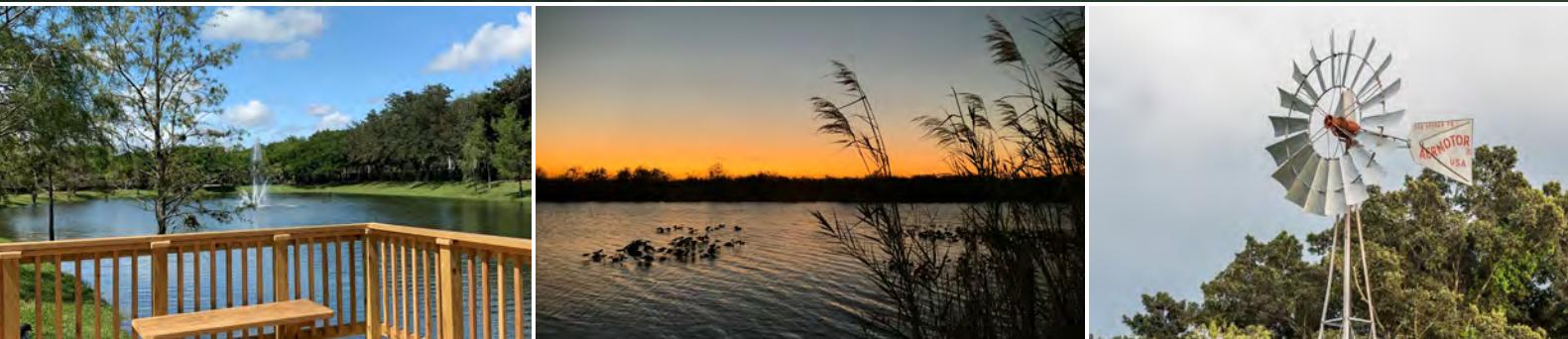




Annual Comprehensive Financial Report

FISCAL YEAR ENDED SEPTEMBER 30, 2021



CITY OF PARKLAND, FLORIDA



ANNUAL COMPREHENSIVE FINANCIAL REPORT
OF THE
CITY OF PARKLAND, FLORIDA
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2021



Prepared By
The Finance Department
Chris Johnson, CPA, Finance Director

CITY OF PARKLAND, FLORIDA

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CITY OF PARKLAND, FLORIDA

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INTRODUCTORY SECTION



CITY OF PARKLAND
FINANCE and ADMINISTRATIVE
SERVICES DEPARTMENT
6600 University Drive
Parkland, Florida 33067
Office: (954) 753-5040 • Fax: (954) 341-5161
www.cityofparkland.org

March 31, 2022

Honorable Mayor,
Members of the City Commission and
Residents of the City of Parkland, Florida

State law requires that every general-purpose local government publish within nine months of the close of each fiscal year a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States (GAAP) and audited in accordance with auditing standards generally accepted in the United States, and government auditing standards by a firm of licensed certified public accountants. The report has been prepared by the City's Finance Department, with the assistance of the independent auditors, Caballero Fierman Llerena + Garcia, LLP. Pursuant to these requirements, we hereby issue the Annual Comprehensive Financial Report of the City of Parkland for the fiscal year ended September 30, 2021.

This report consists of management's representations concerning the finances of the City of Parkland. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial statements of the governmental activities and various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The report includes all governmental activities and funds of the City and, in accordance with generally accepted accounting principles, only those legally separate entities for which the City is financially accountable. While the Broward County Board of County Commissioners, Broward County School Board, South Florida Water Management District, Florida Inland Navigation District, Children's Services Council of Broward County, and North Broward Hospital District levy and collect taxes on property located within the corporate limits of the City, the City is not financially accountable for these entities. Therefore, financial information of these taxing authorities is not included in this report. Annual financial reports on these entities are available on request from each board, district or council.

This letter of transmittal is designed to complement the Management's Discussion and Analysis (MD&A) and should be read in conjunction with it. The MD&A immediately follows the Independent Auditors' Report and provides a narrative introduction, overview and analysis of the basic financial statements.

Profile of the Government

The City of Parkland, Florida (the "City") is located in northwest Broward County adjacent to the cities of Coral Springs, Coconut Creek and the Broward/Palm Beach County border. The City has been developed slowly and deliberately, reflecting the deep commitment of the residents, elected officials, management, and developers to the preservation of the pristine state of the region which includes the significant natural habitat of plants and wildlife. The population is 35,438 and the median age is 41.1. There are 10,721 dwelling units with 9,607 single family and 1,114 multifamily.

The City operates under a Commission-Manager form of government, comprised of five elected officials, the Mayor and four Commissioners. The Mayor is elected at-large and the Commissioners are elected by districts. The City Commission determines policy, adopts legislation, and approves the City's annual budget. The City Commission appoints the City Manager who is responsible for the daily operations and insuring all ordinances and resolutions are adhered to.

The City is viewed as a prestigious, semi-rural community and is a suburban part of Fort Lauderdale's Standard Metropolitan Statistical Area (SMSA). The City's highly rated schools and proximity to the Sawgrass Expressway and Florida's Turnpike, coupled with the natural beauty of the region help make the City a highly desirable residential area. Currently, a variety of residential developments are in place including single family and multi-family alternatives. Additional new residential developments are planned as the City continues to develop vacant land. There are four commercial properties totaling approximately 61 acres that have been developed: Parkland Commons, Parkland Village, The Waterways and Riverstone Shops. This added upscale commercial development will diversify the City's economic base. Commercial development comprises only 3.1% of total land use.

