ 263,928,563       | \$ 246,978,656       | \$ 230,997,644       |
| Plan fiduciary net position - beginning                                       | \$ 198,335,210                     | \$ 176,026,669       | \$ 160,767,773       | \$ 163,396,851       | \$ 155,619,994       |
| Employer contributions  | 13,239,759                         | 11,255,914           | 10,310,136           | 9,797,263            | 9,606,777            |
| Employee contributions  | 3,198,740                          | 3,173,557            | 3,103,175            | 2,951,954            | 2,676,412            |
| Net investment income (loss)  | 18,581,100                         | 21,271,925           | 16,019,240           | (618,632)            | 12,106,642           |
| Benefit payments  | (14,471,951)                       | (13,058,734)         | (13,886,080)         | (14,424,957)         | (16,155,069)         |
| Refunds   | (134,450)                          | (144,530)            | (82,839)             | (136,274)            | (285,612)            |
| Administrative expenses   | (196,903)                          | (189,591)            | (204,736)            | (198,432)            | (172,293)            |
| Net change in plan fiduciary net position                                     | 20,216,295                         | 22,308,541           | 15,258,896           | (2,629,078)          | 7,776,857            |
| Plan fiduciary net position - ending (b)                                      | \$ 218,551,505                     | \$ 198,335,210       | \$ 176,026,669       | \$ 160,767,773       | \$ 163,396,851       |
| <b>Net pension liability (a-b)</b>  | <b>\$ 93,642,868</b>               | <b>\$ 99,139,527</b> | <b>\$ 87,901,894</b> | <b>\$ 86,210,883</b> | <b>\$ 67,600,793</b> |
| Plan fiduciary net position as a percentage of<br>the total pension liability | 70.00%                             | 66.67%               | 66.69%               | 65.09%               | 70.74%               |
| Covered payroll   | \$ 35,240,205                      | \$ 35,656,748        | \$ 31,775,096        | \$ 28,384,840        | \$ 26,603,455        |
| Net pension liability as a percentage of<br>covered payroll                   | 265.73%                            | 278.04%              | 276.64%              | 303.72%              | 254.11%              |

Note: This schedule is intended to have ten years of data. Additional data to be compiled as information becomes available.

**CITY OF SUNRISE, FLORIDA  
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**

| Measurement date September 30,  | 2018                 | 2017                 | Police Officers'<br>Pension Plan<br>2016 | 2015                 | 2014                 |
|---|----------------------|----------------------|--|----------------------|----------------------|
| Total pension liability - beginning   | \$ 195,780,249       | \$ 186,044,406       | \$ 175,806,062                           | \$ 157,911,262       | \$ 151,315,619       |
| Changes for the year:   |                      |                      |  |                      |                      |
| Service cost  | 4,857,819            | 4,599,186            | 4,415,243                                | 4,068,061            | 3,784,863            |
| Interest  | 15,162,272           | 14,481,168           | 13,727,142                               | 12,725,631           | 12,056,017           |
| Difference between expected and<br>actual experience                          | 4,093,499            | 2,023,747            | 560,558                                  | -                    | (444,699)            |
| Change of assumptions   | 1,265,641            | (1,393,066)          | -  | 6,918,969            | -                    |
| Benefit payments  | (9,924,857)          | (9,946,162)          | (8,399,112)                              | (5,761,251)          | (8,760,460)          |
| Refunds   | (66,853)             | (29,030)             | (65,487)                                 | (56,610)             | (40,078)             |
| Net change in total pension liability   | 15,387,521           | 9,735,843            | 10,238,344                               | 17,894,800           | 6,595,643            |
| Total pension liability - ending (a)  | \$ 211,167,770       | \$ 195,780,249       | \$ 186,044,406                           | \$ 175,806,062       | \$ 157,911,262       |
| Plan fiduciary net position - beginning                                       | \$ 138,217,216       | \$ 122,661,859       | \$ 110,239,064                           | \$ 105,563,905       | \$ 96,495,201        |
| Employer contributions  | 9,431,736            | 9,199,456            | 8,834,348                                | 8,194,759            | 7,472,477            |
| Employee contributions  | 1,698,916            | 1,664,869            | 1,510,667                                | 1,524,051            | 1,293,252            |
| Other contributions   | 785,047              | 724,891              | 693,248                                  | 639,176              | 620,714              |
| Net investment income   | 11,384,925           | 14,258,027           | 10,187,217                               | 366,132              | 8,705,647            |
| Benefit payments  | (9,924,857)          | (9,946,162)          | (8,399,112)                              | (5,761,251)          | (8,760,460)          |
| Refunds   | (66,853)             | (29,030)             | (65,487)                                 | (56,610)             | (40,078)             |
| Administrative expenses   | (279,917)            | (316,694)            | (338,086)                                | (231,098)            | (222,848)            |
| Net change in plan fiduciary net position                                     | 13,028,997           | 15,555,357           | 12,422,795                               | 4,675,159            | 9,068,704            |
| Plan fiduciary net position - ending (b)                                      | \$ 151,246,213       | \$ 138,217,216       | \$ 122,661,859                           | \$ 110,239,064       | \$ 105,563,905       |
| <b>Net pension liability (a-b)</b>  | <b>\$ 59,921,557</b> | <b>\$ 57,563,033</b> | <b>\$ 63,382,547</b>                     | <b>\$ 65,566,998</b> | <b>\$ 52,347,357</b> |
| Plan fiduciary net position as a percentage of<br>the total pension liability | 71.62%               | 70.60%               | 65.93%                                   | 62.70%               | 66.85%               |
| Covered payroll   | \$ 17,508,583        | \$ 16,985,178        | \$ 15,886,876                            | \$ 15,488,323        | \$ 13,142,805        |
| Net pension liability as a percentage of<br>covered payroll                   | 342.24%              | 338.90%              | 398.96%                                  | 423.33%              | 398.30%              |

Note: This schedule is intended to have ten years of data. Additional data to be compiled as information becomes available.

**CITY OF SUNRISE, FLORIDA  
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**

| Measurement date September 30,  | 2018                 | 2017                 | Firefighters'<br>Pension Plan<br>2016 | 2015                 | 2014                 |
|---|----------------------|----------------------|---------------------------------------|----------------------|----------------------|
| Total pension liability - beginning   | \$ 185,882,096       | \$ 168,972,837       | \$ 158,772,928                        | \$ 151,751,626       | \$ 145,582,653       |
| Changes for the year:   |                      |                      |                                       |                      |                      |
| Service cost  | 3,649,483            | 3,389,400            | 3,217,784                             | 3,090,913            | 3,007,593            |
| Interest  | 14,426,543           | 13,694,521           | 12,568,229                            | 12,023,905           | 11,602,371           |
| Change of benefit terms   | -                    | 432,669              | -                                     | -                    | -                    |
| Difference between expected and<br>actual experience                          | 231,072              | 1,152,743            | (728,503)                             | -                    | (1,492,632)          |
| Change of assumptions   | 1,196,786            | 4,703,070            | 1,643,838                             | -                    | 172,854              |
| Benefit payments  | (10,960,320)         | (6,456,401)          | (6,437,587)                           | (8,093,516)          | (7,121,213)          |
| Refunds   | -                    | (6,743)              | (63,852)                              | -                    | -                    |
| Net change in total pension liability   | 8,543,564            | 16,909,259           | 10,199,909                            | 7,021,302            | 6,168,973            |
| Total pension liability - ending (a)  | \$ 194,425,660       | \$ 185,882,096       | \$ 168,972,837                        | \$ 158,772,928       | \$ 151,751,626       |
| Plan fiduciary net position - beginning                                       | \$ 135,548,638       | \$ 120,391,017       | \$ 108,526,799                        | \$ 109,371,318       | \$ 99,036,104        |
| Employer contributions  | 6,027,609            | 5,483,453            | 5,185,357                             | 5,225,550            | 4,972,033            |
| Employee contributions  | 1,244,670            | 1,288,279            | 1,338,474                             | 1,156,746            | 1,125,192            |
| Other contributions   | 763,749              | 766,995              | 803,419                               | 853,244              | 879,470              |
| Net investment income (loss)  | 13,810,392           | 14,302,330           | 11,249,228                            | 176,272              | 10,639,774           |
| Benefit payments  | (10,960,320)         | (6,456,401)          | (6,437,587)                           | (8,093,516)          | (7,121,213)          |
| Refunds   | -                    | (6,743)              | (63,852)                              | -                    | -                    |
| Administrative expenses   | (197,469)            | (220,292)            | (210,821)                             | (162,815)            | (160,042)            |
| Net change in plan fiduciary net position                                     | 10,688,631           | 15,157,621           | 11,864,218                            | (844,519)            | 10,335,214           |
| Plan fiduciary net position - ending (b)                                      | \$ 146,237,269       | \$ 135,548,638       | \$ 120,391,017                        | \$ 108,526,799       | \$ 109,371,318       |
| <b>Net pension liability (a-b)</b>  | <b>\$ 48,188,391</b> | <b>\$ 50,333,458</b> | <b>\$ 48,581,820</b>                  | <b>\$ 50,246,129</b> | <b>\$ 42,380,308</b> |
| Plan fiduciary net position as a percentage of<br>the total pension liability | 75.22%               | 72.92%               | 71.25%                                | 68.35%               | 72.07%               |
| Covered payroll   | \$ 11,728,068        | \$ 12,036,803        | \$ 11,680,780                         | \$ 10,816,447        | \$ 10,555,759        |
| Net pension liability as a percentage of<br>covered payroll                   | 410.88%              | 418.16%              | 415.91%                               | 464.53%              | 401.49%              |

Note: This schedule is intended to have ten years of data. Additional data to be compiled as information becomes available.



**CITY OF SUNRISE, FLORIDA  
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF CHANGES IN TOTAL PENSION LIABILITY AND RELATED RATIOS**

| <b>Measurement date September 30,</b>                             | Retiree Subsidy<br>Pension Plan |                   |                   |
|---|---------------------------------|-------------------|-------------------|
|   | 2018                            | 2017              | 2016              |
| Total pension liability - beginning                               | \$ 35,959,918                   | \$ 37,762,253     | \$ 33,561,459     |
| Changes for the year:   |                                 |                   |                   |
| Service cost  | 1,336,943                       | 1,562,667         | 1,311,427         |
| Interest  | 1,278,867                       | 1,181,380         | 1,268,486         |
| Difference between expected and<br>actual experience              | -                               | (1,035,065)       | -                 |
| Change of assumptions   | (1,508,136)                     | (2,075,887)       | 2,984,667         |
| Benefit payments  | (1,515,590)                     | (1,435,430)       | (1,363,786)       |
| Net change in total pension liability                             | (407,916)                       | (1,802,335)       | 4,200,794         |
| Total pension liability - ending                                  | \$ 35,552,002                   | \$ 35,959,918     | \$ 37,762,253     |
| <br>Covered payroll   | <br>\$ 42,509,034               | <br>\$ 41,071,530 | <br>\$ 33,616,746 |
| <br>Total pension liability as a percentage of<br>covered payroll | <br>83.63%                      | <br>87.55%        | <br>112.33%       |

| <b>Measurement date September 30,</b>                             | Excess Benefits<br>Pension Plan |              |         |
|---|---------------------------------|--------------|---------|
|   | 2018                            | 2017         | 2016    |
| Total pension liability - beginning                               | \$ 2,241,127                    | \$ 2,464,102 | \$ -    |
| Changes for the year:   |                                 |              |         |
| Interest  | 74,648                          | 71,856       | -       |
| Difference between expected and<br>actual experience              | (303,048)                       | -            | -       |
| Change of assumptions   | (38,066)                        | (63,098)     | -       |
| Benefit payments  | (216,642)                       | (231,733)    | -       |
| Net change in total pension liability                             | (483,108)                       | (222,975)    | -       |
| Total pension liability - ending                                  | \$ 1,758,019                    | \$ 2,241,127 | \$ -    |
| <br>Covered payroll   | <br>N/A                         | <br>N/A      | <br>N/A |
| <br>Total pension liability as a percentage of<br>covered payroll | <br>N/A                         | <br>N/A      | <br>N/A |

Note: This schedule is intended to have ten years of data. Additional data to be compiled as information becomes available.

**CITY OF SUNRISE, FLORIDA  
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS**

| <b>Measurement date September 30,</b>                      | Other<br>Postemployment Benefits |               |
|--|----------------------------------|---------------|
|  | 2018                             | 2017          |
| Total OPEB liability - beginning                           | \$ 28,819,812                    | \$ 29,470,176 |
| Changes for the year:                                      |                                  |               |
| Service cost   | 1,303,902                        | 1,337,581     |
| Interest   | 1,045,133                        | 941,443       |
| Change of assumptions                                      | (1,657,674)                      | (2,052,118)   |
| Benefit payments   | (525,543)                        | (877,270)     |
| Refunds  | -                                | -             |
| Net change in total OPEB liability                         | 165,818                          | (650,364)     |
| Total OPEB liability - ending                              | \$ 28,985,630                    | \$ 28,819,812 |
| <br>   |                                  |               |
| Covered payroll  | \$ 63,617,031                    | \$ 69,668,608 |
| <br>   |                                  |               |
| Total OPEB liability as a percentage of<br>covered payroll | 45.56%                           | 41.37%        |

Note: This schedule is intended to have ten years of data. Additional data to be compiled as information becomes available.

**CITY OF SUNRISE, FLORIDA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF EMPLOYER CONTRIBUTIONS**  
**Last Six Fiscal Years**

| Fiscal Year Ended                     | Employer Contributions | Actuarially Determined Contribution | Contribution Deficiency | Covered Payroll | Percent of payroll contributed |                               |  |
|---------------------------------------|------------------------|-------------------------------------|-------------------------|-----------------|--------------------------------|-------------------------------|--|
| <b>General Employees Pension Plan</b> |                        |                                     |                         |                 |                                |                               |  |
| 9/30/2014                             | \$ 9,606,777           | \$ 9,606,777                        | -                       | \$ 26,603,455   | 36.11%                         | Actuarial Cost Method         | Entry age normal                           |
| 9/30/2015                             | 9,797,263              | 9,797,263                           | -                       | 28,384,840      | 34.52%                         | Amortization method           | Level percent of pay, closed               |
| 9/30/2016                             | 10,310,136             | 10,310,136                          | -                       | 31,775,096      | 32.45%                         | Remaining amortization period | 20 years                                   |
| 9/30/2017                             | 11,255,914             | 11,255,914                          | -                       | 35,656,748      | 31.57%                         | Asset valuation method        | 5-year smoothed market                     |
| 9/30/2018                             | 13,239,759             | 13,239,759                          | -                       | 35,240,205      | 37.57%                         | Inflation                     | 2.40%                                      |
| 9/30/2019                             | 13,530,354             | 13,530,354                          | -                       | 36,132,250      | 37.45%                         | Salary Increases              | 3.5% to 6.5% depending on service          |
|                                       |                        |                                     |                         |                 |                                | Investment Rate of Return     | 7.35%                                      |
|                                       |                        |                                     |                         |                 |                                | Retirement Age                | Experience based table of rates            |
|                                       |                        |                                     |                         |                 |                                | Mortality                     | RP-2000 Combined Healthy Participant Table |
| <b>Police Officers' Pension Plan</b>  |                        |                                     |                         |                 |                                |                               |  |
| 9/30/2014                             | \$ 8,093,191           | \$ 8,093,191                        | -                       | \$ 13,142,805   | 61.58%                         | Actuarial Cost Method         | Entry age normal                           |
| 9/30/2015                             | 8,833,935              | 8,833,935                           | -                       | 15,488,323      | 57.04%                         | Amortization method           | Level percent of pay, closed               |
| 9/30/2016                             | 9,527,596              | 9,527,596                           | -                       | 15,886,876      | 59.97%                         | Remaining amortization period | 21 years                                   |
| 9/30/2017                             | 9,924,347              | 9,924,347                           | -                       | 16,985,178      | 58.43%                         | Asset valuation method        | 5-year smoothed market                     |
| 9/30/2018                             | 10,216,783             | 10,216,783                          | -                       | 17,508,583      | 58.35%                         | Inflation                     | 2.50%                                      |
| 9/30/2019                             | 11,065,301             | 11,065,301                          | -                       | 17,956,093      | 61.62%                         | Salary Increases              | 4.2% to 7.5% depending on service          |
|                                       |                        |                                     |                         |                 |                                | Investment Rate of Return     | 7.70%                                      |
|                                       |                        |                                     |                         |                 |                                | Retirement Age                | Experience based table of rates            |
|                                       |                        |                                     |                         |                 |                                | Mortality                     | RP-2000 Combined Healthy Participant Table |
| <b>Firefighters' Pension Plan</b>     |                        |                                     |                         |                 |                                |                               |  |
| 9/30/2014                             | \$ 5,851,503           | \$ 5,851,503                        | -                       | \$ 10,555,759   | 55.43%                         | Actuarial Cost Method         | Entry age                                  |
| 9/30/2015                             | 6,078,794              | 6,078,794                           | -                       | 10,816,447      | 56.20%                         | Amortization method           | Level percent of pay, closed               |
| 9/30/2016                             | 5,988,776              | 5,988,776                           | -                       | 11,680,780      | 51.27%                         | Remaining amortization period | 25 years                                   |
| 9/30/2017                             | 6,250,448              | 6,250,448                           | -                       | 12,036,803      | 51.93%                         | Asset valuation method        | 5-year smoothed market                     |
| 9/30/2018                             | 6,791,358              | 6,791,358                           | -                       | 11,728,068      | 57.91%                         | Inflation                     | 2.50%                                      |
| 9/30/2019                             | 7,101,487              | 7,101,487                           | -                       | 12,564,427      | 56.52%                         | Salary Increases              | 5% to 12% including inflation              |
|                                       |                        |                                     |                         |                 |                                | Investment Rate of Return     | 7.8%, net of investment expenses           |
|                                       |                        |                                     |                         |                 |                                | Retirement Age                | Experience based table of rates            |
|                                       |                        |                                     |                         |                 |                                | Mortality                     | RP-2000 Combined Healthy Participant Table |

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Notes: Valuation dates of actuarially determined contributions for all plans are calculated based on the valuation as of the beginning of the year prior to the fiscal year in which contributions are due.

This schedule is intended to have ten years of data. Implementation of GASB No. 68 occurred in fiscal year 2015. Additional data to be compiled as information becomes available.

# **Nonmajor Governmental Funds**

## **Special Revenue Funds**

*Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.*

|   |   |
|---|---|
| <b><i>Building Fees Fund</i></b>                              | <b><i>Accounts for the receipts and disbursements associated with building and permit fees.</i></b>   |
| <b><i>Impact Fees Fund</i></b>                                | <b><i>Accounts for the receipts and disbursements of impact fees received from developers.</i></b>  |
| <b><i>Urban Area Security Initiative Grant Fund</i></b>       | <b><i>Accounts for the receipts and disbursements of the Urban Area Security Initiative Grant funds.</i></b>  |
| <b><i>Broward County Home Consortium Grant Fund</i></b>       | <b><i>Accounts for the receipts and disbursements of the Broward County Home Consortium Grant funds.</i></b>  |
| <b><i>Neighborhood Stabilization Program Grant Fund</i></b>   | <b><i>Accounts for the receipts and disbursements of the Neighborhood Stabilization Grant funds.</i></b>  |
| <b><i>Community Development Block Grant Fund</i></b>          | <b><i>Accounts for the receipts and disbursements of the Community Development Block Grant funds.</i></b>   |
| <b><i>State Housing Initiative Partnership Grant Fund</i></b> | <b><i>Accounts for the receipts and disbursements of the State Housing Initiative Partnership Grant funds.</i></b>  |
| <b><i>Fuel &amp; Roadway Fund</i></b>                         | <b><i>Accounts for the government's share of motor fuel tax revenues that are legally restricted to the maintenance of, and improvements to, the streets, roadways, median strips, and street lights within the City.</i></b> |
| <b><i>Police Confiscation Fund</i></b>                        | <b><i>Accounts for the receipts and disbursements of police confiscation funds.</i></b>   |

## **Debt Service Funds**

*Debt service funds are used to account for the accumulation of resources for, and the payment of general long-term debt principal and interest.*

**Special Tax District No. 1 Fund**      *Accumulates voted debt service ad valorem tax monies for Special Tax District No. 1 of the City of Sunrise, Florida Ad Valorem Tax Bonds, maturing on October 1, 2021.*

**General Obligation Bonds,  
Series 2015 Fund**      *Accumulates ad valorem taxes collected for payment of debt service on the General Obligation, Series 2015 maturing on July 1, 2044.*

## **Capital Projects Funds**

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

**Special Tax District No. 1  
Capital Projects**      *Accounts for the construction of a parking garage and additional public works improvements for Special Tax District No. 1.*

**Special Assessment Bonds  
Series 2015 Capital Projects**      *Accounts for the development, construction, equipment and installation of two parking garages at Sawgrass Mills.*

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CITY OF SUNRISE, FLORIDA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2019

|  | Special<br>Revenue   | Debt<br>Service     | Capital<br>Projects  | Total<br>Nonmajor<br>Governmental<br>Funds |
|--|----------------------|---------------------|----------------------|--|
| <b>ASSETS</b>                              |                      |                     |                      |  |
| Cash and cash equivalents                  | \$ 20,595,078        | \$ 5,342,392        | \$ 36,730,174        | \$ 62,667,644                              |
| Investments                                | 1,777,922            | -                   | 152,370              | 1,930,292                                  |
| Interest receivable                        | 7,304                | 7,634               | 2,267                | 17,205                                     |
| Other receivables                          | 6,573                | -                   | -                    | 6,573                                      |
| Due from other funds                       | 1,414                | 100                 | 3,017                | 4,531                                      |
| Intergovernmental receivable               | 567,789              | -                   | -                    | 567,789                                    |
| Inventories                                | 49,336               | -                   | -                    | 49,336                                     |
| <b>Total assets</b>                        | <b>\$ 23,005,416</b> | <b>\$ 5,350,126</b> | <b>\$ 36,887,828</b> | <b>\$ 65,243,370</b>                       |
| <b>LIABILITIES</b>                         |                      |                     |                      |  |
| Accounts payable                           | 301,732              | -                   | 45,614               | 347,346                                    |
| Accrued liabilities                        | 110,710              | -                   | -                    | 110,710                                    |
| Intergovernmental payable                  | 2,368                | -                   | -                    | 2,368                                      |
| Due to other funds                         | 29,086               | -                   | 20,910               | 49,996                                     |
| Interfund payable                          | 111,131              | -                   | -                    | 111,131                                    |
| Matured bonds payable                      | -                    | 2,230,000           | -                    | 2,230,000                                  |
| Matured interest payable                   | -                    | 172,195             | -                    | 172,195                                    |
| Unearned revenue                           | 98,102               | -                   | -                    | 98,102                                     |
| Other                                      | 678,291              | -                   | -                    | 678,291                                    |
| Advances from other funds                  | 220,000              | -                   | -                    | 220,000                                    |
| <b>Total liabilities</b>                   | <b>1,551,420</b>     | <b>2,402,195</b>    | <b>66,524</b>        | <b>4,020,139</b>                           |
| <b>FUND BALANCES</b>                       |                      |                     |                      |  |
| Nonspendable:                              |                      |                     |                      |  |
| Inventories                                | 49,336               | -                   | -                    | 49,336                                     |
| Restricted for:                            |                      |                     |                      |  |
| Building                                   | 9,624,614            | -                   | -                    | 9,624,614                                  |
| Capital projects                           | -                    | -                   | 35,406,070           | 35,406,070                                 |
| Recreation                                 | 3,532                | -                   | -                    | 3,532                                      |
| Public safety                              | 5,268,049            | -                   | -                    | 5,268,049                                  |
| Fire equipment                             | 230,108              | -                   | -                    | 230,108                                    |
| Median strips                              | 400,992              | -                   | -                    | 400,992                                    |
| Housing                                    | 1,249,156            | -                   | -                    | 1,249,156                                  |
| Transportation                             | 3,863,881            | -                   | -                    | 3,863,881                                  |
| Assigned to:                               |                      |                     |                      |  |
| Transportation                             | 764,328              | -                   | -                    | 764,328                                    |
| Debt service                               | -                    | 2,947,931           | -                    | 2,947,931                                  |
| Capital projects                           | -                    | -                   | 1,415,234            | 1,415,234                                  |
| <b>Total fund balances</b>                 | <b>21,453,996</b>    | <b>2,947,931</b>    | <b>36,821,304</b>    | <b>61,223,231</b>                          |
| <b>Total liabilities and fund balances</b> | <b>\$ 23,005,416</b> | <b>\$ 5,350,126</b> | <b>\$ 36,887,828</b> | <b>\$ 65,243,370</b>                       |