Economic Conditions and Outlook

In spite of the challenges caused by the ongoing COVID-19 pandemic, the City of Parkland continues to prosper due to a strong foundation of single-family homes that comprises the vast majority of the City. Being a bedroom community, the City was largely insulated from significant COVID-19 revenue impacts in comparison to neighboring cities that rely heavily on the tourism industry. Demand for existing homes is strong and home values have increased considerably. In addition, our strong local economy is supported by residential construction and permitted home improvements. The City's activities, public events, and resident programs continued to return to pre-pandemic levels during the year. We have the confidence that the fiscal year 2022 budget will allow the City to continue allocating resources to strategic projects that will achieve the City Commission's goals and priorities. Parkland prides itself for prudent fiscal planning and sound, well-timed investments in capital infrastructure.

COVID-19 cases have declined even after the recent Delta and Omicron variants brought back uncertainty about the near economic future. But these variants also receded thanks to vaccines and other treatments that were made available and as all other cities in the country, the challenge is now to find ways to settle into a new normal. We still have to face labor shortages, supply challenges, rising fuel costs, and a high rate of inflation. However, the City is looking ahead and moving forward and we will continue to monitor the national, state, and local economic measures to ensure that we stay on track to reach the City's strategic goals.

The median value of a Parkland home is approximately \$885,738, which is \$211,114 higher than the value recorded in the previous year. This was driven by a high demand and low supply as buyers far outpaced sellers in the City and most markets across the nation. Parkland continues to be an affluent, upscale residential community with low density housing, outstanding recreational facilities, and top rated schools. The median value is significantly higher than the median house price in Broward County of \$322,720.

Existing home sales volume in each of the last six years exceeded the 2005 peak year with 2021 at a significantly higher level of activity. National median home prices have outpaced Florida. In October 2021, Florida briefly set a new record high at \$358,950 median price; however, the state's median price dropped to \$348,000 at the end of the year, while the national median price was \$350,300.

Single-family building permit activity, a leading economic indicator remained in positive territory. The state's single-family building permit activity in 2020 was 15.4% higher than the 2019 level, mainly driven by record low interest rates. All metrics point to an existing home market that has fully recovered.

Population growth is the state's primary engine of economic growth, fueling both employment and income growth. Over the next five years, Florida's population growth is expected to average 1.36% for the entire period between 2022 and 2026. Almost all of Florida's population growth through 2030 will be from net migration.

For 2020, Florida's real growth slowed slightly during the first two quarters, it rebounded in the third and fourth quarters to finish the calendar year with 3.4% growth. Florida's Real Gross Domestic Product (GDP) grew 3.3% in Fiscal Year 2018-19 and is expected to grow an average 2.4% annually during 2021-2024. Pre-pandemic, South Florida represented one-third of the State's GDP with Broward County as one of the five counties that represented over 50% of the state's GDP. In the 2020 calendar year, nine counties declined in their shares of the state's GDP and another 33 counties lost GDP relative to 2019.

The Bureau of Labor Statistics releases local inflation rates every two months and the national inflation rate every month. This rate is calculated by the BLS using the Consumer Price Index. The CPI produces monthly data based upon changes in the prices paid by consumers for goods and/or services. South Florida's 2021 inflation rate in December 2021 increased by 7.4% compared to 2020. From December 2020 to December 2021, consumer prices for all items rose 7.0%, the largest increase since 1981.

Personal income growth is another important gauge of the state's economic health; however, 2021 was an atypical year as federal dollars flooded into many Florida households. In the first quarter of 2021, Florida's personal income grew 65.6%, due to the two federal stimulus and relief programs in the quarter. It began to recede as federal support measures began to expire in the second quarter. The Economic Estimating Conference expects personal income to increase as furloughed and laid off workers return to their jobs or find new opportunities. Parkland continues to show strong household income as the median family income for 2021 was \$166,803 compared to \$60,691 for Broward County.

For December 2021, the national unemployment rate was 3.9%. Florida's unemployment rate for the same period was 4.4%. Miami-Dade County had an unemployment rate of 1.3%, the lowest unemployment rate in the state. Broward County's unemployment rate at 3.6%, down from 4.2% a year ago. Palm Beach County's unemployment rate is 3.3%, which is down from

3.5% a year ago. The unemployment numbers improved throughout Florida with people returning to work as the economy recovered in 2021.

Local Economy

Taxable Values

- On July 1st the Broward County Property Appraiser's Office provided taxable values to all taxing authorities. The City had an increase of 6.3% or \$359 million in taxable value. This increase is a combination of new taxable value and current values increasing that resulted in an additional \$1.38 million in ad valorem revenue. This is the 11th consecutive year that taxable values have increased. We anticipate that the next couple of years will have similar growth due to new development and turnover of existing houses.
- Parkland's quality of life will continue to make Parkland a very desirable place to live. The City is one of the few cities in Broward County that will experience new growth due to new development. Development in the Wedge continues and it's expected that it will add 900 new homes in the next three years. This development is expected to bring in approximately \$1.8 million in new ad valorem revenue during the next five years. Early in 2022, the City approved the rezoning of approximately 76.8 acres located in the northwest corner of Parkland along Loxahatchee Road for the development of 210 new homes by 2025.

Financial Strategy

As a result of the City's continued dedication to fiscal responsibility during the pandemic and effective management through persistence, cooperation and creativity, the City is financially sound despite other challenges such as the sudden fuel and pricing increases. We are fiscally optimistic regarding the future. The 2022 budget is a road map of responsible growth and sustained services for our residents and businesses moving forward. This budget enables the City to continue its trajectory of growth and increasing economic stability while ensuring the character and elegance of Parkland are sustained. This budget is a clear reflection of responsible stewardship of public funds.

New home construction continues and real estate values in Parkland increased rapidly and substantially during 2021. Parkland is a growing community and we are anticipating adding nearly 900 new homes over the next two to three years. With this growth, change is inevitable and these changes have transformed the way Parkland operates. Growth and change, and their impact on the present and future of Parkland, are concerns of both the residents and the current administration. Parkland's Elected Officials have implemented various policies to maintain the City's existing character while dealing with the impacts from growth. This includes strategically funding enhancements/additions to public safety, City services, and infrastructure/equipment replacements.

Parkland continues to be in excellent financial health. In spite of rising costs, City staff have been able to control expenditures and continue to provide high service levels to our residents. The General Fund has an adequate fund balance that can help insulate escalating costs and any potential economic downturn. With a solid financial foundation, the City can maintain excellent services to our residents while undertaking a steady amount of significant projects to improve our community. In 2021 the City took advantage of low interest rates and signed a \$20

million capital improvement loan agreement to finance various capital projects throughout the City, which include construction of the 36-acre park as well as other improvements to parks, public safety, and public works facilities. Additionally, the City has increased its contributions to its infrastructure and capital replacement funds to ensure that needs of future maintenance of buildings and equipment purchases are met. We have manageable debt payments, well within the debt service limitation, and will continue to fund major capital projects with the appropriate mix of low-cost debt or by utilizing cash reserves. We will continue to be financially sound with every budget that is balanced, spending within our means and being financially responsible to the citizens of Parkland.

The millage rate for 2022 is 4.2979 mills, which remains unchanged from the prior year. Homestead homes will see a 1.4% increase in their taxable value, which is the lower of 3% of the assessed value for the prior year or the percentage change in the Consumer Price Index. The City maintained the same staffing levels for both police and fire rescue services. Staffing levels for the City are budgeted at 116 full-time and 40 part-time positions. This includes the addition of ten full-time employees and elimination of seven vacant part-time positions.

The City is able to maintain its stabilization/operating reserve at twenty-five percent (25%) of the General Fund Operating Budget. This reserve is for unforeseen economic conditions and potential natural disasters (hurricanes). For the fiscal year 2022, the reserve is \$10,627,500.

During fiscal year 2021, the City was notified of an award through the American Rescue Plan Act, Coronavirus Local Recovery Fund Agreement. The City's awarded allocation totals \$17,114,169 to be received in two separate installments. The first installment of \$8,557,084 was received in October 2021 and a second installment will be received twelve months later. The American Rescue Plan allows the use of these funds to make necessary investments in water and sewer infrastructure and it provides a standard allowance of up to \$10 million of these funds to be used to recapture revenue losses suffered during the pandemic.

Major Initiatives

The City continues to fund capital improvement projects to maintain and improve City facilities. The most notable FY 2022 capital projects are as follows:

1. 36 Acre Park: This project consists of developing a new park that may include multi-purpose fields, baseball and softball fields, walking paths and playground to continue to meet the recreational demands of the City's growing population.
2. Terramar Park Enhancements: This project consists of various enhancements to existing baseball and basketball fields, improvements to landscaping, and remodeling of the park's facilities.
3. Pine Trails Park Enhancements: This project consists of improvements to landscaping, replacement of basketball scoreboards and court resurfacing, replacement of field bleachers and drinking fountains, bathroom remodeling, and other improvements.
4. Hillsboro Boulevard Roundabout: The project consists of the construction of a roundabout and decorative feature in the traffic roundabout on Hillsboro Boulevard west of Parkside Drive by the new The Falls Community.

Relevant Financial Policies

In the development and evaluation of the City's accounting and financial reporting systems, consideration is given to the adequacy and accuracy of the internal accounting controls. Because the costs of a control should not exceed the benefits to be derived, these controls are designed to provide reasonable, but not absolute, assurance that the assets of the City are safeguarded against loss from unauthorized use or disposition and that there are reliable financial records for the preparation of financial statements and for the accountability of those assets. The City has adopted comprehensive financial policies that enhance and supplement its system of internal accounting controls to safeguard the assets of the City and provides reasonable assurance of the proper recording of financial transactions. We believe the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of the proper recording of financial transactions.

Operating Budget Policy The City maintains budgetary controls, the objective of which is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Commission. All funds are required to balance. Total anticipated revenues must equal the sum of budgeted expenditures for each fund. Current anticipated revenues must be sufficient to support current expenditures. The level of budgetary control is maintained by the City Manager at the departmental level within an individual fund. Any changes made outside the department level control must be approved by City Commission.

Stabilization/Operating Reserves Policy For Fiscal Year 2021, the City's policy is to maintain operating reserves at 25% of the General Fund operating budget, less any transfers and contingency amount. A variety of factors were considered in determining the appropriate operating reserve level. Major circumstances include economic stabilization for unforeseen economic conditions and potential natural disaster, especially hurricanes, which could affect the City. The City's stabilization/operating reserves are \$10,627,500, or just under 3 months of operating expenditures.