CITY OF SUNRISE, FLORIDA  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2019

|  | Special<br>Revenue   | Debt<br>Service     | Capital<br>Projects  | Total<br>Nonmajor<br>Governmental<br>Funds |
|--|----------------------|---------------------|----------------------|--|
| <b>REVENUES</b>  |                      |                     |                      |  |
| Taxes:   |                      |                     |                      |  |
| Property   | \$ -                 | \$ 4,670,441        | \$ -                 | \$ 4,670,441                               |
| Local option fuel  | 1,680,518            | -                   | -                    | 1,680,518                                  |
| Permits and fees   | 6,627,216            | -                   | -                    | 6,627,216                                  |
| Intergovernmental  | 1,530,613            | -                   | 58,000               | 1,588,613                                  |
| Charges for services   | 46,575               | -                   | -                    | 46,575                                     |
| Judgments, fines and forfeitures                                     | 2,284,910            | -                   | -                    | 2,284,910                                  |
| Impact fees  | 10,338               | -                   | -                    | 10,338                                     |
| Investment earnings  | 435,525              | 111,422             | 909,644              | 1,456,591                                  |
| Miscellaneous  | 100,764              | -                   | -                    | 100,764                                    |
| <b>Total revenues</b>  | <b>12,716,459</b>    | <b>4,781,863</b>    | <b>967,644</b>       | <b>18,465,966</b>                          |
| <b>EXPENDITURES</b>  |                      |                     |                      |  |
| Current:   |                      |                     |                      |  |
| Public safety  | 7,919,585            | -                   | -                    | 7,919,585                                  |
| Economic development   | 446,567              | -                   | -                    | 446,567                                    |
| Transportation   | 3,142,294            | -                   | 2,613                | 3,144,907                                  |
| Debt service:  |                      |                     |                      |  |
| Principal  | -                    | 3,005,000           | -                    | 3,005,000                                  |
| Interest   | -                    | 1,709,586           | -                    | 1,709,586                                  |
| Other  | -                    | 47,541              | -                    | 47,541                                     |
| Capital outlay   | 654,566              | -                   | 2,047,687            | 2,702,253                                  |
| <b>Total expenditures</b>  | <b>12,163,012</b>    | <b>4,762,127</b>    | <b>2,050,300</b>     | <b>18,975,439</b>                          |
| <b>Excess (deficiency) of revenues<br/>over (under) expenditures</b> | <b>553,447</b>       | <b>19,736</b>       | <b>(1,082,656)</b>   | <b>(509,473)</b>                           |
| <b>OTHER FINANCING SOURCES</b>                                       |                      |                     |                      |  |
| Transfers in:  |                      |                     |                      |  |
| General fund   | 1,019,870            | -                   | -                    | 1,019,870                                  |
| Proceeds on sale of capital assets                                   | 35,898               | -                   | -                    | 35,898                                     |
| <b>Total other financing sources</b>                                 | <b>1,055,768</b>     | <b>-</b>            | <b>-</b>             | <b>1,055,768</b>                           |
| <b>Net change in fund balances</b>                                   | <b>1,609,215</b>     | <b>19,736</b>       | <b>(1,082,656)</b>   | <b>546,295</b>                             |
| <b>Fund balances - beginning</b>                                     | <b>19,844,781</b>    | <b>2,928,195</b>    | <b>37,903,960</b>    | <b>60,676,936</b>                          |
| <b>Fund balances - ending</b>  | <b>\$ 21,453,996</b> | <b>\$ 2,947,931</b> | <b>\$ 36,821,304</b> | <b>\$ 61,223,231</b>                       |



CITY OF SUNRISE, FLORIDA  
 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS  
 SEPTEMBER 30, 2019

|  | Building<br>Fees    | Impact<br>Fees    | Urban Area<br>Security<br>Initiative Grant | Broward<br>County Home<br>Consortium<br>Grant | Neighborhood<br>Stabilization<br>Program Grant | Community<br>Development<br>Block Grant | State Housing<br>Initiatives<br>Partnership<br>Grant | Fuel and<br>Roadway | Police<br>Confiscation | Total<br>Nonmajor<br>Special Revenue<br>Funds |
|--|---------------------|-------------------|--|---|--|---|--|---------------------|------------------------|---|
| <b>ASSETS</b>                              |                     |                   |  |   |  |   |  |                     |                        |   |
| Cash and cash equivalents                  | \$ 8,729,973        | \$ 714,652        | \$ -                                       | \$ 474,806                                    | \$ 220,581                                     | \$ -                                    | \$ 472,555   | \$ 3,993,306        | \$ 5,989,205           | \$ 20,595,078                                 |
| Investments                                | 1,098,092           | 97,715            | -  | -   | -  | -                                       | 75,375   | 506,740             | -                      | 1,777,922                                     |
| Interest receivable                        | 3,309               | 276               | -  | -   | -  | -                                       | 187  | 1,523               | 2,009                  | 7,304   |
| Other receivables                          | 599                 | -                 | -  | -   | -  | -                                       | -  | 4,332               | 1,642                  | 6,573   |
| Due from other funds                       | -                   | -                 | -  | -   | -  | -                                       | -  | -                   | 1,414                  | 1,414   |
| Intergovernmental receivable               | -                   | -                 | 118,407                                    | -   | -  | 143,094                                 | -  | 306,288             | -                      | 567,789                                       |
| Inventories                                | -                   | -                 | -  | -   | -  | -                                       | -  | 49,336              | -                      | 49,336  |
| <b>Total assets</b>                        | <b>\$ 9,831,973</b> | <b>\$ 812,643</b> | <b>\$ 118,407</b>                          | <b>\$ 474,806</b>                             | <b>\$ 220,581</b>                              | <b>\$ 143,094</b>                       | <b>\$ 548,117</b>                                    | <b>\$ 4,861,525</b> | <b>\$ 5,994,270</b>    | <b>\$ 23,005,416</b>                          |
| <b>LIABILITIES</b>                         |                     |                   |  |   |  |   |  |                     |                        |   |
| Accounts payable                           | 34,128              | -                 | -  | -   | -  | 85                                      | 1,921  | 145,588             | 120,010                | 301,732                                       |
| Accrued liabilities                        | 78,814              | -                 | -  | -   | -  | 4,177                                   | -  | 27,719              | -                      | 110,710                                       |
| Intergovernmental payable                  | -                   | -                 | -  | -   | -  | 2,368                                   | -  | -                   | -                      | 2,368   |
| Due to other funds                         | 4,878               | -                 | -  | -   | -  | 153                                     | -  | 2,110               | 21,945                 | 29,086  |
| Interfund payable                          | -                   | -                 | 82,393                                     | -   | -  | 28,738                                  | -  | -                   | -                      | 111,131                                       |
| Unearned revenue                           | 89,539              | -                 | -  | -   | -  | -                                       | -  | 8,563               | -                      | 98,102  |
| Other                                      | -                   | 160,258           | -  | -   | -  | -                                       | -  | -                   | 518,033                | 678,291                                       |
| Advances from other funds                  | -                   | -                 | -  | -   | -  | 100,000                                 | -  | -                   | 120,000                | 220,000                                       |
| <b>Total liabilities</b>                   | <b>207,359</b>      | <b>160,258</b>    | <b>82,393</b>                              | <b>-</b>                                      | <b>-</b>                                       | <b>135,521</b>                          | <b>1,921</b>   | <b>183,980</b>      | <b>779,988</b>         | <b>1,551,420</b>                              |
| <b>FUND BALANCES</b>                       |                     |                   |  |   |  |   |  |                     |                        |   |
| <b>Nonspendable:</b>                       |                     |                   |  |   |  |   |  |                     |                        |   |
| Inventories                                | -                   | -                 | -  | -   | -  | -                                       | -  | 49,336              | -                      | 49,336  |
| <b>Restricted:</b>                         |                     |                   |  |   |  |   |  |                     |                        |   |
| Building                                   | 9,624,614           | -                 | -  | -   | -  | -                                       | -  | -                   | -                      | 9,624,614                                     |
| Recreation                                 | -                   | 3,532             | -  | -   | -  | -                                       | -  | -                   | -                      | 3,532   |
| Public safety                              | -                   | 17,753            | 36,014                                     | -   | -  | -                                       | -  | -                   | 5,214,282              | 5,268,049                                     |
| Fire equipment                             | -                   | 230,108           | -  | -   | -  | -                                       | -  | -                   | -                      | 230,108                                       |
| Median strips                              | -                   | 400,992           | -  | -   | -  | -                                       | -  | -                   | -                      | 400,992                                       |
| Housing                                    | -                   | -                 | -  | 474,806                                       | 220,581  | 7,573                                   | 546,196  | -                   | -                      | 1,249,156                                     |
| Transportation                             | -                   | -                 | -  | -   | -  | -                                       | -  | 3,863,881           | -                      | 3,863,881                                     |
| <b>Assigned to:</b>                        |                     |                   |  |   |  |   |  |                     |                        |   |
| Transportation                             | -                   | -                 | -  | -   | -  | -                                       | -  | 764,328             | -                      | 764,328                                       |
| <b>Total fund balances</b>                 | <b>9,624,614</b>    | <b>652,385</b>    | <b>36,014</b>                              | <b>474,806</b>                                | <b>220,581</b>                                 | <b>7,573</b>                            | <b>546,196</b>                                       | <b>4,677,545</b>    | <b>5,214,282</b>       | <b>21,453,996</b>                             |
| <b>Total liabilities and fund balances</b> | <b>\$ 9,831,973</b> | <b>\$ 812,643</b> | <b>\$ 118,407</b>                          | <b>\$ 474,806</b>                             | <b>\$ 220,581</b>                              | <b>\$ 143,094</b>                       | <b>\$ 548,117</b>                                    | <b>\$ 4,861,525</b> | <b>\$ 5,994,270</b>    | <b>\$ 23,005,416</b>                          |

CITY OF SUNRISE, FLORIDA  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 NONMAJOR SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2019

|   | Building Fees       | Impact Fees       | Urban Area Security Initiative Grant | Broward County Home Consortium Grant | Neighborhood Stabilization Program | Community Development Block Grant | State Housing Initiatives Partnership Grant | Fuel and Roadway    | Police Confiscation | Total Nonmajor Special Revenue Funds |
|---|---------------------|-------------------|--------------------------------------|--------------------------------------|------------------------------------|-----------------------------------|---|---------------------|---------------------|--------------------------------------|
| <b>REVENUES</b>   |                     |                   |                                      |                                      |                                    |                                   |   |                     |                     |                                      |
| Local option fuel tax                                     | \$ -                | \$ -              | \$ -                                 | \$ -                                 | \$ -                               | \$ -                              | \$ -  | \$ 1,680,518        | \$ -                | \$ 1,680,518                         |
| Permits and fees  | 6,627,216           | -                 | -                                    | -                                    | -                                  | -                                 | -   | -                   | -                   | 6,627,216                            |
| Intergovernmental   | -                   | -                 | 118,407                              | -                                    | -                                  | 374,533                           | 120,438                                     | 917,235             | -                   | 1,530,613                            |
| Charges for services                                      | -                   | -                 | -                                    | -                                    | -                                  | -                                 | -   | 46,575              | -                   | 46,575                               |
| Judgments, fines and forfeitures                          | -                   | -                 | -                                    | -                                    | -                                  | -                                 | -   | -                   | 2,284,910           | 2,284,910                            |
| Impact fees   | -                   | 10,338            | -                                    | -                                    | -                                  | -                                 | -   | -                   | -                   | 10,338                               |
| Investment earnings                                       | 205,132             | 18,487            | -                                    | -                                    | -                                  | -                                 | 14,838                                      | 93,861              | 103,207             | 435,525                              |
| Miscellaneous   | -                   | -                 | -                                    | -                                    | 40,000                             | 4,550                             | 2,169                                       | 52,118              | 1,927               | 100,764                              |
| Total revenues  | <u>6,832,348</u>    | <u>28,825</u>     | <u>118,407</u>                       | <u>-</u>                             | <u>40,000</u>                      | <u>379,083</u>                    | <u>137,445</u>                              | <u>2,790,307</u>    | <u>2,390,044</u>    | <u>12,716,459</u>                    |
| <b>EXPENDITURES</b>                                       |                     |                   |                                      |                                      |                                    |                                   |   |                     |                     |                                      |
| Current:  |                     |                   |                                      |                                      |                                    |                                   |   |                     |                     |                                      |
| Public safety   | 6,912,092           | -                 | -                                    | -                                    | -                                  | 86,000                            | -   | -                   | 921,493             | 7,919,585                            |
| Economic development                                      | -                   | -                 | -                                    | 75,435                               | -                                  | 210,095                           | 161,037                                     | -                   | -                   | 446,567                              |
| Transportation  | -                   | -                 | -                                    | -                                    | -                                  | 78,361                            | -   | 3,063,933           | -                   | 3,142,294                            |
| Capital outlay  | 33,024              | -                 | 118,407                              | -                                    | -                                  | -                                 | -   | 183,287             | 319,848             | 654,566                              |
| Total expenditures  | <u>6,945,116</u>    | <u>-</u>          | <u>118,407</u>                       | <u>75,435</u>                        | <u>-</u>                           | <u>374,456</u>                    | <u>161,037</u>                              | <u>3,247,220</u>    | <u>1,241,341</u>    | <u>12,163,012</u>                    |
| Excess (deficiency) of revenues over (under) expenditures | <u>(112,768)</u>    | <u>28,825</u>     | <u>-</u>                             | <u>(75,435)</u>                      | <u>40,000</u>                      | <u>4,627</u>                      | <u>(23,592)</u>                             | <u>(456,913)</u>    | <u>1,148,703</u>    | <u>553,447</u>                       |
| <b>OTHER FINANCING SOURCES</b>                            |                     |                   |                                      |                                      |                                    |                                   |   |                     |                     |                                      |
| Transfers in:   |                     |                   |                                      |                                      |                                    |                                   |   |                     |                     |                                      |
| General fund  | -                   | -                 | -                                    | -                                    | -                                  | -                                 | -   | 1,019,870           | -                   | 1,019,870                            |
| Proceeds on sale of capital assets                        | -                   | -                 | -                                    | -                                    | -                                  | -                                 | -   | -                   | 35,898              | 35,898                               |
| Total other financing sources                             | <u>-</u>            | <u>-</u>          | <u>-</u>                             | <u>-</u>                             | <u>-</u>                           | <u>-</u>                          | <u>-</u>                                    | <u>1,019,870</u>    | <u>35,898</u>       | <u>1,055,768</u>                     |
| Net change in fund balances                               | <u>(112,768)</u>    | <u>28,825</u>     | <u>-</u>                             | <u>(75,435)</u>                      | <u>40,000</u>                      | <u>4,627</u>                      | <u>(23,592)</u>                             | <u>562,957</u>      | <u>1,184,601</u>    | <u>1,609,215</u>                     |
| Fund balances - beginning                                 | <u>9,737,382</u>    | <u>623,560</u>    | <u>36,014</u>                        | <u>550,241</u>                       | <u>180,581</u>                     | <u>2,946</u>                      | <u>569,788</u>                              | <u>4,114,588</u>    | <u>4,029,681</u>    | <u>19,844,781</u>                    |
| Fund balances - ending                                    | <u>\$ 9,624,614</u> | <u>\$ 652,385</u> | <u>\$ 36,014</u>                     | <u>\$ 474,806</u>                    | <u>\$ 220,581</u>                  | <u>\$ 7,573</u>                   | <u>\$ 546,196</u>                           | <u>\$ 4,677,545</u> | <u>\$ 5,214,282</u> | <u>\$ 21,453,996</u>                 |

**CITY OF SUNRISE, FLORIDA  
COMBINING BALANCE SHEET  
NONMAJOR DEBT SERVICE FUNDS  
SEPTEMBER 30, 2019**

|  | Special<br>Tax<br>District<br>No. 1 | General<br>Obligation<br>Bonds,<br>Series 2015 | Total<br>Nonmajor<br>Debt Service<br>Funds |
|--|-------------------------------------|--|--|
| <b>ASSETS</b>                              |                                     |  |  |
| Cash and cash equivalents                  | \$ 5,202,145                        | \$ 140,247                                     | \$ 5,342,392                               |
| Interest receivable                        | 7,405                               | 229  | 7,634                                      |
| Due from other funds                       | 53                                  | 47   | 100  |
| <b>Total assets</b>                        | <b><u>\$ 5,209,603</u></b>          | <b><u>\$ 140,523</u></b>                       | <b><u>\$ 5,350,126</u></b>                 |
| <b>LIABILITIES</b>                         |                                     |  |  |
| Matured bonds payable                      | 2,230,000                           | -  | 2,230,000                                  |
| Matured interest payable                   | 172,195                             | -  | 172,195                                    |
| <b>Total liabilities</b>                   | <b><u>2,402,195</u></b>             | <b><u>-</u></b>                                | <b><u>2,402,195</u></b>                    |
| <b>FUND BALANCES</b>                       |                                     |  |  |
| Assigned to:                               |                                     |  |  |
| Debt service                               | 2,807,408                           | 140,523  | 2,947,931                                  |
| <b>Total fund balances</b>                 | <b><u>2,807,408</u></b>             | <b><u>140,523</u></b>                          | <b><u>2,947,931</u></b>                    |
| <b>Total liabilities and fund balances</b> | <b><u>\$ 5,209,603</u></b>          | <b><u>\$ 140,523</u></b>                       | <b><u>\$ 5,350,126</u></b>                 |

**CITY OF SUNRISE, FLORIDA  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 NONMAJOR DEBT SERVICE FUNDS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2019**

|   | <u>Special<br/>Tax<br/>District<br/>No. 1</u> | <u>General<br/>Obligation<br/>Bonds,<br/>Series 2015</u> | <u>Total<br/>Nonmajor<br/>Debt Service<br/>Funds</u> |
|---|---|--|--|
| <b>REVENUES</b>                             |   |  |  |
| Property taxes                              | \$ 2,545,968                                  | \$ 2,124,473   | \$ 4,670,441   |
| Investment earnings                         | 91,377  | 20,045   | 111,422  |
| <b>Total revenues</b>                       | <u>2,637,345</u>                              | <u>2,144,518</u>   | <u>4,781,863</u>                                     |
| <b>EXPENDITURES</b>                         |   |  |  |
| <b>Debt service:</b>                        |   |  |  |
| Principal                                   | 2,230,000                                     | 775,000  | 3,005,000  |
| Interest                                    | 344,390                                       | 1,365,196  | 1,709,586  |
| Other                                       | 47,241  | 300  | 47,541   |
| <b>Total expenditures</b>                   | <u>2,621,631</u>                              | <u>2,140,496</u>   | <u>4,762,127</u>                                     |
| <b>Excess of revenues over expenditures</b> | <u>15,714</u>                                 | <u>4,022</u>   | <u>19,736</u>  |
| Fund balances - beginning                   | <u>2,791,694</u>                              | <u>136,501</u>   | <u>2,928,195</u>                                     |
| Fund balances - ending                      | <u>\$ 2,807,408</u>                           | <u>\$ 140,523</u>  | <u>\$ 2,947,931</u>                                  |

CITY OF SUNRISE, FLORIDA  
 COMBINING BALANCE SHEET  
 NONMAJOR CAPITAL PROJECTS FUNDS  
 SEPTEMBER 30, 2019

|  | Special Tax<br>District No. 1<br>Capital Projects | Special<br>Assessment<br>Bonds<br>Series 2015 | General<br>Obligation<br>Bonds,<br>Series 2015<br>Capital Projects | Total<br>Nonmajor<br>Capital Projects<br>Funds |
|--|---|---|--|--|
| <b>ASSETS</b>                              |   |   |  |  |
| Cash and cash equivalents                  | \$ 1,276,395                                      | \$ 34,303,042                                 | \$ 1,150,737   | \$ 36,730,174                                  |
| Investments                                | 152,370   | -   | -  | 152,370  |
| Interest receivable                        | 587   | 519   | 1,161  | 2,267  |
| Due from other funds                       | -   | -   | 3,017  | 3,017  |
| <b>Total assets</b>                        | <b>\$ 1,429,352</b>                               | <b>\$ 34,303,561</b>                          | <b>\$ 1,154,915</b>  | <b>\$ 36,887,828</b>                           |
| <b>LIABILITIES</b>                         |   |   |  |  |
| Accounts payable                           | 14,118  | 123   | 31,373   | 45,614   |
| Due to other funds                         | -   | -   | 20,910   | 20,910   |
| <b>Total liabilities</b>                   | <b>14,118</b>                                     | <b>123</b>                                    | <b>52,283</b>  | <b>66,524</b>                                  |
| <b>FUND BALANCE</b>                        |   |   |  |  |
| Restricted:                                |   |   |  |  |
| Capital projects                           | -   | 34,303,438                                    | 1,102,632  | 35,406,070                                     |
| Assigned:                                  |   |   |  |  |
| Capital projects                           | 1,415,234   | -   | -  | 1,415,234                                      |
| <b>Total fund balances</b>                 | <b>1,415,234</b>                                  | <b>34,303,438</b>                             | <b>1,102,632</b>   | <b>36,821,304</b>                              |
| <b>Total liabilities and fund balances</b> | <b>\$ 1,429,352</b>                               | <b>\$ 34,303,561</b>                          | <b>\$ 1,154,915</b>  | <b>\$ 36,887,828</b>                           |

CITY OF SUNRISE, FLORIDA  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 NONMAJOR CAPITAL PROJECTS FUNDS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2019

|  | Special Tax<br>District No. 1<br>Capital Projects | Special<br>Assessment<br>Bonds<br>Series 2015 | General<br>Obligation<br>Bonds,<br>Series 2015<br>Capital Projects | Total<br>Nonmajor<br>Capital Projects<br>Funds |
|--|---|---|--|--|
| <b>REVENUES</b>  |   |   |  |  |
| Intergovernmental  | \$ -  | \$ -  | \$ 58,000  | \$ 58,000                                      |
| Investment earnings  | 31,396  | 848,313                                       | 29,935   | 909,644  |
| <b>Total revenues</b>  | <u>31,396</u>                                     | <u>848,313</u>                                | <u>87,935</u>  | <u>967,644</u>                                 |
| <b>EXPENDITURES</b>  |   |   |  |  |
| Current:   |   |   |  |  |
| Transportation   | 1,136   | 1,477   | -  | 2,613  |
| Capital outlay   | 25,464  | -   | 2,022,223  | 2,047,687                                      |
| <b>Total expenditures</b>  | <u>26,600</u>                                     | <u>1,477</u>                                  | <u>2,022,223</u>   | <u>2,050,300</u>                               |
| <b>Excess (deficiency) of revenues<br/>    over (under) expenditures</b> | 4,796   | 846,836                                       | (1,934,288)  | (1,082,656)                                    |
| <b>Fund balances - beginning</b>   | <u>1,410,438</u>                                  | <u>33,456,602</u>                             | <u>3,036,920</u>   | <u>37,903,960</u>                              |
| <b>Fund balances - ending</b>  | <u>\$ 1,415,234</u>                               | <u>\$ 34,303,438</u>                          | <u>\$ 1,102,632</u>  | <u>\$ 36,821,304</u>                           |