Capital Improvement Program Policy The City adopts an annual Capital Improvement Plan that is directly linked to the City's Strategic Plan. It is the City's policy to determine the most prudent financial method for funding its Capital Improvement Program. When possible, the City shall use cash reserves to pay for capital expenditures. In fiscal year 2021, impact fee revenues were primarily used to pay for the debt service related to the Western Fire Station and Pine Trails Park and to construct an addition to our existing Library. During Fiscal Year 2022, cash reserves, impact fee collections, and loan proceeds received in 2021 will be utilized to pay for all Capital Improvement Program expenditures. Additionally, for fiscal year 2022, existing cash reserves will be used to fund all fleet replacement and infrastructure replacement program expenditures.

Cash Management and Investments Policy The City follows its adopted investment policy when handling public funds. The intent of this policy is to 1) ensure the preservation of principal, 2) maintain sufficient cash flow to enable the City to meet its obligations, and 3) maximize the return on assets with acceptably low exposure to risk. The investment policy meets the requirements of Florida Statutes, Section 218.415.

Idle funds are centrally managed through the use of a pooled cash and investment account. The funds available for investment of this nature average \$94 million for the year and provided interest income totaling about \$119,000. The City utilizes TD Bank and various Local Government Investment Pools, which were created under Florida Statute Chapter 218, Part IV, to promote the maximization of net interest income on invested surplus funds.

Debt Management Policy The City reviews its outstanding debt annually. The financing term of capital projects shall not exceed the average useful life of the project that is being financed. These projects shall be major projects and shall be financed only when unreserved fund balance is not available. For fiscal year 2021, the City is in compliance with its debt management policy.

Other Information

Independent Audit In accordance with Section 218.32, Florida Statutes, the City engaged the services of the firm, Caballero Fierman Llerena + Garcia, LLP, to perform the independent audit of the City's accounts and records. The independent auditors' report is included in the Financial Section.

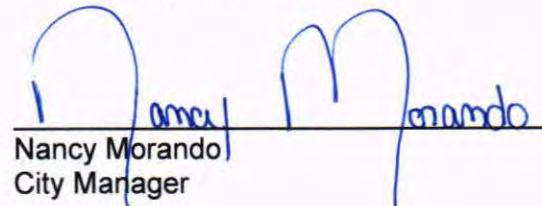
Certificate of Achievement The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to City of Parkland, Florida, for its comprehensive annual financial report for the fiscal year ended September 30, 2020.

In order to be awarded a Certificate of Achievement, a governmental 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 only. The City has received a Certificate of Achievement for thirty consecutive years including the fiscal year ended September 30, 2020. We believe our current report continues to conform to the Certificate of Achievement program requirements and we are submitting it to GFOA.

Acknowledgments The preparation of this report would not have been possible without the efficient and dedicated services of the Finance Department. We would like to express our appreciation to all members of this department who assisted and contributed to the preparation of this report. Credit must also be given to the Mayor and Commission for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Parkland's finances.