CITY OF SUNRISE, FLORIDA  
 BUILDING FEES SPECIAL REVENUE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED SEPTEMBER 30, 2019

|  | Final<br>Budgeted<br>Amounts | Actual<br>Amounts   | Variance with<br>Final Budget |
|--|------------------------------|---------------------|-------------------------------|
| <b>REVENUES</b>  |                              |                     |                               |
| Permits and fees   | \$ 5,920,850                 | \$ 6,627,216        | \$ 706,366                    |
| Investment earnings  | 60,000                       | 205,132             | 145,132                       |
| <b>Total revenues</b>  | <u>5,980,850</u>             | <u>6,832,348</u>    | <u>851,498</u>                |
| <b>EXPENDITURES</b>  |                              |                     |                               |
| Current:   |                              |                     |                               |
| Public safety  | 8,058,140                    | 6,912,092           | 1,146,048                     |
| Capital outlay   | 37,100                       | 33,024              | 4,076                         |
| <b>Total expenditures</b>  | <u>8,095,240</u>             | <u>6,945,116</u>    | <u>1,150,124</u>              |
| <b>Excess (deficiency) of revenues over (under) expenditures</b> | <b>(2,114,390)</b>           | <b>(112,768)</b>    | <b>2,001,622</b>              |
| Fund balance - beginning   | <u>9,737,382</u>             | <u>9,737,382</u>    | <u>-</u>                      |
| Fund balance - ending  | <u>\$ 7,622,992</u>          | <u>\$ 9,624,614</u> | <u>\$ 2,001,622</u>           |

**CITY OF SUNRISE, FLORIDA**  
**IMPACT FEES SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2019**

|   | Final<br>Budgeted<br>Amounts | Actual<br>Amounts     | Variance with<br>Final Budget |
|---|------------------------------|-----------------------|-------------------------------|
| <b>REVENUES</b>                                 |                              |                       |                               |
| Impact fees                                     | \$ 56,500                    | \$ 10,338             | \$ (46,162)                   |
| Investment earnings                             | 4,500                        | 18,487                | 13,987                        |
| <b>Total revenues</b>                           | <u>61,000</u>                | <u>28,825</u>         | <u>(32,175)</u>               |
| <br><b>Excess of revenues over expenditures</b> | <br>61,000                   | <br>28,825            | <br>(32,175)                  |
| <br>Fund balance - beginning                    | <br><u>623,560</u>           | <br><u>623,560</u>    | <br><u>-</u>                  |
| <br>Fund balance - ending                       | <br><u>\$ 684,560</u>        | <br><u>\$ 652,385</u> | <br><u>\$ (32,175)</u>        |



CITY OF SUNRISE, FLORIDA  
 URBAN AREA SECURITY INITIATIVE GRANT SPECIAL REVENUE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED SEPTEMBER 30, 2019

|   | Final<br>Budgeted<br>Amounts | Actual<br>Amounts | Variance with<br>Final Budget |
|---|------------------------------|-------------------|-------------------------------|
| <b>REVENUES</b>   |                              |                   |                               |
| Intergovernmental   | \$ 252,602                   | \$ 118,407        | \$ (134,195)                  |
| <b>EXPENDITURES</b>                                       |                              |                   |                               |
| Current:  |                              |                   |                               |
| Public safety   | 31,039                       | -                 | 31,039                        |
| Capital outlay  | 221,563                      | 118,407           | 103,156                       |
| Total expenditures  | 252,602                      | 118,407           | 134,195                       |
| Excess (deficiency) of revenues over (under) expenditures | -                            | -                 | -                             |
| Fund balance - beginning                                  | 36,014                       | 36,014            | -                             |
| Fund balance - ending                                     | \$ 36,014                    | \$ 36,014         | \$ -                          |

CITY OF SUNRISE, FLORIDA  
 BROWARD COUNTY HOME CONSORTIUM GRANT SPECIAL REVENUE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED SEPTEMBER 30, 2019

|   | Final<br>Budgeted<br>Amounts | Actual<br>Amounts | Variance with<br>Final Budget |
|---|------------------------------|-------------------|-------------------------------|
| <b>REVENUES</b>   |                              |                   |                               |
| Intergovernmental   | \$ 159,950                   | \$ -              | \$ (159,950)                  |
| <b>EXPENDITURES</b>                                       |                              |                   |                               |
| Current:  |                              |                   |                               |
| Economic development                                      | 381,980                      | 75,435            | 306,545                       |
| Excess (deficiency) of revenues over (under) expenditures | (222,030)                    | (75,435)          | 146,595                       |
| Fund balance - beginning                                  | 550,241                      | 550,241           | -                             |
| Fund balance - ending                                     | \$ 328,211                   | \$ 474,806        | \$ 146,595                    |

CITY OF SUNRISE, FLORIDA  
 NEIGHBORHOOD STABILIZATION PROGRAM GRANT SPECIAL REVENUE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED SEPTEMBER 30, 2019

|   | Final<br>Budgeted<br>Amounts | Actual<br>Amounts | Variance with<br>Final Budget |
|---|------------------------------|-------------------|-------------------------------|
| <b>REVENUES</b>   |                              |                   |                               |
| Miscellaneous   | \$ -                         | \$ 40,000         | \$ 40,000                     |
| <b>EXPENDITURES</b>                                       |                              |                   |                               |
| Current:  |                              |                   |                               |
| Economic development                                      | 180,580                      | -                 | 180,580                       |
| Excess (deficiency) of revenues over (under) expenditures | (180,580)                    | 40,000            | 220,580                       |
| Fund balance - beginning                                  | 180,581                      | 180,581           | -                             |
| Fund balance - ending                                     | <u>\$ 1</u>                  | <u>\$ 220,581</u> | <u>\$ 220,580</u>             |

CITY OF SUNRISE, FLORIDA  
COMMUNITY DEVELOPMENT BLOCK GRANT SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2019

|   | Final<br>Budgeted<br>Amounts | Actual<br>Amounts | Variance with<br>Final Budget |
|---|------------------------------|-------------------|-------------------------------|
| <b>REVENUES</b>                             |                              |                   |                               |
| Intergovernmental                           | \$ 1,059,810                 | \$ 374,533        | \$ (685,277)                  |
| Miscellaneous                               | -                            | 4,550             | 4,550                         |
| <b>Total revenues</b>                       | <b>1,059,810</b>             | <b>379,083</b>    | <b>(680,727)</b>              |
| <b>EXPENDITURES</b>                         |                              |                   |                               |
| Current:                                    |                              |                   |                               |
| Public safety                               | 86,000                       | 86,000            | -                             |
| Economic development                        | 892,810                      | 210,095           | 682,715                       |
| Transportation                              | 81,000                       | 78,361            | 2,639                         |
| <b>Total expenditures</b>                   | <b>1,059,810</b>             | <b>374,456</b>    | <b>685,354</b>                |
| <b>Excess of revenues over expenditures</b> | <b>-</b>                     | <b>4,627</b>      | <b>4,627</b>                  |
| <b>Fund balance - beginning</b>             | <b>2,946</b>                 | <b>2,946</b>      | <b>-</b>                      |
| <b>Fund balance - ending</b>                | <b>\$ 2,946</b>              | <b>\$ 7,573</b>   | <b>\$ 4,627</b>               |

CITY OF SUNRISE, FLORIDA  
STATE HOUSING INITIATIVES PARTNERSHIP GRANT SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2019

|  | Final<br>Budgeted<br>Amounts | Actual<br>Amounts | Variance with<br>Final Budget |
|--|------------------------------|-------------------|-------------------------------|
| <b>REVENUES</b>  |                              |                   |                               |
| Intergovernmental  | \$ 120,440                   | \$ 120,438        | \$ (2)                        |
| Investment earnings  | -                            | 14,838            | 14,838                        |
| Miscellaneous  | -                            | 2,169             | 2,169                         |
| <b>Total revenues</b>  | <u>120,440</u>               | <u>137,445</u>    | <u>17,005</u>                 |
| <b>EXPENDITURES</b>  |                              |                   |                               |
| Current:   |                              |                   |                               |
| Economic development   | <u>628,900</u>               | <u>161,037</u>    | <u>467,863</u>                |
| <b>Excess (deficiency) of revenues over (under) expenditures</b> | <b>(508,460)</b>             | <b>(23,592)</b>   | <b>484,868</b>                |
| Fund balance - beginning   | <u>569,788</u>               | <u>569,788</u>    | -                             |
| Fund balance - ending  | <u>\$ 61,328</u>             | <u>\$ 546,196</u> | <u>\$ 484,868</u>             |

CITY OF SUNRISE, FLORIDA  
 FUEL AND ROADWAY SPECIAL REVENUE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED SEPTEMBER 30, 2019

|  | Final<br>Budgeted<br>Amounts | Actual<br>Amounts   | Variance with<br>Final Budget |
|--|------------------------------|---------------------|-------------------------------|
| <b>REVENUES</b>  |                              |                     |                               |
| Local option fuel tax  | \$ 1,708,020                 | \$ 1,680,518        | \$ (27,502)                   |
| Intergovernmental  | 878,230                      | 917,235             | 39,005                        |
| Charges for services   | 38,000                       | 46,575              | 8,575                         |
| Investment earnings  | 34,000                       | 93,861              | 59,861                        |
| Miscellaneous  | 45,200                       | 52,118              | 6,918                         |
| <b>Total revenues</b>  | <b>2,703,450</b>             | <b>2,790,307</b>    | <b>86,857</b>                 |
| <b>EXPENDITURES</b>  |                              |                     |                               |
| Current:   |                              |                     |                               |
| Transportation   | 3,440,689                    | 3,063,933           | 376,756                       |
| Capital outlay   | 375,170                      | 183,287             | 191,883                       |
| <b>Total expenditures</b>  | <b>3,815,859</b>             | <b>3,247,220</b>    | <b>568,639</b>                |
| <b>Excess (deficiency) of revenues over (under) expenditures</b> | <b>(1,112,409)</b>           | <b>(456,913)</b>    | <b>655,496</b>                |
| <b>OTHER FINANCING SOURCES</b>                                   |                              |                     |                               |
| Transfers in   | 1,019,870                    | 1,019,870           | -                             |
| <b>Net change in fund balance</b>                                | <b>(92,539)</b>              | <b>562,957</b>      | <b>655,496</b>                |
| Fund balance - beginning   | 4,114,588                    | 4,114,588           | -                             |
| Fund balance - ending  | <b>\$ 4,022,049</b>          | <b>\$ 4,677,545</b> | <b>\$ 655,496</b>             |

CITY OF SUNRISE, FLORIDA  
POLICE CONFISCATION SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2019

|  | Final<br>Budgeted<br>Amounts | Actual<br>Amounts   | Variance with<br>Final Budget |
|--|------------------------------|---------------------|-------------------------------|
| <b>REVENUES</b>  |                              |                     |                               |
| Judgments, fines and forfeitures                                 | \$ -                         | \$ 2,284,910        | \$ 2,284,910                  |
| Investment earnings  | -                            | 103,207             | 103,207                       |
| Miscellaneous  | -                            | 1,927               | 1,927                         |
| <b>Total revenues</b>  | <b>-</b>                     | <b>2,390,044</b>    | <b>2,390,044</b>              |
| <b>EXPENDITURES</b>  |                              |                     |                               |
| Current:   |                              |                     |                               |
| Public safety  | 1,634,440                    | 921,493             | 712,947                       |
| Capital outlay   | 377,996                      | 319,848             | 58,148                        |
| <b>Total expenditures</b>  | <b>2,012,436</b>             | <b>1,241,341</b>    | <b>771,095</b>                |
| <b>Excess (deficiency) of revenues over (under) expenditures</b> | <b>(2,012,436)</b>           | <b>1,148,703</b>    | <b>3,161,139</b>              |
| <b>OTHER FINANCING SOURCES</b>                                   |                              |                     |                               |
| Proceeds on sale of capital assets                               | -                            | 35,898              | 35,898                        |
| <b>Net change in fund balance</b>                                | <b>(2,012,436)</b>           | <b>1,184,601</b>    | <b>3,197,037</b>              |
| Fund balance - beginning   | 4,029,681                    | 4,029,681           | -                             |
| Fund balance - ending  | <b>\$ 2,017,245</b>          | <b>\$ 5,214,282</b> | <b>\$ 3,197,037</b>           |

CITY OF SUNRISE, FLORIDA  
SPECIAL TAX DISTRICT NO. 1 DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2019

|   | Final<br>Budgeted<br>Amounts | Actual<br>Amounts   | Variance with<br>Final Budget |
|---|------------------------------|---------------------|-------------------------------|
| <b>REVENUES</b>                             |                              |                     |                               |
| Property taxes                              | \$ 2,598,960                 | \$ 2,545,968        | \$ (52,992)                   |
| Investment earnings                         | 20,000                       | 91,377              | 71,377                        |
| <b>Total revenues</b>                       | <u>2,618,960</u>             | <u>2,637,345</u>    | <u>18,385</u>                 |
| <b>EXPENDITURES</b>                         |                              |                     |                               |
| Debt service:                               |                              |                     |                               |
| Principal                                   | 2,230,000                    | 2,230,000           | -                             |
| Interest                                    | 344,390                      | 344,390             | -                             |
| Other                                       | 44,570                       | 47,241              | (2,671)                       |
| <b>Total expenditures</b>                   | <u>2,618,960</u>             | <u>2,621,631</u>    | <u>(2,671)</u>                |
| <b>Excess of revenues over expenditures</b> | -                            | 15,714              | 15,714                        |
| Fund balance - beginning                    | <u>2,791,694</u>             | <u>2,791,694</u>    | -                             |
| Fund balance - ending                       | <u>\$ 2,791,694</u>          | <u>\$ 2,807,408</u> | <u>\$ 15,714</u>              |



CITY OF SUNRISE, FLORIDA  
GENERAL OBLIGATION BONDS, SERIES 2015 DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2019

|   | Final<br>Budgeted<br>Amounts | Actual<br>Amounts | Variance with<br>Final Budget |
|---|------------------------------|-------------------|-------------------------------|
| <b>REVENUES</b>                             |                              |                   |                               |
| Property taxes                              | \$ 2,133,000                 | \$ 2,124,473      | \$ (8,527)                    |
| Investment earnings                         | 7,500                        | 20,045            | 12,545                        |
| <b>Total revenues</b>                       | <u>2,140,500</u>             | <u>2,144,518</u>  | <u>4,018</u>                  |
| <b>EXPENDITURES</b>                         |                              |                   |                               |
| Debt service:                               |                              |                   |                               |
| Principal                                   | 775,000                      | 775,000           | -                             |
| Interest                                    | 1,365,200                    | 1,365,196         | 4                             |
| Other                                       | 300                          | 300               | -                             |
| <b>Total expenditures</b>                   | <u>2,140,500</u>             | <u>2,140,496</u>  | <u>4</u>                      |
| <b>Excess of revenues over expenditures</b> | -                            | 4,022             | 4,022                         |
| <b>Fund balance - beginning</b>             | <u>136,501</u>               | <u>136,501</u>    | -                             |
| <b>Fund balance - ending</b>                | <u>\$ 136,501</u>            | <u>\$ 140,523</u> | <u>\$ 4,022</u>               |

CITY OF SUNRISE, FLORIDA  
SPECIAL TAX DISTRICT NO. 1 CAPITAL PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2019

|   | Final<br>Budgeted<br>Amounts | Actual<br>Amounts | Variance with<br>Final Budget |
|---|------------------------------|-------------------|-------------------------------|
| <b>REVENUES</b>   |                              |                   |                               |
| Investment earnings                                       | \$ -                         | \$ 31,396         | \$ 31,396                     |
| <b>EXPENDITURES</b>                                       |                              |                   |                               |
| Current:  |                              |                   |                               |
| Transportation  | -                            | 1,136             | (1,136)                       |
| Capital outlay  | 1,370,603                    | 25,464            | 1,345,139                     |
| Total expenditures  | 1,370,603                    | 26,600            | 1,344,003                     |
| Excess (deficiency) of revenues over (under) expenditures | (1,370,603)                  | 4,796             | 1,375,399                     |
| Fund balance - beginning                                  | 1,410,438                    | 1,410,438         | -                             |
| Fund balance - ending                                     | \$ 39,835                    | \$ 1,415,234      | \$ 1,375,399                  |

CITY OF SUNRISE, FLORIDA  
SPECIAL ASSESSMENT BONDS, SERIES 2015 CAPITAL PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2019

|   | Final<br>Budgeted<br>Amounts | Actual<br>Amounts | Variance with<br>Final Budget |
|---|------------------------------|-------------------|-------------------------------|
| <b>REVENUES</b>   |                              |                   |                               |
| Investment earnings                                       | \$ 150,000                   | \$ 848,313        | \$ 698,313                    |
| <b>EXPENDITURES</b>                                       |                              |                   |                               |
| Current:  |                              |                   |                               |
| Transportation  | -                            | 1,477             | (1,477)                       |
| Capital outlay  | 32,524,099                   | -                 | 32,524,099                    |
| Total expenditures  | 32,524,099                   | 1,477             | 32,522,622                    |
| Excess (deficiency) of revenues over (under) expenditures | (32,374,099)                 | 851,338           | 33,225,437                    |
| Fund balance - beginning                                  | 33,456,602                   | 33,456,602        | -                             |
| Fund balance - ending                                     | \$ 1,082,503                 | \$ 34,307,940     | \$ 33,225,437                 |

CITY OF SUNRISE, FLORIDA  
GENERAL OBLIGATION BONDS, SERIES 2015 CAPITAL PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2019

|   | Final<br>Budgeted<br>Amounts | Actual<br>Amounts       | Variance with<br>Final Budget |
|---|------------------------------|-------------------------|-------------------------------|
| <b>REVENUES</b>   |                              |                         |                               |
| Intergovernmental   | \$ -                         | \$ 58,000               | \$ 58,000                     |
| Investment earnings   | 261,900                      | 29,935                  | (231,965)                     |
| <b>Total revenues</b>   | <u>261,900</u>               | <u>87,935</u>           | <u>(173,965)</u>              |
| <b>EXPENDITURES</b>   |                              |                         |                               |
| Capital outlay  | 2,701,207                    | 2,022,223               | 678,984                       |
| <b>Total expenditures</b>                                     | <u>2,701,207</u>             | <u>2,022,223</u>        | <u>678,984</u>                |
| <br>Excess (deficiency) of revenues over (under) expenditures | <br>(2,439,307)              | <br>(1,934,288)         | <br>505,019                   |
| <br>Fund balance - beginning                                  | <br>3,036,920                | <br>3,036,920           | <br>-                         |
| <br>Fund balance - ending                                     | <br><u>\$ 597,613</u>        | <br><u>\$ 1,102,632</u> | <br><u>\$ 505,019</u>         |

CITY OF SUNRISE, FLORIDA  
 CAPITAL IMPROVEMENTS CAPITAL PROJECTS FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED SEPTEMBER 30, 2019

|  | Final<br>Budgeted<br>Amounts | Actual<br>Amounts    | Variance with<br>Final Budget |
|--|------------------------------|----------------------|-------------------------------|
| <b>REVENUES</b>  |                              |                      |                               |
| Intergovernmental  | \$ 1,050,550                 | \$ 805,093           | \$ (245,457)                  |
| Investment earnings  | 277,810                      | 1,075,495            | 797,685                       |
| Miscellaneous  | -                            | 4,502                | 4,502                         |
| <b>Total revenues</b>  | <u>1,328,360</u>             | <u>1,885,090</u>     | <u>556,730</u>                |
| <b>EXPENDITURES</b>  |                              |                      |                               |
| Capital outlay   | <u>51,852,213</u>            | <u>18,485,569</u>    | <u>33,366,644</u>             |
| <b>Excess (deficiency) of revenues over (under) expenditures</b> | <b>(50,523,853)</b>          | <b>(16,600,479)</b>  | <b>33,923,374</b>             |
| Fund balance - beginning   | <u>34,210,662</u>            | <u>34,210,662</u>    | <u>-</u>                      |
| Fund balance - ending  | <u>\$ (16,313,191)</u>       | <u>\$ 17,610,183</u> | <u>\$ 33,923,374</u>          |

# ***Nonmajor Proprietary Funds***

## ***Enterprise Funds***

***Enterprise funds may be used to report any activity for which a fee is charged to external users for goods or services. When debt is backed solely by fees and charges or there is a legal requirement or policy decision to recover costs, an enterprise fund must be used.***

***Recycling Fund***

***Accounts for the provision of recycling services to City residents.***

***Stormwater Fund***

***Accounts for the operations of a City stormwater utility.***

***Golf Course Fund***

***Accounts for the operations of a City owned golf course.***

CITY OF SUNRISE, FLORIDA  
 COMBINING STATEMENT OF NET POSITION  
 NONMAJOR ENTERPRISE FUNDS  
 SEPTEMBER 30, 2019

|  | Recycling         | Stormwater           | Golf Course         | Total<br>Nonmajor<br>Enterprise<br>Funds |
|--|-------------------|----------------------|---------------------|--|
| <b>ASSETS</b>  |                   |                      |                     |  |
| <b>Current assets:</b>   |                   |                      |                     |  |
| Cash and cash equivalents  | \$ 795,009        | \$ 16,276,733        | \$ 771,426          | \$ 17,843,168                            |
| Investments  | 86,864            | 2,017,514            | 89,105              | 2,193,483                                |
| Interest receivable  | 345               | 6,457                | 289                 | 7,091                                    |
| Accounts receivable, net of allowance<br>for uncollectibles      | 174,116           | 706,447              | -                   | 880,563                                  |
| Other receivables  | 35                | -                    | -                   | 35                                       |
| Intergovernmental receivable                                     | -                 | 463,724              | -                   | 463,724                                  |
| Inventories  | -                 | 6,933                | -                   | 6,933                                    |
| Prepaid items  | -                 | -                    | 3,730               | 3,730                                    |
| <b>Total current assets</b>                                      | <b>1,056,369</b>  | <b>19,477,808</b>    | <b>864,550</b>      | <b>21,398,727</b>                        |
| <b>Noncurrent assets:</b>  |                   |                      |                     |  |
| <b>Capital assets:</b>   |                   |                      |                     |  |
| Land   | -                 | 65,845               | 1,223,300           | 1,289,145                                |
| Intangibles  | -                 | 3,283                | -                   | 3,283                                    |
| Buildings and system<br>improvements other than buildings        | -                 | 685,480              | -                   | 685,480                                  |
| Machinery and equipment  | 3,635             | 1,892,647            | 907,180             | 2,803,462                                |
| Vehicles   | -                 | 1,389,980            | -                   | 1,389,980                                |
| Construction in progress   | -                 | 1,517,316            | -                   | 1,517,316                                |
| Less accumulated depreciation                                    | (3,635)           | (4,236,598)          | (602,434)           | (4,842,667)                              |
| <b>Total capital assets, net of<br/>accumulated depreciation</b> | <b>-</b>          | <b>11,390,461</b>    | <b>1,785,834</b>    | <b>13,176,295</b>                        |
| <b>Total assets</b>  | <b>1,056,369</b>  | <b>30,868,269</b>    | <b>2,650,384</b>    | <b>34,575,022</b>                        |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>                            |                   |                      |                     |  |
| Other postemployment benefits                                    | -                 | 16,142               | -                   | 16,142                                   |
| Pension  | -                 | 1,230,487            | 29,941              | 1,260,428                                |
| <b>Total deferred outflows of resources</b>                      | <b>-</b>          | <b>1,246,629</b>     | <b>29,941</b>       | <b>1,276,570</b>                         |
| <b>LIABILITIES</b>   |                   |                      |                     |  |
| <b>Current liabilities:</b>                                      |                   |                      |                     |  |
| Accounts payable   | 80,217            | 401,603              | 71,353              | 553,173                                  |
| Accrued liabilities  | -                 | 34,835               | -                   | 34,835                                   |
| Due to other funds   | 9,939             | 1,513                | -                   | 11,452                                   |
| Compensated absences   | -                 | 7,888                | -                   | 7,888                                    |
| Retainage payable  | -                 | 61,884               | -                   | 61,884                                   |
| Intergovernmental payable  | -                 | -                    | 2,711               | 2,711                                    |
| <b>Total current liabilities</b>                                 | <b>90,156</b>     | <b>507,723</b>       | <b>74,064</b>       | <b>671,943</b>                           |
| <b>Noncurrent liabilities:</b>                                   |                   |                      |                     |  |
| Compensated absences   | -                 | 308,457              | -                   | 308,457                                  |
| Net pension liability  | -                 | 3,648,335            | -                   | 3,648,335                                |
| <b>Total pension liability - retiree subsidy</b>                 | <b>-</b>          | <b>1,218,561</b>     | <b>321,015</b>      | <b>1,539,576</b>                         |
| <b>Total other postemployment benefits</b>                       | <b>-</b>          | <b>663,657</b>       | <b>-</b>            | <b>663,657</b>                           |
| Unearned revenue   | -                 | -                    | 1,995               | 1,995                                    |
| <b>Total noncurrent liabilities</b>                              | <b>-</b>          | <b>5,839,010</b>     | <b>323,010</b>      | <b>6,162,020</b>                         |
| <b>Total liabilities</b>   | <b>90,156</b>     | <b>6,346,733</b>     | <b>397,074</b>      | <b>6,833,963</b>                         |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                             |                   |                      |                     |  |
| Other postemployment benefits                                    | -                 | 64,773               | -                   | 64,773                                   |
| Pension  | -                 | 416,136              | 29,329              | 445,465                                  |
| <b>Total deferred inflows of resources</b>                       | <b>-</b>          | <b>480,909</b>       | <b>29,329</b>       | <b>510,238</b>                           |
| <b>NET POSITION</b>  |                   |                      |                     |  |
| Investment in capital assets                                     | -                 | 11,224,755           | 1,764,032           | 12,988,787                               |
| Unrestricted   | 966,213           | 14,062,501           | 489,890             | 15,518,604                               |
| <b>Total net position</b>  | <b>\$ 966,213</b> | <b>\$ 25,287,256</b> | <b>\$ 2,253,922</b> | <b>\$ 28,507,391</b>                     |

**CITY OF SUNRISE, FLORIDA  
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
NONMAJOR ENTERPRISE FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

|  | <u>Recycling</u>  | <u>Stormwater</u>    | <u>Golf Course</u>  | <u>Total<br/>Nonmajor<br/>Enterprise<br/>Funds</u> |
|--|-------------------|----------------------|---------------------|--|
| <b>Operating revenues:</b>                     |                   |                      |                     |  |
| Charges for sales and services:                |                   |                      |                     |  |
| Fees   | \$ 1,164,656      | \$ 7,785,773         | \$ 1,133,982        | \$ 10,084,411                                      |
| <b>Operating expenses:</b>                     |                   |                      |                     |  |
| Costs of sales and services:                   |                   |                      |                     |  |
| Power, water and wastewater purchases          | -                 | 40,791               | 112,379             | 153,170  |
| Chemical purchases                             | -                 | 63,697               | 84,710              | 148,407  |
| Recycling charges                              | 800,087           | -                    | -                   | 800,087  |
| Materials and supplies                         | 64,188            | 68,429               | 1,143               | 133,760  |
| Repairs and maintenance                        | 1,050             | 98,396               | 37,937              | 137,383  |
| Salaries, wages and employee benefits          | -                 | 2,261,685            | 30,035              | 2,291,720  |
| Insurance and other expenses                   | 479               | 1,239,484            | 1,333,558           | 2,573,521  |
| Administrative fees                            | 65,000            | 650,350              | 169,820             | 885,170  |
| Depreciation and amortization                  | -                 | 643,185              | 106,306             | 749,491  |
| <b>Total operating expenses</b>                | <b>930,804</b>    | <b>5,066,017</b>     | <b>1,875,888</b>    | <b>7,872,709</b>                                   |
| <b>Operating income (loss)</b>                 | <b>233,852</b>    | <b>2,719,756</b>     | <b>(741,906)</b>    | <b>2,211,702</b>                                   |
| <b>Non-operating revenues (expenses):</b>      |                   |                      |                     |  |
| Investment earnings                            | 16,237            | 374,660              | 15,451              | 406,348  |
| Gain (loss) on sale of capital assets          | -                 | 3,164                | 30,418              | 33,582   |
| Other  | 4,000             | 224,617              | 2,186               | 230,803  |
| <b>Total non-operating revenues (expenses)</b> | <b>20,237</b>     | <b>602,441</b>       | <b>48,055</b>       | <b>670,733</b>                                     |
| <b>Income (loss) before transfers</b>          | <b>254,089</b>    | <b>3,322,197</b>     | <b>(693,851)</b>    | <b>2,882,435</b>                                   |
| <b>Transfers in</b>                            | <b>-</b>          | <b>-</b>             | <b>1,457,120</b>    | <b>1,457,120</b>                                   |
| <b>Change in net position</b>                  | <b>254,089</b>    | <b>3,322,197</b>     | <b>763,269</b>      | <b>4,339,555</b>                                   |
| <b>Total net position - beginning</b>          | <b>712,124</b>    | <b>21,965,059</b>    | <b>1,490,653</b>    | <b>24,167,836</b>                                  |
| <b>Total net position - ending</b>             | <b>\$ 966,213</b> | <b>\$ 25,287,256</b> | <b>\$ 2,253,922</b> | <b>\$ 28,507,391</b>                               |



CITY OF SUNRISE, FLORIDA  
 COMBINING STATEMENT OF CASH FLOWS  
 NONMAJOR ENTERPRISE FUNDS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2019

|   | Recycling         | Stormwater           | Golf Course       | Total Nonmajor Enterprise Funds |
|---|-------------------|----------------------|-------------------|---------------------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                     |                   |                      |                   |                                 |
| Receipts from customers and users                               | \$ 1,169,572      | \$ 7,662,479         | \$ 1,134,477      | \$ 9,966,528                    |
| Payments to suppliers   | (924,049)         | (1,155,420)          | (1,544,594)       | (3,624,063)                     |
| Payments to and for employees                                   | -                 | (2,091,712)          | (23,726)          | (2,115,438)                     |
| Payments for interfund services used                            | (65,000)          | (650,350)            | (169,820)         | (885,170)                       |
| Net cash provided by (used for) operating activities            | <u>180,523</u>    | <u>3,764,997</u>     | <u>(603,663)</u>  | <u>3,341,857</u>                |
| <b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>          |                   |                      |                   |                                 |
| Transfer from other funds                                       | -                 | -                    | 1,457,120         | 1,457,120                       |
| Net cash provided by noncapital financing activities            | <u>-</u>          | <u>-</u>             | <u>1,457,120</u>  | <u>1,457,120</u>                |
| <b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b> |                   |                      |                   |                                 |
| Acquisition and construction of capital assets                  | -                 | (786,356)            | (370,647)         | (1,157,003)                     |
| Proceeds from sales of capital assets                           | -                 | 4,320                | 6,688             | 11,008                          |
| Net cash (used for) capital and related financing activities    | <u>-</u>          | <u>(782,036)</u>     | <u>(363,959)</u>  | <u>(1,145,995)</u>              |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                     |                   |                      |                   |                                 |
| Proceeds from sales and maturities of investments               | 56,538            | 1,582,413            | 56,080            | 1,695,031                       |
| Purchase of investments   | (72,279)          | (1,716,736)          | (90,426)          | (1,879,441)                     |
| Interest and dividends received                                 | 16,413            | 377,666              | 15,963            | 410,042                         |
| Net cash provided by (used for) investing activities            | <u>672</u>        | <u>243,343</u>       | <u>(18,383)</u>   | <u>225,632</u>                  |
| Net increase in cash and cash equivalents                       | 181,195           | 3,226,304            | 471,115           | 3,878,614                       |
| Cash and cash equivalents, September 30, 2018                   | <u>613,814</u>    | <u>13,050,429</u>    | <u>300,311</u>    | <u>13,964,554</u>               |
| Cash and cash equivalents, September 30, 2019                   | <u>\$ 795,009</u> | <u>\$ 16,276,733</u> | <u>\$ 771,426</u> | <u>\$ 17,843,168</u>            |

|  | <u>Recycling</u>  | <u>Stormwater</u>   | <u>Golf Course</u>  | <u>Total Nonmajor Enterprise Funds</u> |
|--|-------------------|---------------------|---------------------|--|
| <b>Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:</b>        |                   |                     |                     |  |
| Operating income (loss)  | \$ 233,852        | \$ 2,719,756        | \$ (741,906)        | \$ 2,211,702                           |
| <b>Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:</b> |                   |                     |                     |  |
| Miscellaneous non-operating income   | 4,000             | 224,617             | 2,186               | 230,803                                |
| Depreciation and amortization expense  | -                 | 643,185             | 106,306             | 749,491                                |
| (Increase) decrease in accounts receivable   | 6,901             | (111,041)           | -                   | (104,140)                              |
| (Increase) in intergovernmental receivables  | -                 | (223,632)           | -                   | (223,632)                              |
| Decrease in inventories  | -                 | 12,694              | -                   | 12,694                                 |
| (Increase) in prepaid items  | -                 | -                   | (880)               | (880)                                  |
| Decrease in deferred outflows  | -                 | 315,797             | 3,026               | 318,823                                |
| Increase (decrease) in accounts payable  | (62,634)          | 267,561             | 24,182              | 229,109                                |
| Increase in accrued liabilities  | -                 | 3,970               | -                   | 3,970                                  |
| (Decrease) in due to other funds   | (1,596)           | (18)                | -                   | (1,614)                                |
| (Decrease) in intergovernmental payables   | -                 | -                   | (271)               | (271)                                  |
| Increase in unearned revenue   | -                 | -                   | 411                 | 411                                    |
| (Decrease) in compensated absences payable   | -                 | (12,212)            | -                   | (12,212)                               |
| Increase in total other postemployment benefits payable  | -                 | 3,682               | -                   | 3,682                                  |
| (Decrease) in total pension liability - retiree subsidy  | -                 | (12,890)            | (3,345)             | (16,235)                               |
| (Decrease) in net pension liability  | -                 | (184,138)           | -                   | (184,138)                              |
| Increase in deferred inflows   | -                 | 55,782              | 6,628               | 62,410                                 |
| Total adjustments  | <u>(53,329)</u>   | <u>1,045,241</u>    | <u>138,243</u>      | <u>1,130,155</u>                       |
| <b>Net cash provided by (used for) operating activities</b>  | <b>\$ 180,523</b> | <b>\$ 3,764,997</b> | <b>\$ (603,663)</b> | <b>\$ 3,341,857</b>                    |
| <b>Noncash investing activities:</b>   |                   |                     |                     |  |
| Net increase (decrease) in fair value of investments   | \$ 98             | \$ 3,462            | \$ (501)            | \$ 3,059                               |

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# ***Internal Service Funds***

***Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and other government units, on a cost reimbursement basis.***

***Workers' Compensation Fund***      ***Accounts for the provision of workers' compensation services to departments.***

***Fleet Management Fund***      ***Accounts for funding for vehicle maintenance and replacement.***

***Information Technology & Communications Fund***      ***Accounts for funding for computer and/or communications equipment replacement.***

***Self-Insured Health***      ***Accounts for funding of the City's self-insured health plan.***

CITY OF SUNRISE, FLORIDA  
 COMBINING STATEMENT OF NET POSITION  
 INTERNAL SERVICE FUNDS  
 SEPTEMBER 30, 2019

|  | Workers'<br>Compensation | Fleet<br>Management  | Information<br>Technology &<br>Communications | Self-<br>Insured<br>Health | Total                |
|--|--------------------------|----------------------|---|----------------------------|----------------------|
| <b>ASSETS</b>  |                          |                      |   |                            |                      |
| <b>Current assets:</b>   |                          |                      |   |                            |                      |
| Cash and cash equivalents  | \$ 10,576,591            | \$ 4,125,442         | \$ 5,365,924                                  | \$ 9,102,421               | \$ 29,170,378        |
| Investments  | 1,480,712                | 699,750              | 757,114                                       | 1,195,287                  | 4,132,863            |
| Interest receivable  | 4,057                    | 1,627                | 2,106   | 3,500                      | 11,290               |
| Accounts receivable, net of allowance<br>for uncollectibles      | -                        | -                    | -   | 62,746                     | 62,746               |
| Other receivables  | -                        | 1,171                | -   | 216,411                    | 217,582              |
| Intergovernmental receivable                                     | 2,671                    | -                    | -   | -                          | 2,671                |
| Inventories  | -                        | 363,110              | -   | -                          | 363,110              |
| <b>Total current assets</b>                                      | <b>12,064,031</b>        | <b>5,191,100</b>     | <b>6,125,144</b>                              | <b>10,580,365</b>          | <b>33,960,640</b>    |
| <b>Noncurrent assets:</b>  |                          |                      |   |                            |                      |
| <b>Capital assets:</b>   |                          |                      |   |                            |                      |
| Intangibles  | -                        | 2,580                | 235,608                                       | -                          | 238,188              |
| Machinery and equipment  | -                        | 227,647              | 1,238,514                                     | -                          | 1,466,161            |
| Vehicles   | -                        | 17,705,117           | 24,769  | -                          | 17,729,886           |
| Construction in progress   | -                        | -                    | 3,849,864                                     | -                          | 3,849,864            |
| Less accumulated depreciation                                    | -                        | (7,857,524)          | (1,127,313)                                   | -                          | (8,984,837)          |
| <b>Total capital assets, net of<br/>accumulated depreciation</b> | <b>-</b>                 | <b>10,077,820</b>    | <b>4,221,442</b>                              | <b>-</b>                   | <b>14,299,262</b>    |
| <b>Total assets</b>  | <b>12,064,031</b>        | <b>15,268,920</b>    | <b>10,346,586</b>                             | <b>10,580,365</b>          | <b>48,259,902</b>    |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>                            |                          |                      |   |                            |                      |
| Other postemployment benefits                                    | -                        | 1,404                | 13,318  | -                          | 14,722               |
| Pension  | -                        | 106,583              | 1,266,177                                     | -                          | 1,372,760            |
| <b>Total deferred outflows of resources</b>                      | <b>-</b>                 | <b>107,987</b>       | <b>1,279,495</b>                              | <b>-</b>                   | <b>1,387,482</b>     |
| <b>LIABILITIES</b>   |                          |                      |   |                            |                      |
| <b>Current liabilities:</b>                                      |                          |                      |   |                            |                      |
| Accounts payable   | 8,061                    | 189,193              | 375,212                                       | 2,265                      | 574,731              |
| Accrued liabilities  | -                        | 3,770                | 47,078  | -                          | 50,848               |
| Due to other funds   | -                        | 1,766                | 2,959   | -                          | 4,725                |
| Compensated absences   | -                        | 2,305                | 39,406  | -                          | 41,711               |
| <b>Total current liabilities</b>                                 | <b>8,061</b>             | <b>197,034</b>       | <b>464,655</b>                                | <b>2,265</b>               | <b>672,015</b>       |
| <b>Noncurrent liabilities:</b>                                   |                          |                      |   |                            |                      |
| Compensated absences   | -                        | 25,003               | 253,796                                       | -                          | 278,799              |
| Net pension liability  | -                        | 298,483              | 3,563,122                                     | -                          | 3,861,605            |
| Total pension liability - retiree subsidy                        | -                        | 106,958              | 1,016,235                                     | -                          | 1,123,193            |
| Total other postemployment benefits                              | -                        | 57,953               | 547,728                                       | -                          | 605,681              |
| Claims and judgments   | 3,551,594                | -                    | -   | -                          | 3,551,594            |
| <b>Total noncurrent liabilities</b>                              | <b>3,551,594</b>         | <b>488,397</b>       | <b>5,380,881</b>                              | <b>-</b>                   | <b>9,420,872</b>     |
| <b>Total liabilities</b>   | <b>3,559,655</b>         | <b>685,431</b>       | <b>5,845,536</b>                              | <b>2,265</b>               | <b>10,092,887</b>    |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                             |                          |                      |   |                            |                      |
| Other postemployment benefits                                    | -                        | 5,614                | 53,433  | -                          | 59,047               |
| Pension  | -                        | 39,747               | 418,014                                       | -                          | 457,761              |
| <b>Total deferred inflows of resources</b>                       | <b>-</b>                 | <b>45,361</b>        | <b>471,447</b>                                | <b>-</b>                   | <b>516,808</b>       |
| <b>NET POSITION</b>  |                          |                      |   |                            |                      |
| Investment in capital assets                                     | -                        | 10,067,576           | 4,006,698                                     | -                          | 14,074,274           |
| Unrestricted   | 8,504,376                | 4,578,539            | 1,302,400                                     | 10,578,100                 | 24,963,415           |
| <b>Total net position</b>  | <b>\$ 8,504,376</b>      | <b>\$ 14,646,115</b> | <b>\$ 5,309,098</b>                           | <b>\$ 10,578,100</b>       | <b>\$ 39,037,689</b> |

CITY OF SUNRISE, FLORIDA  
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
 INTERNAL SERVICE FUNDS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2019

|  | Workers'<br>Compensation | Fleet<br>Management  | Information<br>Technology &<br>Communications | Self-<br>Insured<br>Health | Total                |
|--|--------------------------|----------------------|---|----------------------------|----------------------|
| <b>Operating revenues:</b>             |                          |                      |   |                            |                      |
| <b>Charges for sales and services:</b> |                          |                      |   |                            |                      |
| Service charges                        | \$ 671,500               | \$ 4,303,400         | \$ 6,913,090                                  | \$ 15,626,243              | \$ 27,514,233        |
| <b>Operating expenses:</b>             |                          |                      |   |                            |                      |
| <b>Costs of sales and services:</b>    |                          |                      |   |                            |                      |
| Power, water and wastewater purchases  | -                        | 33,685               | -   | -                          | 33,685               |
| Materials and supplies                 | -                        | 1,155,575            | 52,076  | -                          | 1,207,651            |
| Repairs and maintenance                | -                        | 2,064,841            | 123,346                                       | -                          | 2,188,187            |
| Salaries, wages and employee benefits  | -                        | 256,805              | 3,111,543                                     | -                          | 3,368,348            |
| Insurance and other expenses           | 491,087                  | 53,942               | 2,191,894                                     | 1,619,913                  | 4,356,836            |
| Claims expense                         | 120,753                  | -                    | -   | 14,060,578                 | 14,181,331           |
| Depreciation and amortization          | -                        | 1,577,514            | 275,113                                       | -                          | 1,852,627            |
| Total operating expenses               | <u>611,840</u>           | <u>5,142,362</u>     | <u>5,753,972</u>                              | <u>15,680,491</u>          | <u>27,188,665</u>    |
| Operating income (loss)                | <u>59,660</u>            | <u>(838,962)</u>     | <u>1,159,118</u>                              | <u>(54,248)</u>            | <u>325,568</u>       |
| <b>Non-operating revenues:</b>         |                          |                      |   |                            |                      |
| Investment earnings                    | 283,195                  | 140,313              | 142,878                                       | 221,928                    | 788,314              |
| Gain (loss) on sale of capital assets  | -                        | (25,375)             | (1,661)                                       | -                          | (27,036)             |
| Other                                  | 236,829                  | 69,092               | 210   | 1,688,109                  | 1,994,240            |
| Total non-operating revenues           | <u>520,024</u>           | <u>184,030</u>       | <u>141,427</u>                                | <u>1,910,037</u>           | <u>2,755,518</u>     |
| Change in net position                 | 579,684                  | (654,932)            | 1,300,545                                     | 1,855,789                  | 3,081,086            |
| Total net position - beginning         | <u>7,924,692</u>         | <u>15,301,047</u>    | <u>4,008,553</u>                              | <u>8,722,311</u>           | <u>35,956,603</u>    |
| Total net position - ending            | <u>\$ 8,504,376</u>      | <u>\$ 14,646,115</u> | <u>\$ 5,309,098</u>                           | <u>\$ 10,578,100</u>       | <u>\$ 39,037,689</u> |

CITY OF SUNRISE, FLORIDA  
 COMBINING STATEMENT OF CASH FLOWS  
 INTERNAL SERVICE FUNDS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2019

|   | Workers'<br>Compensation | Fleet<br>Management | Information<br>Technology &<br>Communications | Self-Insured<br>Health | Total<br>Internal<br>Service<br>Funds |
|---|--------------------------|---------------------|---|------------------------|---------------------------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                     |                          |                     |   |                        |                                       |
| Receipts from customers and users                               | \$ 671,500               | \$ 4,303,400        | \$ 6,913,090                                  | \$ 15,618,078          | \$ 27,506,068                         |
| Payments to suppliers   | (1,301,574)              | (3,558,280)         | (2,315,418)                                   | (14,066,434)           | (21,241,706)                          |
| Payments to and for employees                                   | -                        | (239,901)           | (2,915,416)                                   | -                      | (3,155,317)                           |
| Net cash provided by (used for) operating activities            | <u>(630,074)</u>         | <u>505,219</u>      | <u>1,682,256</u>                              | <u>1,551,644</u>       | <u>3,109,045</u>                      |
| <b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>          |                          |                     |   |                        |                                       |
| Transfer from other funds                                       | -                        | -                   | -   | -                      | -                                     |
| Transfer to other funds   | -                        | -                   | -   | -                      | -                                     |
| Net cash provided by (used for) noncapital financing activities | <u>-</u>                 | <u>-</u>            | <u>-</u>                                      | <u>-</u>               | <u>-</u>                              |
| <b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b> |                          |                     |   |                        |                                       |
| Acquisition and construction of capital assets                  | -                        | (2,085,818)         | (886,438)                                     | -                      | (2,972,256)                           |
| Proceeds from sales of capital assets                           | -                        | 3,100               | -   | -                      | 3,100                                 |
| Net cash (used for) capital and related financing activities    | <u>-</u>                 | <u>(2,082,718)</u>  | <u>(886,438)</u>                              | <u>-</u>               | <u>(2,969,156)</u>                    |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                     |                          |                     |   |                        |                                       |
| Proceeds from sales and maturities of investments               | 1,372,004                | 869,040             | 662,815                                       | 879,538                | 3,783,397                             |
| Purchase of investments   | (1,216,160)              | (595,426)           | (663,749)                                     | (1,031,412)            | (3,506,747)                           |
| Interest and dividends received                                 | 282,400                  | 138,523             | 143,639                                       | 223,469                | 788,031                               |
| Net cash provided by investing activities                       | <u>438,244</u>           | <u>412,137</u>      | <u>142,705</u>                                | <u>71,595</u>          | <u>1,064,681</u>                      |
| Net increase (decrease) in cash and cash equivalents            | (191,830)                | (1,165,362)         | 938,523                                       | 1,623,239              | 1,204,570                             |
| Cash and cash equivalents, September 30, 2018                   | <u>10,768,421</u>        | <u>5,290,804</u>    | <u>4,427,401</u>                              | <u>7,479,182</u>       | <u>27,965,808</u>                     |
| Cash and cash equivalents, September 30, 2019                   | <u>\$ 10,576,591</u>     | <u>\$ 4,125,442</u> | <u>\$ 5,365,924</u>                           | <u>\$ 9,102,421</u>    | <u>\$ 29,170,378</u>                  |

|  | <u>Workers'</u><br><u>Compensation</u> | <u>Fleet</u><br><u>Management</u> | <u>Information</u><br><u>Technology &amp;</u><br><u>Communications</u> | <u>Self-Insured</u><br><u>Health</u> | <u>Total</u><br><u>Internal</u><br><u>Service</u><br><u>Funds</u> |
|--|--|-----------------------------------|--|--------------------------------------|---|
| <b>Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:</b>        |  |                                   |  |                                      |   |
| Operating income (loss)  | \$ 59,660                              | \$ (838,962)                      | \$ 1,159,118   | \$ (54,248)                          | \$ 325,568  |
| <b>Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:</b> |  |                                   |  |                                      |   |
| Miscellaneous non-operating income   | 236,829                                | 69,092                            | 210  | 1,688,109                            | 1,994,240   |
| Depreciation and amortization expense  | -                                      | 1,577,514                         | 275,113  | -                                    | 1,852,627   |
| (Increase) in accounts receivable  | -                                      | -                                 | -  | (8,165)                              | (8,165)   |
| (Increase) decrease in other receivables   | -                                      | 5,707                             | -  | (62,250)                             | (56,543)  |
| Decrease in intergovernmental receivables  | -                                      | 1,574                             | -  | -                                    | 1,574   |
| (Increase) in inventories  | -                                      | (12,443)                          | -  | -                                    | (12,443)  |
| Decrease in prepaid items  | 1,750                                  | -                                 | 1,575  | -                                    | 3,325   |
| Decrease in deferred outflows  | -                                      | 27,326                            | 259,246  | -                                    | 286,572   |
| Increase (decrease) in accounts payable  | (2,907)                                | (315,581)                         | 50,113   | (11,802)                             | (280,177)   |
| Increase in accrued liabilities  | -                                      | 588                               | 14,257   | -                                    | 14,845  |
| Increase (decrease) in due to other funds  | -                                      | 1,467                             | (109)  | -                                    | 1,358   |
| Increase in compensated absences payable   | -                                      | 887                               | 35,537   | -                                    | 36,424  |
| Increase in total other postemployment benefits payable  | -                                      | 314                               | 3,034  | -                                    | 3,348   |
| (Decrease) in total pension liability - retiree subsidy  | -                                      | (1,101)                           | (10,606)   | -                                    | (11,707)  |
| (Decrease) in net pension liability  | -                                      | (15,940)                          | (151,158)  | -                                    | (167,098)   |
| Increase in deferred inflows   | -                                      | 4,777                             | 45,926   | -                                    | 50,703  |
| (Decrease) in claims and judgments   | (925,406)                              | -                                 | -  | -                                    | (925,406)   |
| Total adjustments  | <u>(689,734)</u>                       | <u>1,344,181</u>                  | <u>523,138</u>   | <u>1,605,892</u>                     | <u>2,783,477</u>  |
| <b>Net cash provided by (used for) operating activities</b>  | <b>\$ (630,074)</b>                    | <b>\$ 505,219</b>                 | <b>\$ 1,682,256</b>  | <b>\$ 1,551,644</b>                  | <b>\$ 3,109,045</b>   |
| <b>Noncash investing activities:</b>   |  |                                   |  |                                      |   |
| Net increase in fair value of investments  | \$ 7,220                               | \$ 5,501                          | \$ 1,576   | \$ 2,220                             | \$ 16,517   |