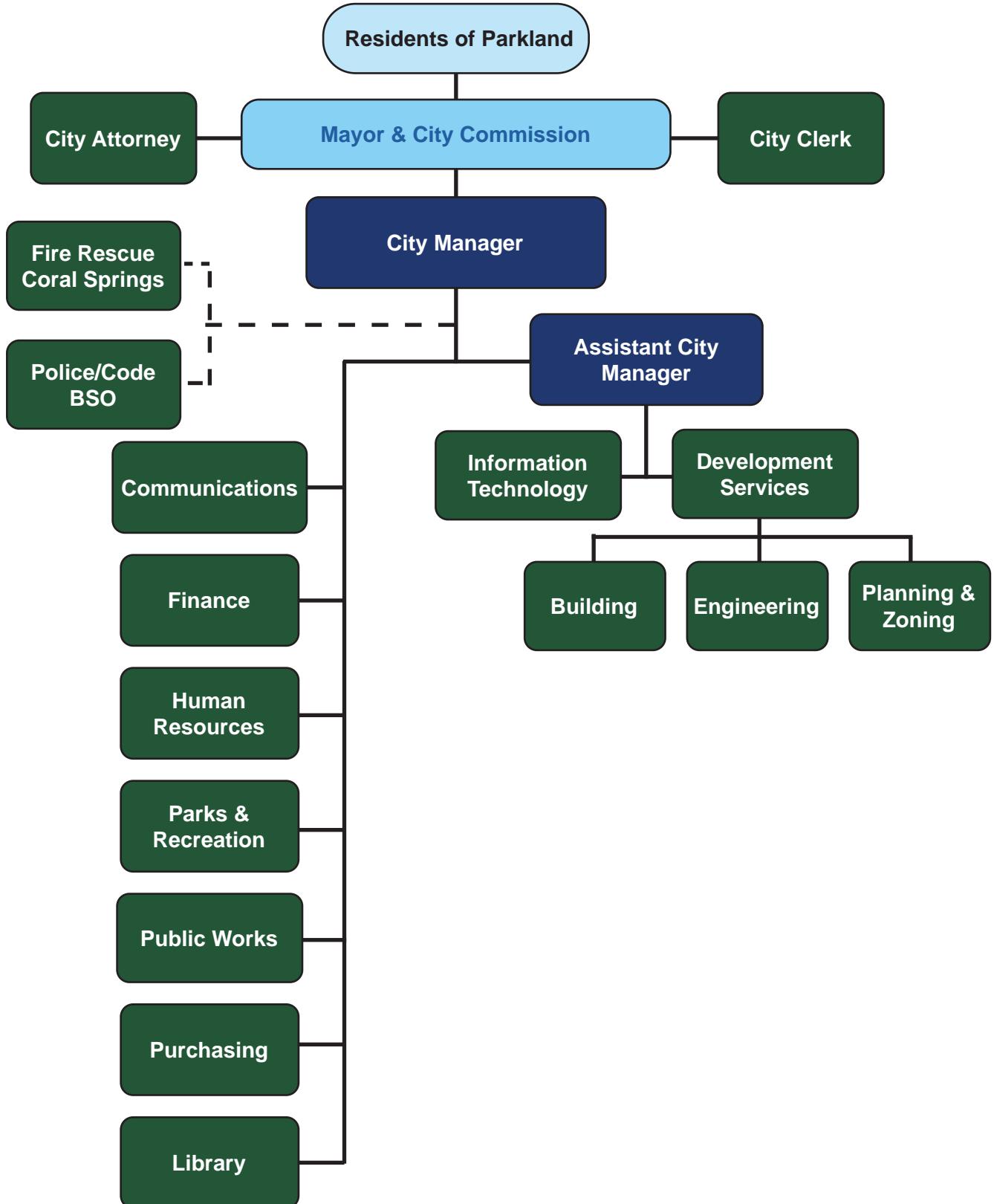
Respectfully submitted,


Nancy Morando
City Manager

CITY OF PARKLAND, FLORIDA
LIST OF PRINCIPAL OFFICIALS
SEPTEMBER 30, 2021

<u>Title</u>	<u>Name</u>
Mayor	Rich Walker
Vice Mayor	Bob Mayersohn
Commissioner	Ken Cutler
Commissioner	Jordan Isrow
Commissioner	Simeon Brier
City Manager	Nancy Morando
Assistant City Manager	Sowande Johnson
City Attorney	Anthony Soroka
City Clerk	Alyson Morales
Finance Director	Christopher Johnson
Purchasing Director	Anthony Cariveau
Director of Human Resources and Library	Jacqueline Wehmeyer
Parks and Recreation Director	Christine Garcia
Director of Communications	Todd DeAngelis
Director of Public Works	William Evans
Building Official	William Tracy
Fire Chief-CSFD	Michael McNally
Planning & Zoning Director	Michele Mellgren
Police Chief-BSO	Craig Calavetta

City of Parkland Organizational Chart





Government Finance Officers Association

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

Presented to

**City of Parkland
Florida**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2020

Christopher P. Monill

Executive Director/CEO

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

INDEPENDENT AUDITORS' REPORT

Honorable Mayor and Members of the City Commission
City of Parkland, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Parkland, Florida, (the "City") as of and for the fiscal year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the City of Parkland, Florida's Police Officers Retirement Plan (the "Plan"), which represent 17%, 17%, and 34%, respectively, of the assets plus deferred outflows of resources, fund balance/net position, and revenues/additions of the aggregate remaining fund information of the City. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Plan, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City as of September 30, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 – 10 and budgetary comparison schedule and the schedule of changes in the City's total OPEB liability and related ratios on pages 42 – 45 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

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

Other Reporting Required by Government Auditing Standards

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

Caballero Fierman Llerena & Garcia, LLP

Caballero Fierman Llerena & Garcia, LLP
Miramar, Florida
March 31, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Required Supplementary Information)

CITY OF PARKLAND, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021

The purpose of the financial reporting, in general, is to provide the readers of the financial statements with information that will help them make decisions and draw conclusions about an entity. As management of the City of Parkland, Florida (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2021. We encourage readers to consider the information presented here in conjunction with the additional information provided in the transmittal letter on pages i through vii at the beginning of this report as well as the financial statements and notes to financial statements that follow.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$138,242,865 (net position), as compared with \$127,734,245 for the previous fiscal year. Of this amount, \$40,831,315 (unrestricted net position) may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$10,508,620 during the current fiscal year. Capital assets increased approximately \$2.6 million due to the improvements made at Terramar Park multi-use fields, construction of the City Hall multi-purpose room, as well as Nob Hill and Hillsboro traffic signalizations. Increases in tax revenues, utility service taxes, franchise fees, charges for services and intergovernmental revenues further contributed to the increase in the City's net position by approximately \$5 million. Additionally, the City's long-term debt increased approximately \$20 million due to a new long-term loan agreement signed during the current fiscal year.
- The City's governmental funds reported combined ending fund balances of \$89,727,825, an increase of \$26,941,117 in comparison with the prior fiscal year. Of this amount, approximately \$25,454 is non-spendable, \$30,602,424 is restricted, \$11,377,500 committed, \$16,881,570 is assigned and \$30,840,877 is unassigned.
- The total fair value of the City's cash and investments at September 30, 2021 was \$91,803,095 an increase of \$28,027,519 from the prior year.
- Restricted cash is \$19,101,037 as a result of the loan proceeds from Sterling Bank Capital Improvement Revenue Note with maturity date of December 1, 2040. These funds will be used to finance the acquisition, construction, and enhancement of various capital projects, including the construction of the 36 Acre Park.
- At the end of the current fiscal year, the unassigned fund balance for the general fund was \$30,840,877 or 84% of total general fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts: 1) Introductory Section 2) Financial Section 3) Statistical Section and 4) Compliance Section. Within the Financial Section, there is the Independent Auditors' Report, the Management's Discussion and Analysis, the Basic Financial Statements, Required Supplementary Information and Other Financial Information.