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# ***Fiduciary Funds***

## ***Pension Trusts and Agency Funds***

***Pension trust funds are used to report resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans, defined contribution plans, other postemployment benefit plans, or other employee benefit plans. Agency funds are used to account for short-term custodial collections on resources on behalf of another individual, entity, or government.***

***General Employees',  
Police Officers' and  
Firefighters' Pension  
Trust Funds***

***Accounts for the accumulation of resources to be used for retirement benefit payments to City employees.***

***Special Assessment  
Agency Fund***

***Accounts for the accumulation of resources from special assessments to be used for principal and interest payments for the Special Assessment bonds, Series 2015.***

CITY OF SUNRISE, FLORIDA  
 COMBINING STATEMENT OF FIDUCIARY NET POSITION  
 FIDUCIARY FUNDS  
 SEPTEMBER 30, 2019

|                                       | <u>Employee Retirement Funds</u>          |   |                                  |  |   |
|---------------------------------------|---|---|----------------------------------|--|---|
|                                       | <u>General<br/>Employees'<br/>Pension</u> | <u>Police<br/>Officers'<br/>Pension</u> | <u>Firefighters'<br/>Pension</u> | <u>Total<br/>Pension<br/>Trust<br/>Funds</u> | <u>Special<br/>Assessment<br/>Agency<br/>Fund</u> |
| <b>ASSETS</b>                         |   |   |                                  |  |   |
| Cash and cash equivalents             | \$ 2,005,372                              | \$ 2,020,964                            | \$ -                             | \$ 4,026,336                                 | \$ 6,748,852                                      |
| Receivable from sale of securities    | -   | 25,584                                  | 280,087                          | 305,671                                      | -   |
| Interest and dividends receivable     | 24,708                                    | 312,427                                 | 202,889                          | 540,024                                      | -   |
| Due from other funds                  | 71,369                                    | 59,045                                  | 48,083                           | 178,497                                      | -   |
| Other receivables                     | 61  | -                                       | -                                | 61   | -   |
| Investments:                          |   |   |                                  |  |   |
| Money market funds                    | -   | -                                       | 3,674,298                        | 3,674,298                                    | -   |
| U.S. government and agency securities | -   | 19,302,149                              | 9,630,985                        | 28,933,134                                   | -   |
| Corporate bonds                       | -   | 29,218,063                              | 3,883,933                        | 33,101,996                                   | -   |
| Mutual funds                          | 132,534,640                               | -                                       | 45,581,266                       | 178,115,906                                  | -   |
| Common stocks                         | 23,709,846                                | 80,617,866                              | 52,286,836                       | 156,614,548                                  | -   |
| International equity funds            | 32,260,664                                | 13,867,277                              | 9,522,760                        | 55,650,701                                   | -   |
| Commingled real estate funds          | 33,689,598                                | 12,749,281                              | 21,508,488                       | 67,947,367                                   | -   |
| Total investments                     | <u>222,194,748</u>                        | <u>155,754,636</u>                      | <u>146,088,566</u>               | <u>524,037,950</u>                           | <u>-</u>  |
| Prepaid items                         | -   | 642,146                                 | -                                | 642,146                                      | -   |
| Total assets                          | <u>224,296,258</u>                        | <u>158,814,802</u>                      | <u>146,619,625</u>               | <u>529,730,685</u>                           | <u>6,748,852</u>                                  |
| <b>LIABILITIES</b>                    |   |   |                                  |  |   |
| Deposits held for others              | -   | -                                       | -                                | -  | 6,748,852   |
| Accounts payable                      | 219,197                                   | 177,388                                 | 106,479                          | 503,064                                      | -   |
| Payable for purchase of securities    | -   | 1,999                                   | 262,806                          | 264,805                                      | -   |
| Total liabilities                     | <u>219,197</u>                            | <u>179,387</u>                          | <u>369,285</u>                   | <u>767,869</u>                               | <u>6,748,852</u>                                  |
| <b>NET POSITION</b>                   |   |   |                                  |  |   |
| Restricted for pensions               | <u>\$ 224,077,061</u>                     | <u>\$ 158,635,415</u>                   | <u>\$ 146,250,340</u>            | <u>\$ 528,962,816</u>                        |   |

CITY OF SUNRISE, FLORIDA  
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
 FIDUCIARY FUNDS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2019

|   | Employee Retirement Funds        |                                |                          |                                 |
|---|----------------------------------|--------------------------------|--------------------------|---------------------------------|
|   | General<br>Employees'<br>Pension | Police<br>Officers'<br>Pension | Firefighters'<br>Pension | Total<br>Pension Trust<br>Funds |
| <b>ADDITIONS</b>                              |                                  |                                |                          |                                 |
| <b>Contributions:</b>                         |                                  |                                |                          |                                 |
| Employer                                      | \$ 13,530,354                    | \$ 10,207,194                  | \$ 6,279,661             | \$ 30,017,209                   |
| Plan members                                  | 3,306,287                        | 1,686,187                      | 1,341,475                | 6,333,949                       |
| Other sources                                 | -                                | 858,107                        | 821,826                  | 1,679,933                       |
| <b>Total contributions</b>                    | <b>16,836,641</b>                | <b>12,751,488</b>              | <b>8,442,962</b>         | <b>38,031,091</b>               |
| <b>Investment earnings:</b>                   |                                  |                                |                          |                                 |
| Interest                                      | 14,627                           | 2,225,178                      | 844,924                  | 3,084,729                       |
| Dividends                                     | 3,795,829                        | 1,531,954                      | 1,991,043                | 7,318,826                       |
| Net appreciation in fair value of investments | 4,024,123                        | 1,980,974                      | 3,797,398                | 9,802,495                       |
| Other   | 2,833                            | 6,128                          | 11,158                   | 20,119                          |
| <b>Total investment earnings</b>              | <b>7,837,412</b>                 | <b>5,744,234</b>               | <b>6,644,523</b>         | <b>20,226,169</b>               |
| Less investment expense                       | 798,060                          | 528,897                        | 704,670                  | 2,031,627                       |
| <b>Net investment earnings</b>                | <b>7,039,352</b>                 | <b>5,215,337</b>               | <b>5,939,853</b>         | <b>18,194,542</b>               |
| <b>Total additions</b>                        | <b>23,875,993</b>                | <b>17,966,825</b>              | <b>14,382,815</b>        | <b>56,225,633</b>               |
| <b>DEDUCTIONS</b>                             |                                  |                                |                          |                                 |
| Benefits                                      | 17,985,794                       | 10,271,348                     | 14,163,770               | 42,420,912                      |
| Refunds of contributions                      | 174,405                          | 13,426                         | 6,194                    | 194,025                         |
| Administrative expenses                       | 190,238                          | 292,849                        | 199,780                  | 682,867                         |
| <b>Total deductions</b>                       | <b>18,350,437</b>                | <b>10,577,623</b>              | <b>14,369,744</b>        | <b>43,297,804</b>               |
| <b>Change in net position</b>                 | <b>5,525,556</b>                 | <b>7,389,202</b>               | <b>13,071</b>            | <b>12,927,829</b>               |
| <b>Net position - beginning</b>               | <b>218,551,505</b>               | <b>151,246,213</b>             | <b>146,237,269</b>       | <b>516,034,987</b>              |
| <b>Net position - ending</b>                  | <b>\$ 224,077,061</b>            | <b>\$ 158,635,415</b>          | <b>\$ 146,250,340</b>    | <b>\$ 528,962,816</b>           |

CITY OF SUNRISE, FLORIDA  
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 AGENCY FUND  
 FOR THE YEAR ENDED SEPTEMBER 30, 2019

|                           | <u>Balance</u><br><u>September 30, 2018</u> | <u>Additions</u>    | <u>Deductions</u>   | <u>Balance</u><br><u>September 30, 2019</u> |
|---------------------------|---|---------------------|---------------------|---|
| <b>ASSETS</b>             |   |                     |                     |   |
| Cash and cash equivalents | \$ 6,676,021                                | \$ 4,855,309        | \$ 4,782,478        | \$ 6,748,852                                |
| Total assets              | <u>\$ 6,676,021</u>                         | <u>\$ 4,855,309</u> | <u>\$ 4,782,478</u> | <u>\$ 6,748,852</u>                         |
| <b>LIABILITIES</b>        |   |                     |                     |   |
| Deposits held for others  | \$ 6,676,021                                | \$ 4,855,709        | \$ 4,782,878        | \$ 6,748,852                                |
| Total liabilities         | <u>\$ 6,676,021</u>                         | <u>\$ 4,855,709</u> | <u>\$ 4,782,878</u> | <u>\$ 6,748,852</u>                         |

***Section III***  
***City of Sunrise, Florida***  
***Statistical Section***  
***(unaudited)***

## Statistical Section

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

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| <i>These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.</i>  |             |
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| <i>These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.</i>  |             |
| <b>Debt Capacity</b>  | 146         |
| <i>These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.</i>                    |             |
| <b>Demographic and Economic Information</b>   | 150         |
| <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.</i>   |             |
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| <i>These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.</i> |             |

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

SCHEDULE 1  
CITY OF SUNRISE, FLORIDA  
NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS  
(accrual basis of accounting)

|  | FISCAL YEAR           |                       |                       |                       |                       |                       |                       |                       |                       |                       |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|  | 2019                  | 2018                  | 2017                  | 2016                  | 2015                  | 2014                  | 2013                  | 2012                  | 2011                  | 2010                  |
| <b>Governmental activities:</b>                    |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Net investment in capital assets                   | \$ 176,946,348        | \$ 162,750,766        | \$ 140,789,661        | \$ 216,939,533        | \$ 168,525,248        | \$ 161,496,469        | \$ 172,578,594        | \$ 149,534,658        | \$ 155,481,156        | \$ 142,039,078        |
| Restricted   | 74,232,350            | 91,307,048            | 115,510,156           | 46,042,385            | 93,706,809            | 8,471,002             | 8,570,447             | 12,970,864            | 14,338,760            | 14,748,436            |
| Unrestricted (2) (3) (4)                           | (63,459,412)          | (72,061,847)          | (60,686,131)          | (54,188,498)          | (59,704,740)          | (30,731,825)          | 72,083,680            | 94,285,475            | 102,909,539           | 131,178,114           |
| <b>Total governmental activities net position</b>  | <b>\$ 187,719,286</b> | <b>\$ 181,995,967</b> | <b>\$ 195,613,686</b> | <b>\$ 208,793,420</b> | <b>\$ 202,527,317</b> | <b>\$ 139,235,646</b> | <b>\$ 253,232,721</b> | <b>\$ 256,790,997</b> | <b>\$ 272,729,455</b> | <b>\$ 287,965,628</b> |
| <b>Business-type activities:</b>                   |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Net investment in capital assets                   | \$ 235,858,900        | \$ 219,579,021        | \$ 201,581,451        | \$ 198,835,364        | \$ 187,354,916        | \$ 194,208,810        | \$ 195,615,586        | \$ 205,103,917        | \$ 215,951,117        | \$ 225,849,507        |
| Restricted   | 101,960,567           | 117,890,941           | 108,974,616           | 135,887,097           | 139,944,842           | 142,517,366           | 59,799,505            | 46,285,671            | 34,052,302            | 31,477,214            |
| Unrestricted (2) (3) (4)                           | 141,853,261           | 103,253,120           | 98,900,197            | 52,142,150            | 31,966,077            | (5,367,597)           | 80,932,037            | 72,518,710            | 60,828,007            | 34,252,389            |
| <b>Total business-type activities net position</b> | <b>\$ 479,672,728</b> | <b>\$ 440,723,082</b> | <b>\$ 409,456,264</b> | <b>\$ 386,864,611</b> | <b>\$ 359,265,835</b> | <b>\$ 331,358,579</b> | <b>\$ 336,347,128</b> | <b>\$ 323,908,298</b> | <b>\$ 310,831,426</b> | <b>\$ 291,579,110</b> |
| <b>Total:</b>                                      |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Net investment in capital assets (1)               | \$ 412,805,248        | \$ 382,329,787        | \$ 342,371,112        | \$ 415,774,897        | \$ 355,880,164        | \$ 355,705,279        | \$ 368,194,180        | \$ 354,638,575        | \$ 371,432,273        | \$ 367,888,585        |
| Restricted   | 176,192,917           | 209,197,989           | 224,484,772           | 181,929,482           | 233,651,651           | 150,988,368           | 68,369,952            | 59,256,535            | 48,391,062            | 46,225,650            |
| Unrestricted (2) (3) (4)                           | 78,393,849            | 31,191,273            | 38,214,066            | (2,046,348)           | (27,738,663)          | (36,099,422)          | 153,015,717           | 166,804,185           | 163,737,546           | 165,430,503           |
| <b>Total net position</b>                          | <b>\$ 667,392,014</b> | <b>\$ 622,719,049</b> | <b>\$ 605,069,950</b> | <b>\$ 595,658,031</b> | <b>\$ 561,793,152</b> | <b>\$ 470,594,225</b> | <b>\$ 589,579,849</b> | <b>\$ 580,699,295</b> | <b>\$ 583,560,881</b> | <b>\$ 579,544,738</b> |

- (1) Fiscal year 2012 net investment in capital assets has been restated due to the implementation of GASB 63 and 65.  
(2) Fiscal year 2014 unrestricted net position has been restated due to the implementation of GASB 68.  
(3) Fiscal year 2016 unrestricted net position has been restated due to the implementation of GASB 73.  
(4) Fiscal year 2017 unrestricted net position has been restated due to the implementation of GASB 75.



SCHEDULE 2  
CITY OF SUNRISE, FLORIDA  
CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
(accrual basis of accounting)

|  | FISCAL YEAR            |                        |                        |                        |                       |                        |                        |                        |                        |                        |
|--|------------------------|------------------------|------------------------|------------------------|-----------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
|  | 2019                   | 2018                   | 2017                   | 2016                   | 2015                  | 2014                   | 2013                   | 2012                   | 2011                   | 2010                   |
| <b>EXPENSES</b>  |                        |                        |                        |                        |                       |                        |                        |                        |                        |                        |
| <b>Governmental activities:</b>                        |                        |                        |                        |                        |                       |                        |                        |                        |                        |                        |
| General government                                     | \$ 31,927,104          | \$ 35,327,180          | \$ 30,422,154          | 26,389,946             | \$ 26,785,702         | \$ 22,117,132          | \$ 21,971,961          | \$ 22,165,444          | \$ 19,697,928          | \$ 20,082,293          |
| Public safety  | 91,538,016             | 91,328,642             | 86,838,184             | 82,501,264             | 76,420,597            | 75,725,531             | 73,437,952             | 73,391,974             | 69,634,438             | 64,437,920             |
| Physical environment                                   | 4,316                  | 96,856                 | 15,655                 | 17,439                 | 19,213                | -                      | 26                     | -                      | 58,450                 | -                      |
| Economic development                                   | 446,567                | 881,688                | 823,732                | 986,907                | 783,130               | 1,450,739              | 2,163,364              | 3,509,823              | 3,394,166              | 4,809,338              |
| Human services   | -                      | -                      | -                      | -                      | -                     | -                      | 5,891                  | 38,434                 | 5,709                  | 30,911                 |
| Transportation   | 9,001,119              | 10,357,065             | 10,446,155             | 8,629,081              | 11,208,805            | 11,112,617             | 13,415,518             | 15,108,537             | 16,038,739             | 16,280,932             |
| Culture and recreation                                 | 16,048,127             | 16,134,161             | 14,782,395             | 14,240,291             | 15,114,540            | 15,069,953             | 13,903,513             | 14,325,266             | 13,672,035             | 13,564,626             |
| Interest on long-term debt                             | 1,707,963              | 1,847,100              | 1,981,013              | 2,138,958              | 3,520,704             | 860,394                | 2,986,064              | 3,308,802              | 3,766,241              | 4,173,836              |
| <b>Total governmental activities expenses</b>          | <b>150,673,212</b>     | <b>155,972,692</b>     | <b>145,309,288</b>     | <b>134,903,886</b>     | <b>133,852,691</b>    | <b>126,336,366</b>     | <b>127,884,289</b>     | <b>131,848,280</b>     | <b>126,267,706</b>     | <b>123,379,856</b>     |
| <b>Business-type activities:</b>                       |                        |                        |                        |                        |                       |                        |                        |                        |                        |                        |
| Water and wastewater                                   | 90,309,770             | 90,488,937             | 87,002,721             | 82,886,168             | 80,097,871            | 74,498,032             | 76,928,227             | 75,555,668             | 70,525,696             | 66,756,884             |
| Gas  | 7,533,228              | 7,613,124              | 7,168,302              | 6,464,051              | 6,483,831             | 7,028,195              | 6,501,671              | 6,074,455              | 6,591,254              | 6,871,911              |
| Sanitation   | 12,295,078             | 12,667,652             | 11,700,774             | 10,809,059             | 10,475,071            | 10,072,501             | 11,875,547             | 12,253,967             | 14,048,290             | 14,508,602             |
| Recycling  | 930,628                | 899,350                | 885,638                | 853,151                | 815,541               | 853,629                | 571,219                | 518,729                | 545,524                | 559,919                |
| Stormwater   | 5,027,770              | 5,038,372              | 4,367,175              | 4,637,636              | 4,239,043             | 4,100,658              | 2,060,696              | 2,372,426              | 2,169,113              | 2,181,131              |
| Golf course  | 1,845,786              | 1,832,889              | 1,848,015              | 1,862,669              | 1,910,545             | 1,957,715              | 1,933,471              | 1,893,322              | 1,848,000              | 832,053                |
| <b>Total business-type activities expenses</b>         | <b>117,942,260</b>     | <b>118,540,324</b>     | <b>112,972,625</b>     | <b>107,512,734</b>     | <b>104,021,902</b>    | <b>98,510,730</b>      | <b>99,870,831</b>      | <b>98,668,567</b>      | <b>95,727,877</b>      | <b>91,710,500</b>      |
| <b>Total expenses</b>                                  | <b>\$ 268,615,472</b>  | <b>\$ 274,513,016</b>  | <b>\$ 258,281,913</b>  | <b>\$ 242,416,620</b>  | <b>\$ 237,874,593</b> | <b>\$ 224,847,096</b>  | <b>\$ 227,755,120</b>  | <b>\$ 230,516,847</b>  | <b>\$ 221,995,583</b>  | <b>\$ 215,090,356</b>  |
| <b>PROGRAM REVENUES</b>                                |                        |                        |                        |                        |                       |                        |                        |                        |                        |                        |
| <b>Governmental activities:</b>                        |                        |                        |                        |                        |                       |                        |                        |                        |                        |                        |
| <b>Charges for services:</b>                           |                        |                        |                        |                        |                       |                        |                        |                        |                        |                        |
| General government                                     | \$ 10,376,703          | \$ 9,145,264           | \$ 11,364,179          | \$ 9,944,340           | \$ 10,742,083         | \$ 7,798,806           | \$ 6,664,836           | \$ 6,714,210           | \$ 6,461,395           | \$ 5,752,065           |
| Public safety  | 27,527,437             | 26,207,627             | 25,119,770             | 28,021,610             | 23,424,381            | 25,267,766             | 23,379,743             | 20,243,787             | 17,010,389             | 15,803,017             |
| Physical environment                                   | 16,886,268             | 16,411,600             | 15,736,071             | 14,918,466             | 14,756,282            | 13,853,068             | 13,400,272             | 12,470,134             | 11,966,332             | 11,953,369             |
| Transportation   | 46,575                 | 46,056                 | 28,996                 | 79,167                 | 67,284                | 88,959                 | 52,509                 | 80,922                 | 56,145                 | 25,005                 |
| Culture and recreation                                 | 1,743,697              | 1,610,220              | 1,623,907              | 1,680,726              | 1,714,226             | 1,477,256              | 1,391,195              | 1,249,751              | 1,158,463              | 1,115,163              |
| Operating grants and contributions                     | 8,137,020              | 7,481,798              | 6,165,221              | 6,352,861              | 6,170,818             | 9,379,731              | 7,810,672              | 8,465,070              | 10,163,701             | 5,717,742              |
| Capital grants and contributions                       | 2,615,910              | 2,602,807              | 3,026,237              | 2,373,611              | 65,245,338            | 2,181,943              | 2,179,024              | 1,487,777              | 2,055,863              | 1,731,426              |
| <b>Total governmental activities program revenues</b>  | <b>67,333,610</b>      | <b>63,505,372</b>      | <b>63,064,381</b>      | <b>63,370,781</b>      | <b>122,120,412</b>    | <b>60,047,529</b>      | <b>54,878,251</b>      | <b>50,711,651</b>      | <b>48,872,288</b>      | <b>42,097,787</b>      |
| <b>Business-type activities:</b>                       |                        |                        |                        |                        |                       |                        |                        |                        |                        |                        |
| <b>Charges for services:</b>                           |                        |                        |                        |                        |                       |                        |                        |                        |                        |                        |
| Water and wastewater                                   | 118,985,353            | 115,575,194            | 112,866,419            | 107,956,039            | 102,977,721           | 97,709,023             | 93,518,987             | 86,481,462             | 82,899,507             | 81,881,749             |
| Gas  | 8,134,385              | 8,049,019              | 7,645,822              | 6,917,521              | 7,511,570             | 7,785,045              | 7,318,596              | 7,041,104              | 7,524,819              | 7,808,387              |
| Sanitation   | 12,256,133             | 12,700,783             | 11,234,023             | 9,905,560              | 9,596,577             | 9,202,805              | 11,545,708             | 11,446,027             | 13,272,614             | 13,729,802             |
| Recycling  | 1,164,656              | 1,149,864              | 1,128,378              | 1,163,315              | 1,141,180             | 1,109,183              | 1,068,927              | 178,435                | 175,689                | 175,078                |
| Stormwater   | 7,785,773              | 7,526,854              | 7,225,952              | 6,855,996              | 6,440,263             | 6,214,993              | 4,303,188              | 4,237,157              | 4,054,391              | 4,072,545              |
| Golf course  | 1,133,982              | 994,406                | 959,209                | 1,072,826              | 1,134,232             | 1,149,913              | 1,106,185              | 987,789                | 893,641                | 36,176                 |
| Operating grants and contributions                     | -                      | 5,503                  | 33,301                 | 264,976                | -                     | -                      | -                      | -                      | -                      | -                      |
| Capital grants and contributions                       | 1,366,529              | 4,398,270              | 3,295,284              | 4,843,538              | 3,553,989             | 2,359,667              | 1,018,658              | 337,687                | 1,952,079              | 998,783                |
| <b>Total business-type activities program revenues</b> | <b>150,826,811</b>     | <b>150,399,893</b>     | <b>144,388,388</b>     | <b>138,979,771</b>     | <b>132,355,532</b>    | <b>125,530,629</b>     | <b>119,880,249</b>     | <b>110,709,661</b>     | <b>110,772,740</b>     | <b>108,702,520</b>     |
| <b>Total program revenues</b>                          | <b>\$ 218,160,421</b>  | <b>\$ 213,905,265</b>  | <b>\$ 207,452,769</b>  | <b>\$ 202,350,552</b>  | <b>\$ 254,475,944</b> | <b>\$ 185,578,158</b>  | <b>\$ 174,758,500</b>  | <b>\$ 161,421,312</b>  | <b>\$ 159,645,028</b>  | <b>\$ 150,800,307</b>  |
| <b>NET (EXPENSE)/REVENUE</b>                           |                        |                        |                        |                        |                       |                        |                        |                        |                        |                        |
| Governmental activities                                | \$ (83,339,602)        | \$ (92,467,320)        | \$ (82,244,907)        | \$ (71,533,105)        | \$ (11,732,279)       | \$ (66,288,837)        | \$ (73,006,038)        | \$ (81,136,629)        | \$ (77,395,418)        | \$ (81,282,069)        |
| Business-type activities                               | 32,884,551             | 31,859,569             | 31,415,763             | 31,467,037             | 28,333,630            | 27,019,899             | 20,009,418             | 12,041,094             | 15,044,863             | 16,992,020             |
| <b>Total (expense)/revenue</b>                         | <b>\$ (50,455,051)</b> | <b>\$ (60,607,751)</b> | <b>\$ (50,829,144)</b> | <b>\$ (40,066,068)</b> | <b>\$ 16,601,351</b>  | <b>\$ (39,268,938)</b> | <b>\$ (52,996,620)</b> | <b>\$ (69,095,535)</b> | <b>\$ (62,350,555)</b> | <b>\$ (64,290,049)</b> |

SCHEDULE 2  
CITY OF SUNRISE, FLORIDA  
CHANGES IN NET POSITION, continued  
LAST TEN FISCAL YEARS  
(accrual basis of accounting)

|  | FISCAL YEAR          |                      |                      |                      |                      |                      |                      |                      |                      |                       |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|-----------------------|
|  | 2019                 | 2018                 | 2017                 | 2016                 | 2015                 | 2014                 | 2013                 | 2012                 | 2011                 | 2010                  |
| <b>GENERAL REVENUES AND OTHER CHANGES IN NET POSITION</b>    |                      |                      |                      |                      |                      |                      |                      |                      |                      |                       |
| Governmental activities:                                     |                      |                      |                      |                      |                      |                      |                      |                      |                      |                       |
| Taxes:   |                      |                      |                      |                      |                      |                      |                      |                      |                      |                       |
| Property taxes   | \$ 47,472,021        | \$ 44,375,078        | \$ 40,933,847        | \$ 38,118,401        | \$ 33,486,368        | \$ 31,708,055        | \$ 30,726,477        | \$ 30,485,081        | \$ 31,323,739        | \$ 36,137,516         |
| Insurance premium taxes                                      | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    | 1,277,851            | 1,372,490             |
| Utility service tax  | 10,272,645           | 10,117,314           | 9,773,155            | 9,469,694            | 9,242,584            | 9,047,000            | 8,392,172            | 7,928,732            | 7,656,725            | 7,688,446             |
| Communications services tax                                  | 3,050,927            | 3,013,094            | 3,280,405            | 3,083,443            | 3,557,460            | 3,017,207            | 4,251,293            | 4,237,582            | 4,365,158            | 4,880,665             |
| Local business tax   | 2,208,339            | 2,257,857            | 2,334,836            | 2,313,203            | 2,217,511            | 2,426,731            | 2,352,391            | 2,138,637            | 2,196,298            | 2,158,770             |
| Franchise fees   | 9,732,136            | 9,619,183            | 9,505,423            | 9,275,964            | 9,373,129            | 9,199,078            | 8,790,155            | 8,829,581            | 9,007,930            | 9,765,447             |
| Grants and contributions not restricted to specific programs | 9,047,925            | 8,948,305            | 8,402,313            | 8,223,538            | 7,900,405            | 8,078,628            | 7,556,493            | 7,176,366            | 7,177,354            | 7,248,078             |
| Unrestricted investment earnings                             | 3,761,615            | 2,424,959            | 1,376,415            | 1,090,804            | 854,372              | 181,000              | 775,628              | 1,414,724            | 1,197,371            | 2,647,362             |
| Miscellaneous  | 387,609              | 892,424              | 300,558              | 372,106              | 4,284,588            | 756,909              | 2,279,063            | 1,148,317            | 1,018,796            | 1,105,735             |
| Gain on sale of capital assets                               | 43,870               | -                    | 136                  | 269,206              | -                    | 19,849               | 29,373               | -                    | 38,873               | 30,341                |
| Extraordinary loss on defeasance of debt                     | -                    | -                    | -                    | -                    | -                    | -                    | (6,879,604)          | -                    | -                    | -                     |
| Transfers  | 3,085,834            | 3,524,053            | 3,635,132            | 5,582,849            | 4,107,533            | 7,960,905            | 11,174,321           | 1,924,193            | (312,864)            | (1,668,044)           |
| <b>Total governmental activities</b>                         | <b>89,062,921</b>    | <b>85,172,267</b>    | <b>79,542,220</b>    | <b>77,799,208</b>    | <b>75,023,950</b>    | <b>72,395,362</b>    | <b>69,447,762</b>    | <b>65,283,213</b>    | <b>64,947,231</b>    | <b>71,366,806</b>     |
| Business-type activities:                                    |                      |                      |                      |                      |                      |                      |                      |                      |                      |                       |
| Unrestricted investment earnings                             | 6,195,306            | 3,944,069            | 1,770,111            | 1,248,323            | 830,950              | 438,071              | 846,136              | 1,299,817            | 949,692              | 1,812,363             |
| Miscellaneous  | 2,955,623            | 1,305,786            | 495,230              | 466,265              | 2,850,209            | 2,842,841            | 2,757,597            | 3,540,344            | 2,944,897            | 1,176,194             |
| Extraordinary loss on early extinguishment of debt           | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    | (18,701,562)          |
| Transfers  | (3,085,834)          | (3,524,053)          | (3,635,132)          | (5,582,849)          | (4,107,533)          | (7,960,905)          | (11,174,321)         | (1,924,193)          | 312,864              | 1,668,044             |
| <b>Total business-type activities</b>                        | <b>6,065,095</b>     | <b>1,725,802</b>     | <b>(1,369,791)</b>   | <b>(3,868,261)</b>   | <b>(426,374)</b>     | <b>(4,679,993)</b>   | <b>(7,570,588)</b>   | <b>2,915,968</b>     | <b>4,207,453</b>     | <b>(14,044,961)</b>   |
| <b>Total</b>   | <b>\$ 95,128,016</b> | <b>\$ 86,898,069</b> | <b>\$ 78,172,429</b> | <b>\$ 73,930,947</b> | <b>\$ 74,597,576</b> | <b>\$ 67,715,369</b> | <b>\$ 61,877,174</b> | <b>\$ 68,199,181</b> | <b>\$ 69,154,684</b> | <b>\$ 57,321,845</b>  |
| <b>CHANGE IN NET POSITION</b>                                |                      |                      |                      |                      |                      |                      |                      |                      |                      |                       |
| Governmental activities                                      | \$ 5,723,319         | \$ (7,295,053)       | \$ (2,702,687)       | \$ 6,266,103         | \$ 63,291,671        | \$ 6,106,525         | \$ (3,558,276)       | \$ (15,853,416)      | \$ (12,448,187)      | \$ (9,915,263)        |
| Business-type activities                                     | 38,949,646           | 33,585,371           | 30,045,972           | 27,598,776           | 27,907,256           | 22,339,906           | 12,438,830           | 14,957,062           | 19,252,316           | 2,947,059             |
| <b>Total</b>   | <b>\$ 44,672,965</b> | <b>\$ 26,290,318</b> | <b>\$ 27,343,285</b> | <b>\$ 33,864,879</b> | <b>\$ 91,198,927</b> | <b>\$ 28,446,431</b> | <b>\$ 8,880,554</b>  | <b>\$ (896,354)</b>  | <b>\$ 6,804,129</b>  | <b>\$ (6,968,204)</b> |

SCHEDULE 3  
CITY OF SUNRISE, FLORIDA  
FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(modified accrual basis of accounting)

|   |           | Pre-GASB 54              |                          |                           |                           |                           |                          |                          |                          |                          |
|---|-----------|--------------------------|--------------------------|---------------------------|---------------------------|---------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
|   |           | 2010                     |                          |                           |                           |                           |                          |                          |                          |                          |
| General fund                              |           |                          |                          |                           |                           |                           |                          |                          |                          |                          |
| Reserved                                  | \$        | 781,078                  |                          |                           |                           |                           |                          |                          |                          |                          |
| Unreserved                                |           | <u>76,930,022</u>        |                          |                           |                           |                           |                          |                          |                          |                          |
| <b>Total general fund</b>                 | <b>\$</b> | <b><u>77,711,100</u></b> |                          |                           |                           |                           |                          |                          |                          |                          |
|   |           |                          |                          |                           |                           |                           |                          |                          |                          |                          |
| All other governmental funds              |           |                          |                          |                           |                           |                           |                          |                          |                          |                          |
| Reserved                                  | \$        | 1,395,685                |                          |                           |                           |                           |                          |                          |                          |                          |
| Unreserved, reported in:                  |           |                          |                          |                           |                           |                           |                          |                          |                          |                          |
| Special revenue funds                     |           | 4,569,356                |                          |                           |                           |                           |                          |                          |                          |                          |
| Debt service funds                        |           | 14,338,516               |                          |                           |                           |                           |                          |                          |                          |                          |
| Capital projects funds                    |           | <u>46,907,792</u>        |                          |                           |                           |                           |                          |                          |                          |                          |
| <b>Total all other governmental funds</b> | <b>\$</b> | <b><u>67,211,349</u></b> |                          |                           |                           |                           |                          |                          |                          |                          |
|   |           |                          |                          |                           |                           |                           |                          |                          |                          |                          |
|   |           | Post-GASB 54             |                          |                           |                           |                           |                          |                          |                          |                          |
|   |           | 2019                     | 2018                     | 2017                      | 2016                      | 2015                      | 2014                     | 2013                     | 2012                     | 2011                     |
| General fund                              |           |                          |                          |                           |                           |                           |                          |                          |                          |                          |
| Nonspendable                              | \$        | 18,622,981               | 13,224,004               | 13,226,366                | 261,915                   | 215,061                   | 789,630                  | 632,503                  | 631,062                  | 15,345,639               |
| Spendable:                                |           |                          |                          |                           |                           |                           |                          |                          |                          |                          |
| Restricted                                |           | -                        | -                        | -                         | -                         | -                         | 9,292,889                | 6,766,019                | 4,408,916                | 1,199,657                |
| Committed                                 |           | 28,648,107               | 27,086,609               | 28,885,129                | 28,949,645                | 29,072,446                | 29,623,636               | 29,382,905               | 28,628,942               | 28,615,342               |
| Assigned                                  |           | 1,640,783                | 2,040,074                | 670,109                   | 705,861                   | 426,655                   | 6,896,977                | 813,745                  | 4,784,445                | 10,067,923               |
| Unassigned                                |           | 34,878,889               | 32,522,796               | 32,180,080                | 37,435,972                | 33,500,451                | 23,444,531               | 17,062,334               | 31,546,789               | 12,329,568               |
| <b>Total general fund</b>                 | <b>\$</b> | <b><u>83,790,760</u></b> | <b><u>74,873,483</u></b> | <b><u>74,961,684</u></b>  | <b><u>67,353,393</u></b>  | <b><u>63,214,613</u></b>  | <b><u>70,047,663</u></b> | <b><u>54,657,506</u></b> | <b><u>70,000,154</u></b> | <b><u>67,558,129</u></b> |
|   |           |                          |                          |                           |                           |                           |                          |                          |                          |                          |
| All other governmental funds              |           |                          |                          |                           |                           |                           |                          |                          |                          |                          |
| Nonspendable                              | \$        | 49,336                   | 79,331                   | 64,706                    | 78,767                    | 79,889                    | 54,449                   | 41,563                   | 53,101                   | 46,009                   |
| Spendable:                                |           |                          |                          |                           |                           |                           |                          |                          |                          |                          |
| Restricted                                |           | 56,669,735               | 54,772,733               | 73,093,859                | 93,597,538                | 108,440,054               | 11,829,801               | 8,976,005                | 7,980,303                | 10,938,716               |
| Assigned                                  |           | 24,451,127               | 40,035,534               | 47,200,270                | 38,072,842                | 32,205,135                | 32,760,916               | 32,993,753               | 35,506,939               | 42,790,651               |
| Unassigned                                |           | (2,336,784)              | -                        | -                         | (95,593)                  | (41,504)                  | (49,786)                 | (40,313)                 | (203,644)                | (251,900)                |
| <b>Total all other governmental funds</b> | <b>\$</b> | <b><u>78,833,414</u></b> | <b><u>94,887,598</u></b> | <b><u>120,358,835</u></b> | <b><u>131,653,554</u></b> | <b><u>140,683,574</u></b> | <b><u>44,595,380</u></b> | <b><u>41,971,008</u></b> | <b><u>43,336,699</u></b> | <b><u>53,523,476</u></b> |

SCHEDULE 4  
CITY OF SUNRISE, FLORIDA  
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(modified accrual basis of accounting)

|  | FISCAL YEAR           |                        |                       |                       |                      |                      |                        |                       |                        |                        |
|--|-----------------------|------------------------|-----------------------|-----------------------|----------------------|----------------------|------------------------|-----------------------|------------------------|------------------------|
|  | 2019                  | 2018                   | 2017                  | 2016                  | 2015                 | 2014                 | 2013                   | 2012                  | 2011                   | 2010                   |
| <b>REVENUES</b>  |                       |                        |                       |                       |                      |                      |                        |                       |                        |                        |
| Taxes  | \$ 66,364,383         | \$ 62,970,151          | \$ 59,453,204         | \$ 56,080,133         | \$ 51,545,650        | \$ 49,197,197        | \$ 48,609,630          | 47,591,108            | \$ 48,563,152          | \$ 54,123,339          |
| Permits and fees   | 8,887,626             | 7,095,253              | 9,337,197             | 10,629,884            | 8,843,619            | 8,587,577            | 7,017,560              | 6,460,836             | 4,506,666              | 3,195,176              |
| Franchise fees   | 9,825,469             | 9,735,850              | 9,538,510             | 9,339,543             | 9,453,202            | 9,281,065            | 8,870,063              | 8,905,875             | 9,091,636              | 9,856,813              |
| Intergovernmental  | 12,944,045            | 13,387,970             | 12,258,151            | 11,262,558            | 9,751,783            | 11,350,180           | 10,795,365             | 11,289,965            | 13,729,502             | 12,484,748             |
| Charges for services   | 25,455,920            | 24,638,143             | 23,788,342            | 23,665,741            | 23,101,315           | 21,567,977           | 20,242,171             | 19,185,483            | 18,045,527             | 17,544,176             |
| Administrative charges                                       | 7,644,340             | 7,421,660              | 7,224,500             | 7,077,430             | 6,980,000            | 6,231,856            | 5,653,003              | 5,581,732             | 5,280,317              | 5,103,573              |
| Judgments, fines and forfeitures                             | 4,489,415             | 2,879,247              | 3,246,164             | 3,385,855             | 3,409,077            | 6,119,436            | 3,737,369              | 2,977,201             | 4,420,158              | 1,341,017              |
| Special assessments  | 10,753,750            | 10,701,365             | 10,848,533            | 10,371,591            | 8,857,695            | 8,750,541            | 9,374,859              | 7,553,494             | 7,542,173              | 7,558,901              |
| Impact fees  | 10,338                | 24,978                 | 250,739               | 3,534                 | 453,942              | 84,198               | 46,473                 | 79,550                | 134,266                | 11,126                 |
| Investment earnings  | 4,085,270             | 2,925,735              | 1,593,369             | 1,084,163             | 750,001              | 180,510              | 734,970                | 1,342,780             | 1,148,747              | 2,544,657              |
| Contributions and donations                                  | 57,090                | 63,190                 | 52,835                | 185,586               | 116,720              | 282,715              | 33,368                 | 8,560                 | 18,053                 | 17,822                 |
| Miscellaneous  | 1,706,619             | 2,579,270              | 1,494,186             | 1,681,972             | 4,184,984            | 4,212,749            | 4,047,084              | 3,472,958             | 2,522,855              | 2,045,547              |
| <b>Total revenues</b>  | <b>152,224,265</b>    | <b>144,422,812</b>     | <b>139,085,730</b>    | <b>134,767,990</b>    | <b>127,447,988</b>   | <b>125,846,001</b>   | <b>119,161,915</b>     | <b>114,449,542</b>    | <b>115,003,052</b>     | <b>115,826,895</b>     |
| <b>EXPENDITURES</b>  |                       |                        |                       |                       |                      |                      |                        |                       |                        |                        |
| General government   | 29,900,865            | 29,797,500             | 27,743,724            | 25,459,742            | 24,501,052           | 20,463,001           | 19,860,339             | 19,210,450            | 18,028,188             | 18,160,966             |
| Public safety  | 87,756,365            | 86,822,884             | 83,124,919            | 78,703,391            | 75,204,035           | 73,207,700           | 71,002,021             | 69,311,638            | 66,635,145             | 62,852,805             |
| Physical environment   | -                     | -                      | -                     | -                     | -                    | -                    | -                      | -                     | 58,450                 | -                      |
| Economic development   | 446,567               | 881,688                | 823,732               | 986,907               | 783,130              | 1,450,739            | 2,163,364              | 3,509,823             | 3,394,166              | 4,723,402              |
| Human services   | -                     | -                      | -                     | -                     | -                    | -                    | 5,891                  | 38,434                | 5,709                  | 30,911                 |
| Transportation   | 4,120,329             | 3,880,941              | 3,527,499             | 2,634,245             | 2,761,671            | 1,934,897            | 3,763,154              | 3,784,499             | 3,763,258              | 3,673,074              |
| Culture and recreation                                       | 12,099,691            | 12,375,100             | 11,288,557            | 10,338,707            | 10,189,068           | 10,974,675           | 9,651,561              | 9,937,616             | 9,780,996              | 9,439,482              |
| Debt service:  |                       |                        |                       |                       |                      |                      |                        |                       |                        |                        |
| Principal  | 3,005,000             | 2,870,000              | 3,340,000             | 2,840,000             | 2,085,000            | 1,995,000            | 2,175,000              | 6,430,000             | 7,180,000              | 7,070,000              |
| Payment to refunded bond escrow agent                        | -                     | -                      | -                     | -                     | -                    | -                    | 39,529,163             | -                     | -                      | -                      |
| Interest   | 1,709,586             | 1,848,286              | 1,981,762             | 2,139,269             | 1,102,407            | 852,330              | 947,226                | 1,036,509             | 1,362,316              | 1,646,525              |
| Principal repayment due to refunding                         | -                     | -                      | -                     | -                     | -                    | -                    | -                      | -                     | 8,175,000              | -                      |
| Bond issuance costs  | -                     | -                      | -                     | -                     | 677,441              | -                    | -                      | -                     | -                      | -                      |
| Other  | 47,541                | 43,983                 | 44,068                | 44,011                | 51,488               | 39,884               | 132,796                | 55,375                | 51,997                 | 55,023                 |
| Capital outlay   | 23,498,498            | 35,044,444             | 14,627,576            | 21,345,863            | 24,287,277           | 4,919,682            | 3,322,084              | 11,926,264            | 20,173,184             | 34,358,816             |
| <b>Total expenditures</b>                                    | <b>162,584,442</b>    | <b>173,564,826</b>     | <b>146,501,837</b>    | <b>144,492,135</b>    | <b>141,642,569</b>   | <b>115,837,908</b>   | <b>152,552,599</b>     | <b>125,240,608</b>    | <b>138,608,409</b>     | <b>142,011,004</b>     |
| Excess (deficiency) of revenues<br>over (under) expenditures | (10,360,177)          | (29,142,014)           | (7,416,107)           | (9,724,145)           | (14,194,581)         | 10,008,093           | (33,390,684)           | (10,791,066)          | (23,605,357)           | (26,184,109)           |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                       |                        |                       |                       |                      |                      |                        |                       |                        |                        |
| Contributions from property owners                           | -                     | -                      | -                     | -                     | 64,035,638           | -                    | -                      | -                     | -                      | -                      |
| Ad valorem tax bonds issued                                  | -                     | -                      | -                     | -                     | 37,630,000           | -                    | -                      | -                     | -                      | -                      |
| Premium on ad valorem tax bonds                              | -                     | -                      | -                     | -                     | 2,365,865            | -                    | -                      | -                     | -                      | -                      |
| Sale of capital assets                                       | 137,436               | 58,523                 | 94,547                | 1,749,315             | 22,229               | 45,531               | 34,024                 | 113,195               | 77,377                 | 53,873                 |
| Transfers in   | 6,262,334             | 10,987,013             | 6,017,707             | 12,322,444            | 20,225,450           | 13,972,983           | 26,657,418             | 15,941,233            | 32,429,194             | 31,881,105             |
| Transfers out  | (3,176,500)           | (7,462,960)            | (2,382,575)           | (9,238,854)           | (20,829,457)         | (6,012,078)          | (10,009,097)           | (13,008,114)          | (32,742,058)           | (33,549,149)           |
| <b>Total other financing sources (uses)</b>                  | <b>3,223,270</b>      | <b>3,582,576</b>       | <b>3,729,679</b>      | <b>4,832,905</b>      | <b>103,449,725</b>   | <b>8,006,436</b>     | <b>16,682,345</b>      | <b>3,046,314</b>      | <b>(235,487)</b>       | <b>(1,614,171)</b>     |
| <b>Net change in fund balances</b>                           | <b>\$ (7,136,907)</b> | <b>\$ (25,559,438)</b> | <b>\$ (3,686,428)</b> | <b>\$ (4,891,240)</b> | <b>\$ 89,255,144</b> | <b>\$ 18,014,529</b> | <b>\$ (16,708,339)</b> | <b>\$ (7,744,752)</b> | <b>\$ (23,840,844)</b> | <b>\$ (27,798,280)</b> |
| Debt service as a percentage of<br>noncapital expenditures   | 3.4%                  | 3.4%                   | 4.0%                  | 4.0%                  | 2.7%                 | 2.6%                 | 28.5%                  | 6.5%                  | 13.9%                  | 8.1%                   |

SCHEDULE 5  
CITY OF SUNRISE, FLORIDA  
TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(modified accrual basis of accounting)

| FISCAL YEAR         | PROPERTY TAX  | LOCAL BUSINESS TAX | INSURANCE PREMIUM TAX | COMMUNICATIONS SERVICES TAX | LOCAL OPTION FUEL TAX | UTILITY SERVICE TAX | TOTAL         |
|---------------------|---------------|--------------------|-----------------------|-----------------------------|-----------------------|---------------------|---------------|
| 2019                | \$ 47,472,021 | \$ 2,208,339       | \$ 1,679,933          | \$ 3,050,927                | \$ 1,680,518          | \$ 10,272,645       | \$ 66,364,383 |
| 2018                | 44,375,078    | 2,257,857          | 1,548,796             | 3,013,094                   | 1,658,012             | 10,117,314          | 62,970,151    |
| 2017                | 40,933,847    | 2,334,836          | 1,491,886             | 3,280,405                   | 1,639,075             | 9,773,155           | 59,453,204    |
| 2016                | 38,118,401    | 2,313,203          | 1,496,667             | 3,083,443                   | 1,598,725             | 9,469,694           | 56,080,133    |
| 2015                | 33,486,368    | 2,217,511          | 1,492,420             | 3,557,460                   | 1,549,307             | 9,242,584           | 51,545,650    |
| 2014                | 31,708,055    | 2,426,731          | 1,500,184             | 3,017,207                   | 1,498,020             | 9,047,000           | 49,197,197    |
| 2013                | 30,726,477    | 2,352,391          | 1,433,000             | 4,251,293                   | 1,454,297             | 8,392,172           | 48,609,630    |
| 2012                | 30,485,081    | 2,138,637          | 1,299,161             | 4,285,645                   | 1,453,852             | 7,928,732           | 47,591,108    |
| 2011                | 31,323,739    | 2,196,298          | 1,277,851             | 4,557,410                   | 1,551,129             | 7,656,725           | 48,563,152    |
| 2010                | 36,137,516    | 2,158,770          | 1,372,490             | 5,072,917                   | 1,693,200             | 7,688,446           | 54,123,339    |
| Change<br>2010-2019 | 31.4%         | 2.3%               | 22.4%                 | -39.9%                      | -0.7%                 | 33.6%               | 22.6%         |

SCHEDULE 6  
 CITY OF SUNRISE, FLORIDA  
 ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
 LAST TEN FISCAL YEARS  
 (in thousands of dollars)

| FISCAL YEAR | REAL PROPERTY        |                     |                     |                   | LESS EXEMPTIONS: |                   | TOTAL TAXABLE ASSESSED VALUE | TOTAL DIRECT TAX RATE | ESTIMATED ACTUAL TAXABLE VALUE | ASSESSED VALUE AS A PERCENTAGE OF ESTIMATED ACTUAL VALUE |
|-------------|----------------------|---------------------|---------------------|-------------------|------------------|-------------------|------------------------------|-----------------------|--------------------------------|--|
|             | RESIDENTIAL PROPERTY | COMMERCIAL PROPERTY | INDUSTRIAL PROPERTY | PERSONAL PROPERTY | REAL PROPERTY    | PERSONAL PROPERTY |                              |                       |                                |  |
| 2019        | \$ 6,585,536         | \$ 3,547,246        | \$ 602,588          | \$ 483,697        | \$ 3,799,086     | \$ 46,516         | \$ 7,373,465                 | \$ 6.3550             | \$ 11,219,067                  | 65.72%   |
| 2018        | 5,962,687            | 3,484,742           | 561,027             | 453,972           | 3,550,037        | 45,725            | 6,866,666                    | 6.3838                | 10,462,428                     | 65.63%   |
| 2017        | 5,422,562            | 3,219,314           | 499,898             | 441,752           | 3,314,284        | 46,548            | 6,222,694                    | 6.4293                | 9,583,526                      | 64.93%   |
| 2016        | 4,996,766            | 3,008,815           | 463,100             | 420,924           | 3,080,448        | 43,059            | 5,766,098                    | 6.4426                | 8,889,605                      | 64.86%   |
| 2015        | 4,386,598            | 2,957,548           | 451,960             | 424,275           | 2,735,328        | 42,292            | 5,442,761                    | 6.0543                | 8,220,381                      | 66.21%   |
| 2014        | 3,656,176            | 2,903,640           | 425,186             | 436,072           | 2,306,308        | 39,188            | 5,075,578                    | 6.0543                | 7,421,074                      | 68.39%   |
| 2013        | 3,394,080            | 2,899,101           | 414,860             | 416,962           | 2,205,005        | 40,448            | 4,879,550                    | 6.0543                | 7,125,003                      | 68.48%   |
| 2012        | 3,450,008            | 2,850,819           | 410,149             | 408,908           | 2,224,362        | 40,031            | 4,855,491                    | 6.0543                | 7,119,884                      | 68.20%   |
| 2011        | 3,431,438            | 3,018,307           | 426,934             | 411,900           | 2,180,507        | 40,821            | 5,067,251                    | 6.0543                | 7,288,579                      | 69.52%   |
| 2010        | 4,495,068            | 3,135,996           | 500,958             | 431,049           | 2,676,154        | 40,800            | 5,846,117                    | 6.0543                | 8,563,071                      | 68.27%   |

Source: Broward County Property Appraiser

Note: Property in the City is reassessed each year. Tax rates are per \$1,000 of assessed value.