Government-wide financial statements. The government-wide statements on pages 11 and 12 include the statement of net position and the statement of activities. They are designed to provide a broad overview of the City's financial position as a whole, similar to private sector financial statements. The statement of net position shows the total assets and deferred outflows of resources and liabilities and deferred inflows of resources for the City, with the difference reported as net position. Over time, increases or decreases in net position may be an indicator of whether the financial position of the City is improving or deteriorating. The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods. A good example of this is uncollected taxes and earned but unused compensated absences (annual leave).

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

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

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

CITY OF PARKLAND, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021

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

The City maintains eight individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the general fund and the capital projects fund, which are considered to be major funds. Data from the other six governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for its general fund, capital projects fund, capital replacement fund, park & community improvements fund, government/library building fund, and public safety improvement fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 13 through 16 of this report.

Proprietary fund. The City maintains one type of proprietary fund known as an internal service fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City of Parkland's various functions. The City uses the internal service fund to account for its vehicle and computer replacement programs. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The City adopts an annual appropriated budget for its proprietary fund, the capital replacement fund.

The proprietary fund financial statements can be found on pages 17 through 19.

Fiduciary fund. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The Fiduciary Fund represents the Police Officers' Retirement Plan, and can be found on pages 20 and 21.

Notes to the financial statements. The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes can be found on pages 22 through 42 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information including the budgetary comparison schedule, other post-employment benefits and Police Officers' Retirement Plan. Required supplementary information can be found on pages 43 and 46 of this report.

Combining and Individual Fund statements and schedules. Combining statements referred to earlier in connection with non-major governmental is presented immediately following the required supplementary information. They can be found on pages 47 through 54.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of the City's financial position. In the case of the City of Parkland, assets plus deferred outflows of resources exceeded liabilities plus deferred inflow of resources by \$138,242,865 at the close of the fiscal year. The table below summarized the City's net position for the fiscal year ended September 30, 2021.

The largest portion of the City's net position (approximately 48%) reflects its net investment in capital assets (land, buildings, improvements other than buildings, machinery and equipment, vehicles, and infrastructure) less any related outstanding debt used to acquire those assets (approximately \$26.8 million). The City uses these capital assets to provide services to its residents; therefore, 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.

CITY OF PARKLAND, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021

City of Parkland, Florida

Net Position

	September 30, 2021	September 30, 2020	\$ Change	% Change
Current and other assets	\$93,361,780	\$65,221,244	\$28,140,536	43%
Capital assets	75,095,721	72,486,880	2,608,841	4%
Total assets	<u>168,457,501</u>	<u>137,708,124</u>	<u>30,749,377</u>	<u>22%</u>
Deferred outflow of resources	70,521	-	-	-
Other liabilities	2,292,084	1,152,966	1,139,118	99%
Long-term liabilities	27,933,554	8,767,772	19,165,782	219%
Total liabilities	<u>30,225,638</u>	<u>9,920,738</u>	<u>20,304,900</u>	<u>205%</u>
Deferred inflow of resources	59,519	53,141	6,378	12%
Net position:				
Net investment in capital assets	66,809,126	64,596,577	2,212,549	3%
Restricted	30,602,424	11,322,064	19,280,360	170%
Unrestricted	40,831,315	51,815,604	(10,984,289)	-21%
Total net position	<u>\$138,242,865</u>	<u>\$127,734,245</u>	<u>\$10,508,620</u>	<u>8%</u>

A portion of net position, approximately 22%, represents resources that are subject to external restrictions on how they may be used. The largest components of these resources are for building department expenditures, which can only be used to satisfy the obligations of the Building Department. Restricted net position for public safety will be used to satisfy outstanding debt service obligations. The remaining balance of unrestricted net position of \$40,831,315 may be used to meet the City's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City is able to report positive balances in net position. The same situation held true for the prior fiscal year.

The largest component of current and other assets are cash and investments, which comprise approximately 98% of these assets. Cash and investments increased by \$28,027,519, from \$63,775,576 to \$91,803,095 as the City continues to experience increases in property values and tax collections. Capital assets (net) increased by \$2,608,841 as current year capital spending (for the various capital projects like construction of the new Covered Bridge and the University Drive Old Road Roundabout) exceeded depreciation expense and current year disposals.

Approximately 8% of the total liabilities are attributable to current liabilities, down from 12% in the prior year. Net long-term liabilities, comprised of compensated absences payable and long-term debt, increased by \$19,042,399 as long-term debt increased by \$18,977,287 due to a new 20-year loan agreement with Sterling Bank to finance various capital projects. Compensated absences payable increased by \$65,112.

CITY OF PARKLAND, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021

Governmental activities:

Governmental activities increased the City's net position by \$10,508,620, thereby accounting for the total growth in net position of the City. Key elements of the change are described below:

		City of Parkland, Florida Change in Net Position		
	September 30, 2021	September 30, 2020	\$ Change	% Chang e
REVENUES:				
Program revenues:				
Charges for services	\$11,764,400	\$8,038,189	\$3,726,211	46%
Operating grants and contributions	1,662,989	1,937,710	(274,721)	-14%
Capital grants and contributions	506,718	1,412,837	(906,119)	-64%
General revenues:				
Ad valorem taxes	23,685,838	22,641,111	1,044,727	5%
Franchise and other taxes	6,878,208	6,561,987	316,221	5%
Intergovernmental (unrestricted)	4,138,512	4,162,163	(23,651)	-1%
Interest income	119,169	696,875	(577,706)	-83%
Miscellaneous income	434,124	307,489	126,635	41%
Total revenues	49,189,958	45,758,361	3,431,597	7%
EXPENSES:				
General government	4,595,507	4,419,822	175,685	4%
Public safety	19,379,415	18,795,900	583,515	3%
Physical environment	6,693,488	6,116,720	576,768	9%
Culture and recreation	4,329,173	3,742,989	586,184	16%
Development services	3,395,669	3,148,286	247,383	8%
Interest and other financing costs	288,086	307,059	(18,973)	-6%
Total expenses	38,681,338	36,530,776	2,150,562	6%
	10,508,620	9,227,585	1,281,035	
Net position at beginning of year	127,734,245	118,506,660	9,227,585	
Net position at end of year	\$138,242,865	\$127,734,245	\$10,508,620	8%