SCHEDULE 7  
 CITY OF SUNRISE, FLORIDA  
 DIRECT AND OVERLAPPING PROPERTY TAX RATES  
 LAST TEN FISCAL YEARS  
 (rate per \$1,000 of assessed value)

| FISCAL YEAR | TAX ROLL YEAR | CITY OF SUNRISE OPERATING | CITY OF SUNRISE DEBT | SPECIAL TAX DISTRICT NO. 1** | OVERLAPPING RATES |                        |                             |                                  |                                |                         |
|-------------|---------------|---------------------------|----------------------|------------------------------|-------------------|------------------------|-----------------------------|----------------------------------|--------------------------------|-------------------------|
|             |               |                           |                      |                              | BROWARD COUNTY    | BROWARD COUNTY SCHOOLS | CHILDREN'S SERVICES COUNCIL | SO. FLORIDA WATER MGMT. DISTRICT | FL. INLAND NAVIGATION DISTRICT | NORTH HOSPITAL DISTRICT |
| 2019        | 2018          | \$ 6.0543                 | \$ 0.3007            | \$ 3.3934                    | \$ 5.6690         | \$ 6.4029              | \$ 0.4882                   | \$ 0.2936                        | \$ 0.0320                      | \$ 1.0855               |
| 2018        | 2017          | 6.0543                    | 0.3295               | 3.3609                       | 5.6690            | 6.5394                 | 0.4882                      | 0.3100                           | 0.0320                         | 1.2483                  |
| 2017        | 2016          | 6.0543                    | 0.3750               | 3.4887                       | 5.6690            | 6.9063                 | 0.4882                      | 0.3307                           | 0.0320                         | 1.3462                  |
| 2016        | 2015          | 6.0543                    | 0.3883               | 3.6526                       | 5.7230            | 7.2740                 | 0.4882                      | 0.3551                           | 0.0320                         | 1.4425                  |
| 2015        | 2014          | 6.0543                    | -                    | 3.7495                       | 5.7230            | 7.4380                 | 0.4882                      | 0.3842                           | 0.0345                         | 1.5939                  |
| 2014        | 2013          | 6.0543                    | -                    | 4.0801                       | 5.7230            | 7.4800                 | 0.4882                      | 0.4110                           | 0.0345                         | 1.7554                  |
| 2013        | 2012          | 6.0543                    | -                    | 4.2098                       | 5.5530            | 7.4560                 | 0.4902                      | 0.4289                           | 0.0345                         | 1.8564                  |
| 2012        | 2011          | 6.0543                    | -                    | 4.2222                       | 5.5530            | 7.4180                 | 0.4789                      | 0.4363                           | 0.0345                         | 1.8750                  |
| 2011        | 2010          | 6.0543                    | -                    | 4.1217                       | 5.5530            | 7.6310                 | 0.4696                      | 0.6240                           | 0.0345                         | 1.8750                  |
| 2010        | 2009          | 6.0543                    | -                    | 4.7426                       | 5.3889            | 7.4310                 | 0.4243                      | 0.6240                           | 0.0345                         | 1.7059                  |

Source: Broward County Property Appraiser

\*State law requires all counties to assess at 100% just valuation and limits millage for operating purposes to ten (10) mills.

\*\*Special Tax District No. 1 is a taxing entity that levies voted debt service taxes on limited areas within the City.

SCHEDULE 8  
CITY OF SUNRISE, FLORIDA  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO

| Row Header<br><br>TAXPAYER              | 2019                    |      |   | 2010                   |      |   |
|---|-------------------------|------|---|------------------------|------|---|
|   | TAXABLE ASSESSED VALUE  | RANK | PERCENTAGE OF TOTAL CITY TAXABLE ASSESSED VALUE | TAXABLE ASSESSED VALUE | RANK | PERCENTAGE OF TOTAL CITY TAXABLE ASSESSED VALUE |
| Sunrise Mills LTD Partner               | \$ 443,775,080          | 1    | 6.40%   | \$ 306,585,160         | 1    | 5.62%   |
| American Express Travel Related Svcs Co | 172,558,250             | 2    | 2.49%   | -                      | -    | -   |
| Sunrise Village Development LLC         | 111,294,855             | 3    | 1.60%   | -                      | -    | -   |
| Sawgrass Mills Phase III LP             | 94,499,770              | 4    | 1.36%   | 83,923,770             | 2    | 1.54%   |
| Florida Power & Light Co.               | 84,015,749              | 5    | 1.21%   | 51,390,140             | 5    | 0.94%   |
| PPF Amlı 127th Avenue LLC               | 77,711,220              | 6    | 1.12%   |                        |      |   |
| MGI Flamingo Palms LTD Partner          | 66,203,443              | 7    | 0.95%   | 41,175,413             | 8    | 0.75%   |
| Sawgrass Office FI Joint Venture LLC    | 64,352,960              | 8    | 0.93%   | -                      | -    | -   |
| HBO Latin America Production Service LC | 52,212,269              | 9    | 0.75%   | -                      | -    | -   |
| WPT Land 2 LP                           | 52,185,340              | 10   | 0.75%   | -                      | -    | -   |
| N/S Sawgrass Office Associates LLC      | -                       | -    | -   | 66,831,650             | 3    | 1.22%   |
| W/K Sawgrass LLP                        | -                       | -    | -   | 65,045,590             | 4    | 1.19%   |
| Liberty Property LTD Partnership        | -                       | -    | -   | 46,136,850             | 6    | 0.85%   |
| TMW Weltfonds 1500 Concord Terrace LP   | -                       | -    | -   | 41,351,910             | 7    | 0.76%   |
| Sawgrass Lakes Center LLC               | -                       | -    | -   | 38,402,430             | 9    | 0.70%   |
| IKEA Property Inc.                      | -                       | -    | -   | 30,420,460             | 10   | 0.56%   |
| <b>Totals</b>                           | <b>\$ 1,218,808,936</b> |      | <b>17.56%</b>                                   | <b>\$ 771,263,373</b>  |      | <b>14.13%</b>                                   |

Source: Broward County Revenue Collection Division



SCHEDULE 9  
CITY OF SUNRISE, FLORIDA  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS

| FISCAL YEAR | TAX ROLL YEAR | TAXES LEVIED FOR THE FISCAL YEAR | COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY |                    | COLLECTIONS IN SUBSEQUENT YEARS | TOTAL COLLECTIONS TO DATE |                    |
|-------------|---------------|----------------------------------|--|--------------------|---------------------------------|---------------------------|--------------------|
|             |               |                                  | AMOUNT*                                      | PERCENTAGE OF LEVY |                                 | AMOUNT*                   | PERCENTAGE OF LEVY |
| 2019        | 2018          | \$ 44,681,926                    | \$ 44,388,609                                | 99.3%              | \$ -                            | \$ 44,388,609             | 99.3%              |
| 2018        | 2017          | 41,600,840                       | 41,199,825                                   | 99.0%              | 11,081                          | 41,210,906                | 99.1%              |
| 2017        | 2016          | 37,691,193                       | 37,547,182                                   | 99.6%              | 21,530                          | 37,568,712                | 99.7%              |
| 2016        | 2015          | 34,924,498                       | 34,755,966                                   | 99.5%              | 17,566                          | 34,773,532                | 99.6%              |
| 2015        | 2014          | 32,971,380                       | 32,281,140                                   | 97.9%              | 36,468                          | 32,317,608                | 98.0%              |
| 2014        | 2013          | 30,750,681                       | 30,213,556                                   | 98.3%              | (159,842)                       | 30,053,714                | 97.7%              |
| 2013        | 2012          | 29,567,455                       | 29,240,476                                   | 98.9%              | (248,806)                       | 28,991,670                | 98.1%              |
| 2012        | 2011          | 29,421,567                       | 28,908,232                                   | 98.3%              | (197,531)                       | 28,710,701                | 97.6%              |
| 2011        | 2010          | 30,712,669                       | 30,041,047                                   | 97.8%              | (207,571)                       | 29,833,476                | 97.1%              |
| 2010        | 2009          | 35,498,126                       | 34,434,744                                   | 97.0%              | (131,178)                       | 34,303,566                | 96.6%              |

\*Amounts are for general fund operations only and are exclusive of discounts, interest and penalties

Source: Broward County Revenue Collection Division

**SCHEDULE 10  
CITY OF SUNRISE, FLORIDA  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS**

| FISCAL YEAR | GOVERNMENTAL ACTIVITIES  |                                 |                          |                      | BUSINESS-TYPE ACTIVITIES |                              |                | TOTAL | PERCENTAGE OF ESTIMATED ACTUAL TAXABLE VALUE OF REAL PROPERTY <sup>a</sup> | PER CAPITA <sup>b</sup> |
|-------------|--------------------------|---------------------------------|--------------------------|----------------------|--------------------------|------------------------------|----------------|-------|--|-------------------------|
|             | GENERAL OBLIGATION BONDS | PUBLIC FACILITIES REVENUE BONDS | PUBLIC IMPROVEMENT BONDS | AD VALOREM TAX BONDS | DIRECT BORROWING         | UTILITY SYSTEM REVENUE BONDS |                |       |  |                         |
| 2019        | \$ 35,805,317            | \$ -                            | \$ -                     | \$ 7,025,000         | \$ 89,625,000            | \$ 102,398,958               | \$ 234,854,275 | 2.19% | 2,515  |                         |
| 2018        | 36,820,245               | -                               | -                        | 9,155,000            | 89,625,000               | 107,245,901                  | 242,846,146    | 2.43% | 2,621  |                         |
| 2017        | 37,829,331               | -                               | -                        | 11,190,000           | -                        | 200,392,924                  | 249,412,255    | 2.73% | 2,715  |                         |
| 2016        | 38,833,496               | -                               | 830,000                  | 13,130,000           | -                        | 205,095,556                  | 257,889,052    | 3.05% | 2,843  |                         |
| 2015        | 39,833,533               | -                               | 1,055,000                | 14,990,000           | -                        | 211,470,883                  | 267,349,416    | 3.43% | 3,016  |                         |
| 2014        | -                        | -                               | 1,270,000                | 16,770,000           | -                        | 217,617,532                  | 235,657,532    | 3.37% | 2,660  |                         |
| 2013        | -                        | -                               | 1,270,000                | 16,770,000           | -                        | 216,133,701                  | 234,173,701    | 3.49% | 2,701  |                         |
| 2012        | -                        | 30,618,786                      | 1,740,000                | 18,475,000           | -                        | 222,055,039                  | 272,888,825    | 4.07% | 3,167  |                         |
| 2011        | -                        | 32,706,196                      | 2,195,000                | 20,110,000           | -                        | 227,624,479                  | 282,635,675    | 4.11% | 3,350  |                         |
| 2010        | -                        | 43,671,974                      | 2,630,000                | 21,680,000           | -                        | 234,328,963                  | 302,310,937    | 3.72% | 3,580  |                         |

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

<sup>a</sup>See Schedule 6 for estimated actual taxable value of real property.

<sup>b</sup>See Schedule 14 for population data.

**SCHEDULE 11  
CITY OF SUNRISE, FLORIDA  
RATIOS OF GENERAL BONDED DEBT OUTSTANDING  
LAST FIVE FISCAL YEARS**

| <b>FISCAL<br/>YEAR</b> | <b>GENERAL<br/>OBLIGATION<br/>BONDS<sup>1</sup></b> | <b>LESS:<br/>AMOUNTS<br/>AVAILABLE<br/>IN DEBT<br/>SERVICE FUND<sup>2</sup></b> | <b>NET<br/>BONDS<br/>OUTSTANDING</b> | <b>PERCENTAGE OF<br/>ESTIMATED<br/>ACTUAL TAXABLE<br/>PROPERTY<br/>VALUES<sup>3</sup></b> | <b>PER<br/>CAPITA<sup>4</sup></b> |
|------------------------|---|---|--------------------------------------|---|-----------------------------------|
| 2019                   | \$ 35,805,317                                       | \$ 140,523  | \$ 35,664,794                        | 0.32%   | 381.99                            |
| 2018                   | 36,820,245  | 136,501   | 36,683,744                           | 0.35%   | 395.88                            |
| 2017                   | 37,829,331  | 106,299   | 37,723,032                           | 0.39%   | 410.64                            |
| 2016                   | 38,833,496  | 4,664   | 38,828,832                           | 0.44%   | 428.04                            |
| 2015                   | 39,833,533  | 48  | 39,833,485                           | 0.48%   | 449.44                            |

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

<sup>1</sup>This is general bonded debt issued during 2015 net of original premium

<sup>2</sup>This is the amount restricted for debt service payments

<sup>3</sup>See Schedule 6 for estimated actual taxable property value

<sup>4</sup>See Schedule 14 for population data

**SCHEDULE 12**  
**CITY OF SUNRISE, FLORIDA**  
**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**  
**AS OF SEPTEMBER 30, 2019**

| GOVERNMENTAL UNIT                        | DEBT<br>OUTSTANDING | ESTIMATED<br>PERCENTAGE<br>APPLICABLE* | ESTIMATED<br>SHARE OF<br>OVERLAPPING<br>DEBT |
|--|---------------------|--|--|
| <b>Debt repaid with property taxes</b>   |                     |  |  |
| Broward County School Board              | \$ 1,745,118,000    | 3.60%                                  | \$ 62,824,248                                |
| Broward County                           | 155,245,000         | 3.90%                                  | <u>6,054,555</u>                             |
| <b>Subtotal, overlapping debt</b>        |                     |  | <b>68,878,803</b>                            |
| <b>City direct debt</b>                  |                     |  | <u><b>42,830,317</b></u>                     |
| <b>Total direct and overlapping debt</b> |                     |  | <u><b>\$ 111,709,120</b></u>                 |

Sources: Assessed value data used to estimate applicable percentages provided by Broward County. Debt outstanding data provided by each governmental unit.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

\*For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using gross taxable property values after Value Adjustment Board changes. Applicable percentages were estimated by dividing the City's gross taxable property values after Value Adjustment Board changes by the County's and School Board's gross taxable property values after Value Adjustment Board changes.

SCHEDULE 13  
CITY OF SUNRISE, FLORIDA  
PLEDGED REVENUE COVERAGE  
LAST TEN FISCAL YEARS

| UTILITY SYSTEM REVENUE BONDS |                    |                    |                   |              |              |          |                |                               |
|------------------------------|--------------------|--------------------|-------------------|--------------|--------------|----------|----------------|-------------------------------|
| FISCAL YEAR                  | OPERATING REVENUES | LESS:              | NET               | DEBT SERVICE |              | COVERAGE | R & R TRANSFER | COVERAGE AFTER R & R TRANSFER |
|                              |                    | OPERATING EXPENSES | AVAILABLE REVENUE | PRINCIPAL    | INTEREST     |          |                |                               |
| 2019                         | \$ 126,424,218     | \$66,274,451       | \$60,149,767      | \$ 4,715,000 | \$ 7,941,841 | 4.75     | \$ 6,401,540   | 3.16                          |
| 2018                         | 122,948,953        | 64,209,276         | 58,739,677        | 4,550,000    | 11,021,703   | 3.77     | 6,186,080      | 2.75                          |
| 2017                         | 119,850,231        | 61,780,396         | 58,069,835        | 4,425,000    | 10,693,239   | 3.84     | 5,927,460      | 2.76                          |
| 2016                         | 114,224,530        | 58,029,427         | 56,195,103        | 6,070,000    | 10,145,529   | 3.47     | 5,791,460      | 2.55                          |
| 2015                         | 109,840,261        | 56,815,404         | 53,024,857        | 5,860,000    | 11,126,264   | 3.12     | 5,469,430      | 2.36                          |
| 2014                         | 104,857,766        | 53,446,264         | 51,411,502        | 5,850,000    | 9,085,839    | 3.44     | 5,320,666      | 2.54                          |
| 2013                         | 100,240,820        | 55,338,483         | 44,902,337        | 5,850,000    | 10,256,964   | 2.79     | 5,028,457      | 2.12                          |
| 2012                         | 92,940,085         | 47,658,170         | 45,281,915        | 7,185,000    | 10,949,689   | 2.50     | 4,954,591      | 1.96                          |
| 2011                         | 89,855,154         | 48,252,823         | 41,602,331        | 7,726,190    | 11,496,899   | 2.16     | 4,808,699      | 1.73                          |
| 2010                         | 89,140,021         | 47,213,431         | 41,926,590        | 7,490,000    | 8,719,183    | 2.59     | 4,747,986      | 2.00                          |

| PUBLIC FACILITIES REVENUE BONDS <sup>a</sup> |    |            |           |         |      |
|--|----|------------|-----------|---------|------|
| UTILITY SERVICE TAXES                        |    |            |           |         |      |
| 2019   | \$ | -          | \$        | -       | -    |
| 2018   |    | -          |           | -       | -    |
| 2017   |    | -          |           | -       | -    |
| 2016   |    | -          |           | -       | -    |
| 2015   |    | -          |           | -       | -    |
| 2014   |    | -          |           | -       | -    |
| 2013   |    | 11,751,709 |           | -       | -    |
| 2012   |    | 11,355,293 | 4,340,000 |         | 2.62 |
| 2011   |    | 11,397,306 | 5,175,000 | 242,250 | 2.10 |
| 2010   |    | 11,960,608 | 5,140,000 | 448,885 | 2.14 |

| PUBLIC IMPROVEMENT BONDS       |    |         |         |         |      |
|--------------------------------|----|---------|---------|---------|------|
| SPECIAL ASSESSMENT COLLECTIONS |    |         |         |         |      |
| 2019                           | \$ | -       | \$      | -       | -    |
| 2018                           |    | -       |         | -       | -    |
| 2017                           |    | 602,140 | 600,000 | 2,721   | 1.00 |
| 2016                           |    | 267,000 | 230,000 | 36,628  | 1.00 |
| 2015                           |    | 271,440 | 225,000 | 46,557  | 1.00 |
| 2014                           |    | 270,600 | 215,000 | 56,045  | 1.00 |
| 2013                           |    | 547,500 | 470,000 | 76,529  | 1.00 |
| 2012                           |    | 550,500 | 455,000 | 96,356  | 1.00 |
| 2011                           |    | 551,869 | 435,000 | 115,313 | 1.00 |
| 2010                           |    | 553,671 | 420,000 | 133,617 | 1.00 |

| AD VALOREM TAX BONDS <sup>b</sup>                   |    |           |              |            |      |
|---|----|-----------|--------------|------------|------|
| SPECIAL TAX DISTRICT NO. 1 PROPERTY TAX COLLECTIONS |    |           |              |            |      |
| 2019  | \$ | 2,545,968 | \$ 2,230,000 | \$ 344,390 | 0.99 |
| 2018  |    | 2,507,079 | 2,130,000    | 446,090    | 0.97 |
| 2017  |    | 2,496,778 | 2,035,000    | 541,595    | 0.97 |
| 2016  |    | 2,465,540 | 1,940,000    | 631,695    | 0.96 |
| 2015  |    | 2,381,501 | 1,860,000    | 716,715    | 0.92 |
| 2014  |    | 2,450,529 | 1,780,000    | 796,285    | 0.95 |
| 2013  |    | 2,444,946 | 1,705,000    | 870,697    | 0.95 |
| 2012  |    | 2,444,934 | 1,635,000    | 940,153    | 0.95 |
| 2011  |    | 2,440,121 | 1,570,000    | 1,004,753  | 0.95 |
| 2010  |    | 2,433,946 | 1,510,000    | 1,064,023  | 0.95 |

Note: Details regarding the government's outstanding debt can be found in the notes to the financial statements. Gross revenues of the Utility System exclude certain investment income that is not pledged. Operating expenses do not include depreciation or amortization.

<sup>a</sup>Public Facilities revenue bonds were collateralized by a lien on and pledge of a tax upon purchases within the City of electricity, metered and bottled gas, water service and telegraph and telecommunications service. The last component of these bonds, Series 1992B, were defeased in September 2013.

<sup>b</sup>Ad valorem tax bonds are collateralized by voted debt ad valorem taxes levied upon all taxable property within the Special Tax District No. 1.