Property tax collections increased \$1,044,727 from fiscal year 2020. This increase is attributed to the appreciating values of existing homes and new construction. The City of Parkland had an increase of 6.3% in taxable values, resulting in an increase in ad valorem revenue. The fiscal year 2021 millage rate was \$4.2979 mills per \$1,000 of assessed value, which is 2.3% lower than fiscal year 2020. This rate is well within the 10-mill maximum established by the State of Florida.

CITY OF PARKLAND, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$89,727,825 an increase of \$26,941,117. Approximately 34% of this total amount constitutes unassigned fund balance, or \$30,840,877, which is available for spending at the City's discretion. The remainder is either restricted, committed, assigned or non-spendable, indicating it is not available for new spending.

The general fund is the chief operating fund of the City. At the end of the fiscal year, unassigned fund balance of the general fund was \$30,840,877 while total fund balance was \$49,819,001. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents approximately 87% of the total general fund expenditures, while total fund balance represents 128% of that same amount.

The fund balance of the City's general fund increased by \$6,390,858 during the current fiscal year. From an operating perspective, revenues exceeded expenditures by approximately \$11.5 million. A total of \$5,700,000 in transfers from general fund reserves were made to the capital projects and infrastructure replacement funds in order to fund capital and replacement projects with available cash and continue with pay-as-you-go financing. Key factors in the operations are listed below:

- Taxes were \$1,044,727 higher than in fiscal year 2020 due to new construction, population growth, and increase in the values of existing homes.
- Intergovernmental revenues were \$1,622,021 lower due to Hurricane Irma reimbursements received in fiscal year 2020.
- License and permit revenues were \$1,790,480 higher than the previous year due to new single family home construction and a higher number of permitted home renovations.
- Charges for services were \$710,220 higher in 2021 as programs and public events resumed and continued to return to near pre-pandemic levels.
- Expenditures across all operating departments were approximately \$1.7 million higher in comparison to fiscal year 2020:
 - Culture and recreation was \$889,091 or 36% higher than the prior year due more spending incurred as event and programs returned to pre-pandemic levels.
 - Public Safety was \$790,455 higher in 2021 due to contractual cost increases.
 - General government expenditures were \$204,503 higher resulting from increases in personnel related costs as well as higher operating and contractual costs in general.

GENERAL FUND BUDGETARY HIGHLIGHTS

Taxes were \$282,111 over budget due to new construction, population growth, and increasing existing home values. Licenses and permits were over the budget by \$2,300,087, or 43%, due to new single-family home construction, permitted home renovations, and related fire assessments fees. As the local population continues to grow with the new housing development, intergovernmental revenues were over budget by \$1,884,503 due to an increase in half-cent sales tax collections, state revenue sharing proceeds, and motor fuel tax receipts. This amount also includes Broward County reimbursements for COVID-19 related expenditures through the Coronavirus Aid, Relief, and Economic Security Act. Charges for services were better than the budget by \$610,589 due to public event and program participation increasing and getting back to normal levels as COVID-19 restrictions were lifted.

As uncertainties with the effects of the COVID-19 pandemic lingered through the year, spending in Physical environment was kept low resulting in expenditures \$1,534,713 lower than budget. Fiscal year 2021 had lower number of repair and maintenance projects, employee vacancies, and lower related operating expenditures than anticipated. Culture and Recreation expenditures were \$1,054,082 lower than budgeted due to less spending in special events and summer programs, and employee vacancies. General government expenditures were below budget by \$787,453 or 16% due primarily to lower personnel costs and lower operating expenditures in general. Public Safety expenditures were \$761,416 lower due to less operating expenditures and lower police pension and software contractual costs than anticipated.

CITY OF PARKLAND, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021

Summary of Revenues and Expenditures – Budget and Actual
General Fund
For the Year Ended September 30, 2021

	Original Budget	Final Budget	Actual	Approximate Dollar Variance	Approximate Percent Variance
Revenues					
Ad Valorem taxes	\$23,403,727	\$23,403,727	\$23,685,838	\$282,111	1%
Franchise fees & local business tax	2,435,850	2,435,850	2,840,312	404,462	17%
Utility service taxes	3,469,000	3,469,000	4,093,174	624,174	18%
Licenses and permits	5,317,250	5,317,250	7,617,337	2,300,087	43%
Intergovernmental	3,512,600	3,512,600	5,397,103	1,884,503	54%
Charges for services	1,598,653	1,598,653	2,209,242	610,589	38%
Fines and forfeitures	163,800	163,800	389,645	225,845	138%
Interest income	36,000	36,000	84,365	48,365	134%
Miscellaneous income	401,800	401,800	425,254	23,454	6%
 Total revenues	 <u>\$40,338,680</u>	 <u>\$40,338,680</u>	 <u>\$46,742,270</u>	 <u>\$6,403,590</u>	 16%
 Expenditures					
General government	\$4,883,245	\$4,883,245	\$4,095,792	787,453	16%
Public safety	19,254,863	19,254,863	18,493,447	761,416	4%
Physical environment	5,561,653	5,561,653	5,230,690	1,534,713	23%
Culture and recreation	3,711,160	3,711,660	2,657,578	1,054,082	28%
Development services	3,507,429	3,711,429	3,375,445	335,984	9%
Debt Service	2,497,750	2,497,750	1,290,799	3,201	-
Capital outlay	92,400	103,400	69,007	34,393	33%
 Total expenditures	 <u>\$39,509,000</u>	 <u>\$39,724,000</u>	 <u>\$35,212,758</u>	 <u>\$4,511,242</u>	 11%