**SCHEDULE 14  
CITY OF SUNRISE, FLORIDA  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS**

| <b>FISCAL YEAR</b> | <b>POPULATION</b> | <b>TOTAL POPULATION INCOME (AMOUNTS IN THOUSANDS)</b> | <b>PER CAPITA INCOME</b> | <b>UNEMPLOYMENT RATE</b> |
|--------------------|-------------------|---|--------------------------|--------------------------|
| 2019               | 93,365            | Not available   | Not available            | 2.9%                     |
| 2018               | 92,663            | 2,441,021   | 26,343                   | 3.0%                     |
| 2017               | 91,865            | 2,283,121   | 24,853                   | 3.8%                     |
| 2016               | 90,714            | 2,212,696   | 24,392                   | 4.5%                     |
| 2015               | 88,630            | 2,084,134   | 23,515                   | 5.2%                     |
| 2014               | 88,033            | 2,105,309   | 23,915                   | 5.3%                     |
| 2013               | 86,685            | 2,039,178   | 23,524                   | 6.4%                     |
| 2012               | 86,154            | 2,066,834   | 23,990                   | 7.6%                     |
| 2011               | 84,375            | 1,994,034   | 23,633                   | 9.3%                     |
| 2010               | 84,439            | 2,006,946   | 23,768                   | 10.2%                    |

**Sources:** Population information provided by the University of Florida, Bureau of Economic & Business Research. Per capita income provided by U.S. Census Bureau. Unemployment rate information provided by U.S. Department of Labor, Bureau of Labor Statistics

**SCHEDULE 15  
CITY OF SUNRISE, FLORIDA  
PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO**

| Row Header                      | 2019             |             |                             | 2010             |             |                             |
|---------------------------------|------------------|-------------|-----------------------------|------------------|-------------|-----------------------------|
|                                 |                  |             | PERCENTAGE<br>OF TOTAL CITY |                  |             | PERCENTAGE<br>OF TOTAL CITY |
| <u>EMPLOYER</u>                 | <u>EMPLOYEES</u> | <u>RANK</u> | <u>EMPLOYMENT</u>           | <u>EMPLOYEES</u> | <u>RANK</u> | <u>EMPLOYMENT</u>           |
| American Express                | 3,500            | 1           | 6.69%                       | -                | -           | -                           |
| Broward County School Board     | 1,201            | 2           | 2.30%                       | 1,674            | 1           | 3.89%                       |
| City of Sunrise                 | 1,082            | 3           | 2.07%                       | 981              | 2           | 2.28%                       |
| Coventry Healthcare of Florida  | 900              | 4           | 1.72%                       | 900              | 3           | 2.09%                       |
| United Healthcare               | 750              | 5           | 1.43%                       | 750              | 4           | 1.74%                       |
| Mednax National Medical Group   | 700              | 6           | 1.34%                       | 500              | 6           | 1.16%                       |
| Centene Healthcare              | 450              | 7           | 0.86%                       | -                | -           | -                           |
| Healthtrust Workforce Solutions | 450              | 8           | 0.86%                       | -                | -           | -                           |
| Publix                          | 400              | 9           | 0.76%                       | 300              | 10          | 0.70%                       |
| Team Health                     | 350              | 10          | 0.67%                       | -                | -           | -                           |
| AT & T                          | -                | -           | -                           | 700              | 5           | 1.63%                       |
| Research in Motion              | -                | -           | -                           | 500              | 7           | 1.16%                       |
| Comcast                         | -                | -           | -                           | 350              | 8           | 0.81%                       |
| General Dynamics                | -                | -           | -                           | 330              | 9           | 0.77%                       |
| <b>Total</b>                    | <b>9,783</b>     |             | <b>18.70%</b>               | <b>6,985</b>     |             | <b>16.23%</b>               |

Source: City Economic Development Office and Broward County Schools.

**SCHEDULE 16  
CITY OF SUNRISE, FLORIDA  
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION  
LAST TEN FISCAL YEARS**

| FUNCTION                            | FISCAL YEAR |      |      |      |      |      |      |      |      |      |
|-------------------------------------|-------------|------|------|------|------|------|------|------|------|------|
|                                     | 2019        | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 |
| <b>General government</b>           |             |      |      |      |      |      |      |      |      |      |
| Information Technology              | 20          | 20   | 19   | 15   | 14   | 13   | 17   | 13   | 14   | 15   |
| Finance and Administrative Services | 39          | 38   | 36   | 37   | 32   | 33   | 21   | 20   | 20   | 20   |
| Central Services                    | -           | -    | -    | -    | -    | -    | 21   | 21   | 22   | 22   |
| Community Development-Planning      | 28          | 28   | 29   | 26   | 27   | 28   | 29   | 31   | 27   | 29   |
| Other <sup>a</sup>                  | 36          | 31   | 30   | 27   | 26   | 27   | 42   | 38   | 40   | 39   |
| <b>Public safety</b>                |             |      |      |      |      |      |      |      |      |      |
| Police                              |             |      |      |      |      |      |      |      |      |      |
| Officers                            | 179         | 184  | 178  | 184  | 176  | 176  | 176  | 177  | 176  | 171  |
| Civilians                           | 82          | 70   | 71   | 59   | 66   | 65   | 82   | 82   | 86   | 86   |
| Fire                                |             |      |      |      |      |      |      |      |      |      |
| Firefighters and officers           | 152         | 147  | 148  | 153  | 150  | 149  | 145  | 149  | 145  | 139  |
| Civilians                           | 9           | 10   | 11   | 9    | 10   | 9    | 9    | 8    | 8    | 6    |
| Building                            | 37          | 38   | 37   | 35   | 34   | 29   | 24   | 25   | 26   | 28   |
| Code Enforcement                    | 15          | 16   | 13   | 15   | 14   | 13   | 13   | 15   | 15   | 15   |
| <b>Transportation</b>               |             |      |      |      |      |      |      |      |      |      |
| Public Works                        | -           | -    | -    | -    | -    | -    | 29   | 34   | 34   | 34   |
| <b>Culture and recreation</b>       | 154         | 119  | 112  | 103  | 101  | 100  | 93   | 87   | 94   | 94   |
| <b>Water</b>                        | 127         | 122  | 125  | 125  | 119  | 119  | 102  | 102  | 100  | 102  |
| <b>Wastewater</b>                   | 132         | 126  | 130  | 131  | 124  | 124  | 106  | 107  | 105  | 94   |
| <b>Gas</b>                          | 22          | 25   | 23   | 21   | 21   | 21   | 20   | 19   | 20   | 21   |
| <b>Stormwater</b>                   | 19          | 20   | 20   | 22   | 22   | 20   | 7    | 7    | 6    | 7    |

<sup>a</sup>Other includes City Commission, City Manager, City Clerk, City Attorney, Human Resources, Facility Management

\*Not available

Source: City Finance and Administrative Services Department



SCHEDULE 17  
CITY OF SUNRISE, FLORIDA  
OPERATING INDICATORS BY FUNCTION  
LAST TEN FISCAL YEARS

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| FUNCTION   | FISCAL YEAR |        |        |        |        |        |        |        |        |        |
|--|-------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
|  | 2019        | 2018   | 2017   | 2016   | 2015   | 2014   | 2013   | 2012   | 2011   | 2010   |
| <b>Public safety</b>                                     |             |        |        |        |        |        |        |        |        |        |
| <b>Police</b>  |             |        |        |        |        |        |        |        |        |        |
| Physical arrests   | 1,243       | 1,463  | 452    | 1,405  | 1,498  | 1,940  | 2,629  | 2,115  | 2,855  | 2,661  |
| Parking violations                                       | 203         | 111    | 128    | 169    | 265    | 338    | 761    | 367    | 466    | 532    |
| Traffic violations                                       | 10,044      | 12,422 | 12,609 | 9,430  | 11,914 | 14,153 | 12,714 | 19,471 | 12,874 | 10,845 |
| <b>Fire</b>  |             |        |        |        |        |        |        |        |        |        |
| Number of calls answered                                 | 14,637      | 15,218 | 15,796 | 15,536 | 14,127 | 14,187 | 13,131 | 12,015 | 11,647 | 11,970 |
| Inspections  | 9,114       | 9,525  | 9,522  | 10,710 | 9,860  | 10,529 | 10,577 | 10,578 | 10,101 | 9,662  |
| <b>Transportation</b>                                    |             |        |        |        |        |        |        |        |        |        |
| Street resurfacing (miles)                               | -           | -      | -      | 8      | -      | 8      | 8      | 12     | 10     | 15     |
| Potholes repaired  | 240         | 227    | 336    | 301    | 253    | 290    | 317    | 295    | 186    | 398    |
| <b>Culture and recreation</b>                            |             |        |        |        |        |        |        |        |        |        |
| Participants-youth athletic programs                     | 2,852       | 1,988  | 2,041  | 2,452  | 2,560  | 3,169  | 2,880  | 2,816  | 2,923  | 2,702  |
| Theatre performance attendance                           | 13,779      | 14,026 | 17,832 | 11,052 | 11,232 | 10,773 | 12,901 | 5,287  | 3,674  | 3,682  |
| Senior center memberships                                | 1,181       | 1,163  | 1,049  | 1,075  | 1,185  | 1,104  | 1,228  | 1,676  | 1,479  | 1,391  |
| Athletic club memberships                                | 630         | 461    | 709    | 915    | 758    | 525    | 461    | 296    | 291    | 193    |
| <b>Water</b>   |             |        |        |        |        |        |        |        |        |        |
| New connections  | 87          | 165    | 12     | 100    | 102    | 69     | 149    | 62     | 157    | 142    |
| Water main breaks  | 34          | 36     | 42     | 41     | 44     | 84     | 67     | 56     | 46     | 56     |
| Average daily consumption<br>(thousands of gallons)      | 19,800      | 19,070 | 20,087 | 19,563 | 20,562 | 19,833 | 19,797 | 19,746 | 20,672 | 20,400 |
| <b>Wastewater</b>  |             |        |        |        |        |        |        |        |        |        |
| Average daily sewage treatment<br>(thousands of gallons) | 19,505      | 19,959 | 20,871 | 20,691 | 20,880 | 20,864 | 21,423 | 24,445 | 21,664 | 25,851 |
| <b>Gas</b>   |             |        |        |        |        |        |        |        |        |        |
| Average daily usage (CCF's)                              | 15,020      | 14,870 | 14,450 | 13,890 | 13,008 | 12,413 | 10,802 | 10,995 | 12,180 | 12,544 |
| <b>Golf course</b>                                       |             |        |        |        |        |        |        |        |        |        |
| Memberships  | 169         | 180    | 170    | 165    | 170    | 161    | 165    | 192    | 217    | 321    |
| Rounds of golf played                                    | 38,407      | 33,862 | 33,679 | 36,745 | 38,259 | 38,996 | 39,649 | 37,399 | 36,992 | 1,054  |
| <b>Stormwater</b>  |             |        |        |        |        |        |        |        |        |        |
| Commercial equivalent residential<br>units (ERU's)       | 38,072      | 38,023 | 37,771 | 37,772 | 37,553 | 37,304 | 37,231 | 37,062 | 37,327 | 37,070 |
| Residential equivalent residential<br>units (ERU's)      | 39,837      | 39,569 | 39,442 | 39,025 | 39,024 | 38,695 | 38,695 | 38,386 | 38,158 | 37,900 |

**SCHEDULE 18  
CITY OF SUNRISE, FLORIDA  
CAPITAL ASSET STATISTICS BY FUNCTION  
LAST TEN FISCAL YEARS**

| FUNCTION   | FISCAL YEAR |        |        |        |        |        |        |        |        |        |
|--|-------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
|  | 2019        | 2018   | 2017   | 2016   | 2015   | 2014   | 2013   | 2012   | 2011   | 2010   |
| <b>Public safety</b>                                       |             |        |        |        |        |        |        |        |        |        |
| Police:  |             |        |        |        |        |        |        |        |        |        |
| Stations   | 1           | 1      | 1      | 1      | 1      | 1      | 1      | 1      | 1      | 1      |
| Sub-stations   | 1           | 1      | 1      | 1      | 1      | 1      | 1      | 1      | 1      | 3      |
| Patrol units   | 227         | 236    | 228    | 244    | 243    | 246    | 246    | 252    | 258    | 249    |
| Fire stations  | 5           | 5      | 5      | 5      | 5      | 5      | 5      | 5      | 5      | 5      |
| <b>Transportation</b>                                      |             |        |        |        |        |        |        |        |        |        |
| Streets (miles)  | 186         | 186    | 186    | 186    | 186    | 186    | 186    | 186    | 186    | 186    |
| Street lights (FPL and City owned)                         | 3,925       | 3,925  | 3,925  | 3,925  | 3,925  | 3,925  | 3,917  | 3,868  | 3,863  | 3,797  |
| <b>Culture and recreation</b>                              |             |        |        |        |        |        |        |        |        |        |
| Parks  | 15          | 15     | 15     | 15     | 15     | 13     | 13     | 13     | 13     | 13     |
| Park acreage   | 265         | 265    | 198    | 198    | 198    | 181    | 177    | 177    | 177    | 177    |
| Swimming pools   | 5           | 5      | 5      | 5      | 5      | 5      | 5      | 5      | 5      | 5      |
| Tennis courts  | 21          | 21     | 21     | 21     | 21     | 21     | 21     | 21     | 21     | 21     |
| Community centers  | 11          | 11     | 9      | 9      | 9      | 9      | 9      | 9      | 8      | 8      |
| <b>Water</b>   |             |        |        |        |        |        |        |        |        |        |
| Water mains (miles)  | 637         | 637    | 637    | 637    | 637    | 637    | 637    | 637    | 637    | 636    |
| Maximum daily capacity<br>(thousands of gallons)           | 51,500      | 51,500 | 51,500 | 51,500 | 50,000 | 50,000 | 50,000 | 44,000 | 44,000 | 44,000 |
| <b>Wastewater</b>  |             |        |        |        |        |        |        |        |        |        |
| Sanitary sewers (miles)                                    | 536         | 536    | 536    | 536    | 536    | 536    | 536    | 536    | 536    | 536    |
| Maximum daily treatment capacity<br>(thousands of gallons) | 30,990      | 30,990 | 30,990 | 30,990 | 30,450 | 30,450 | 30,450 | 30,450 | 30,450 | 30,450 |
| Gas mains (miles)  | 194         | 194    | 190    | 188    | 188    | 188    | 185    | 184    | 181    | 181    |
| Golf Course  | 1           | 1      | 1      | 1      | 1      | 1      | 1      | 1      | 1      | 1      |
| <b>Stormwater</b>  |             |        |        |        |        |        |        |        |        |        |
| Pump stations  | 8           | 8      | 8      | 8      | 8      | 8      | 8      | 8      | 8      | 7      |
| Storm sewers (miles)                                       | 392         | 392    | 392    | 392    | 392    | 392    | 392    | 392    | 392    | 392    |

Sources: Various city departments.

Note: No capital asset indicators are available for the general government function.

***Section IV***  
***City of Sunrise, Florida***  
***Reporting Section***

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

To the Honorable Mayor, City Commission and City Manager  
**City of Sunrise, Florida**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Sunrise, Florida (the City), as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated March 12, 2020. Our report includes a reference to other auditors who audited the financial statements of the Pension Trust Funds, as described in our report on the City's financial statements. This report does not include the results of the other auditors' testing on internal control over financial reporting or compliance and other matters that are reported separately by those auditors. The financial statements of the Police Officers' Retirement Plan were not audited in accordance with *Government Auditing Standards*.

***Internal Control Over Financial Reporting***

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

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

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

### *Compliance and Other Matters*

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

### *Purpose of this Report*

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

*Marcum LLP*

Fort Lauderdale, FL

March 12, 2020

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

To the Honorable Mayor, City Commission and City Manager  
**City of Sunrise, Florida**

***Report on Compliance for Each Major Federal Program***

We have audited the City of Sunrise, Florida's (the City) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended September 30, 2019. The City's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

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

***Auditors' Responsibility***

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

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

### ***Opinion on Major Federal Program***

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2019.

### ***Report on Internal Control Over Compliance***

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

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

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

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

*Marcum LLP*

Fort Lauderdale, FL  
March 12, 2020

**CITY OF SUNRISE, FLORIDA**  
Schedule of Expenditures of Federal Awards  
Year Ended September 30, 2019

| Federal Agency, Pass-through Entity<br>Federal Program Project  | CFDA No. | Contract/<br>Grant No.    | Provided to<br>Subrecipients | Expenditures        |
|---|----------|---------------------------|------------------------------|---------------------|
| <b>FEDERAL</b>  |          |                           |                              |                     |
| <b><u>United States Department of Homeland Security</u></b>   |          |                           |                              |                     |
| Indirect Programs:  |          |                           |                              |                     |
| Passed through State of Florida, Division of Emergency Management -<br>Disaster Relief Funding, Hurricane Irma      | 97.036   | Z1193                     |                              | \$ 1,039,186        |
| Passed through State of Florida, Division of Emergency Management - Hazard<br>Mitigation Grant Program              | 97.039   | H0060                     |                              | 7,842               |
| Passed through City of Miami - Homeland Security Grant Program (2017 UASI)  | 97.067   | 18-DS-X3-11-23-02-376     |                              | 118,407             |
| Passed through City of Miami - Complex Coordinated Terror Attacks   | 97.133   | EMW-2016-GR-00097         |                              | 18,000              |
| <b>Total United States Department of Homeland Security</b>  |          |                           | -                            | <b>1,183,435</b>    |
| <b><u>United States Department of Housing and Urban Development</u></b>   |          |                           |                              |                     |
| Direct Programs:  |          |                           |                              |                     |
| CDBG - Entitlement Grants Cluster:  |          |                           |                              |                     |
| Community Development Block Grants/Entitlement Grants   | 14.218   | B-14-MC-12-0035           |                              | 5,430               |
| Community Development Block Grants/Entitlement Grants   | 14.218   | B-15-MC-12-0035           |                              | 905                 |
| Community Development Block Grants/Entitlement Grants   | 14.218   | B-16-MC-12-0035           |                              | 450                 |
| Community Development Block Grants/Entitlement Grants   | 14.218   | B-17-MC-12-0035           |                              | 41                  |
| Community Development Block Grants/Entitlement Grants   | 14.218   | B-18-MC-12-0035           |                              | 367,630             |
|   |          |                           | -                            | 374,456             |
| Indirect Program:   |          |                           |                              |                     |
| Passed through Broward County - Home Investment Partnerships Program  | 14.239   | 16-HFCD-177-HOME          | 75,435                       | 75,435              |
|   |          |                           | 75,435                       | 75,435              |
| <b>Total United States Department of Housing and Urban Development</b>  |          |                           | <b>75,435</b>                | <b>449,891</b>      |
| <b><u>United States Department of Justice</u></b>   |          |                           |                              |                     |
| Direct Programs:  |          |                           |                              |                     |
| Federal Equitable Sharing   | 16.922   |                           | -                            | 789,562             |
| Bulletproof Vest Partnership Program  | 16.607   | 2018                      |                              | 14,301              |
| Body Worn Camera Implementation Program   | 16.835   | 2016-BC-BX-K057           |                              | 181,250             |
|   |          |                           | -                            | 985,113             |
| Indirect Program:   |          |                           |                              |                     |
| Passed through Broward Sheriff's Office - Edward Byrne Memorial Justice<br>Assistance Grant (JAG2017)               | 16.738   | 2017-DJ-BX-0823           |                              | 17,411              |
|   |          |                           | -                            | 17,411              |
| <b>Total United States Department of Justice</b>  |          |                           | -                            | <b>1,002,524</b>    |
| <b><u>United States Department of Transportation</u></b>  |          |                           |                              |                     |
| Indirect Programs:  |          |                           |                              |                     |
| Highway Planning and Construction Cluster:  |          |                           |                              |                     |
| Passed through University of North Florida - High Visibility Enforcement  | 20.205   | G0Y79                     |                              | 13,987              |
| Passed through Florida Department of Transportation - NW 64th Avenue from<br>Sunset Strip to Oakland Park Boulevard | 20.205   | 436997-1-58/68-01 (G0M18) |                              | 276,680             |
| Passed through Florida Department of Transportation - Sunset Strip from<br>NW 109 Ave. to Nob Hill Road             | 20.205   | 438123-1-58-01 (G1550)    |                              | 22,339              |
| <b>Total United States Department of Transportation</b>   |          |                           | -                            | <b>313,006</b>      |
| <b><u>United States Department of Treasury</u></b>  |          |                           |                              |                     |
| Direct Program:   |          |                           |                              |                     |
| Federal Equitable Sharing   | 21.016   |                           | -                            | 57,849              |
| <b>Total United States Department of Treasury</b>   |          |                           | -                            | <b>57,849</b>       |
| <b>Total Expenditures of Federal Awards</b>   |          |                           | <b>\$ 75,435</b>             | <b>\$ 3,006,705</b> |

See notes to schedule of expenditures of federal awards



**CITY OF SUNRISE, FLORIDA**

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**FOR THE YEAR ENDED SEPTEMBER 30, 2019**

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**NOTE 1 – BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal award activity of the City of Sunrise, Florida (the City) under programs of the federal government for the year ended September 30, 2019. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position/fund balance or cash flows of the City.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**NOTE 3 – INDIRECT COST RATE**

The City has not elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

**CITY OF SUNRISE, FLORIDA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**FOR THE YEAR ENDED SEPTEMBER 30, 2019**

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**SECTION I – SUMMARY OF AUDITORS’ RESULTS**

**Financial Statements**

Type of auditors’ report issued on whether the financial statements audited were prepared in accordance with GAAP: *Unmodified Opinion*

Internal control over financial reporting:

Material weakness(es) identified?  Yes  No

Significant deficiency(ies) identified not considered to be material weakness?  Yes  None reported

Non-compliance material to financial statements noted?  Yes  No

**Federal Awards**

Internal control over major programs:

Material weakness(es) identified?  Yes  No

Significant deficiency(ies) identified not considered to be material weakness?  Yes  None reported

Type of auditors’ report issued on compliance for major programs: *Unmodified Opinion*

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)  Yes  No

Identification of the major federal programs:

| <u>Federal Program or Cluster</u> | <u>CFDA No.</u> |
|-----------------------------------|-----------------|
|-----------------------------------|-----------------|

|  |        |
|--|--------|
| United States Department of Homeland Security -<br>Passed through State of Florida, Division of<br>Emergency Management - Disaster Relief<br>Funding, Hurricane Irma | 97.036 |
|--|--------|

|  |        |
|--|--------|
| United States Department of Homeland Securitye-<br>Federal Equitable Sharing | 16.922 |
|--|--------|

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

Auditee qualified as low-risk auditee pursuant to the Uniform Guidance?  Yes  No

**CITY OF SUNRISE, FLORIDA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2019**

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**SECTION IIe- FINANCIAL STATEMENT FINDINGS**

None.

**SECTION III – FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS**

None.

**CITY OF SUNRISE, FLORIDA**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2019**

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**I. PRIOR YEAR FINANCIAL STATEMENT FINDINGS**

None.

**II. PRIOR YEAR FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS**

None.

**MANAGEMENT LETTER IN ACCORDANCE WITH THE RULES OF THE  
AUDITOR GENERAL OF THE STATE OF FLORIDA**

To the Honorable Mayor, City Commission and City Manager  
**City of Sunrise, Florida**

***Report on the Financial Statements***

We have audited the financial statements of the City of Sunrise, Florida (the City), as of and for the year ended September 30, 2019, and have issued our report thereon dated March 12, 2020. We did not audit the financial statements of the Pension Trust Funds, which represent 78%, 80% and 50%, respectively, of the assets, net position/fund balance and revenues/additions of the aggregate remaining fund information.

***Auditors' Responsibility***

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

***Other Reporting Requirements***

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditors' Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance Required by the Uniform Guidance, Schedule of Findings and Questioned Costs; and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated March 12, 2020, should be considered in conjunction with this management letter.

***Prior Audit Findings***

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no findings or recommendations made in the preceding annual financial audit report.

### ***Official Title and Legal Authority***

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. As disclosed in Note I, the City was established under Chapter 61-2902 Laws of Florida in 1961. The City included the following blended component units: the Special Tax District No.1 and the Metropica Improvement District.

### ***Financial Condition and Management***

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

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

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

### ***Special District Component Units***

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

### ***Additional Matters***

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

*Purpose of this Letter*

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

*Marcum LLP*

Fort Lauderdale, FL

March 12, 2020

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

To the Honorable Mayor, City Commission and City Manager  
**City of Sunrise, Florida**

We have examined the City of Sunrise, Florida (the City) compliance with Section 218.415 Florida Statutes, Local Government Investment Policies for the year ended September 30, 2019. Management of the City is responsible for the City's compliance with the specified requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

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

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

In our opinion, the City complied, in all material respects, with Section 218.415 Florida Statutes for the year ended September 30, 2019.

This report is intended to describe our testing of compliance with Section 218.415 Florida Statutes and it is not suitable for any other purpose.

*Marcum LLP*

Fort Lauderdale, FL  
March 12, 2020