CAPITAL PROJECTS FUND

The capital projects fund is used to account for the acquisition and construction of major capital facilities, as well as to account for financial resources to be used for the purchase of equipment and construction of major improvements to City facilities. At the end of the fiscal year, the fund balance of the capital projects fund was \$29,281,741, an increase of \$18,972,059 from the prior year. During fiscal year 2021, General Fund reserves of \$4,000,000 were transferred to the Capital Projects Fund to fund existing capital projects. In addition, the City signed a loan agreement for \$20 million to finance various capital projects, including a 36-acre park.

The major expenditures in the capital projects fund were as follows:

- Loxahatchee Road Project Funding Agreement
- Pine Trail Parks improvements
- University Drive / Old Club Road Roundabout
- The Covered Bridge park design and development

CITY OF PARKLAND, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021

CAPITAL ASSETS AND DEBT ADMINISTRATION

The City's investment in capital assets for its governmental activities as of September 30, 2021, amounts to \$75,095,728 (net of accumulated depreciation). The investment includes land, buildings, improvements other than buildings, machinery and equipment, vehicles, construction-in-progress and infrastructure.

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

- The Pine Trails Park field and artificial turf replacements. Approximately \$1.7 million was expended during fiscal year 2021.
- Loxahatchee Road Project Funding Agreement, \$1,789,683 incurred in 2021.
- Nob Hill Road and Hillsboro Boulevard Traffic Signalization at a cost of \$603,326.
- Various vehicles and equipment replaced at a cost of \$298,183.
- City Hall improvements at a cost of \$221,575.
- The Covered Bridge park design and development, \$207,842 incurred in 2021.

Capital assets for the years ended September 30, 2021, and 2020, consisted of the following:

	Capital Assets		
	September 30, 2021	September 30, 2020	% Change
Governmental activities:			
Capital assets:			
Land	\$21,674,605	\$21,674,605	-
Buildings	21,787,136	21,787,136	-
Improvements other than buildings	8,905,233	7,533,752	18%
Machinery and equipment	6,958,567	6,718,960	4%
Vehicles	3,402,939	3,219,831	6%
Infrastructure	45,768,043	45,030,428	2%
Construction in progress	6,108,745	2,533,496	141%
Total capital assets	\$114,605,268	\$108,498,208	11%

Further data on the City of Parkland's capital assets can be found in Note 6 on page 33.

DEBT ADMINISTRATION

Long-term debt. At the end of the fiscal year, the City had total long-term liabilities of \$27,810,171. The notes payable and the revenue bonds are secured solely by specific revenue sources as detailed in the notes to the financial statements. As mentioned before, the City signed a loan agreement for \$20 million with Sterling Bank to finance various capital projects. This new loan has a maturity date of December 1, 2040.

Additional information on the City's long-term debt can be found in Note 7 on page 34. All debt is related to governmental activities.

Changes in Long-Term Liabilities

	Balance			Balance September 30, 2021	Due within One Year		
	October 1, 2020						
	Additions	Retirements					
Notes Payable	\$3,350,303	\$ -	(\$571,713)	\$2,778,590	\$625,599		
Loan payable	4,540,000	-	(451,000)	4,089,000	463,000		
Revenue Note	-	20,000,000	-	20,000,000	911,273		
Other post-employment benefits (OPEB)	-	123,383	-	123,383	-		
Compensated absences payable	877,469	739,785	(674,673)	942,581	94,000		
Governmental activity:							
Long-term debt	\$8,767,772	\$20,863,168	(\$1,697,386)	\$27,933,554	\$2,093,872		

CITY OF PARKLAND, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021

LOCAL ECONOMY, ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The national and local economies continue to rebound from the effects of the COVID-19 pandemic even after the arrival of new more infectious variants of the virus like the Delta and Omicron variants. For the 2021-2022 fiscal year, the state's real gross domestic product and personal income were expected to grow 4.5% and 8.5% respectively. This as a direct result of laid off and furloughed workers returning to their jobs or finding new opportunities. The state's unemployment rate has fallen from its May 2020 peak of 14.2% to 4.6% as of October 2021. According to the Institute for Economic Forecasting of the University of Central Florida , this number is expected to continue to fall through the end of 2023 as the economy recovers.

Nationwide, there are three most widely used indicators of government financial health. One such economic measure is State Gross Domestic Product. In data published by the University of Central Florida in November 2021, Florida's GDP will grow an average of 2.4% annually from 2022-2024 following a sharp contraction in 2020 followed by an even sharper acceleration thanks to the COVID-19 pandemic.

Another factor frequently used to gauge the health of an individual state is personal income growth, which is primarily related to changes in salaries and wages. In 2021 Florida reported a personal income growth rate of 3.5% and it's expected to contract by 2.8% in 2022. The latest projections indicate that the income growth during 2021-2024 will average 1.3% in the state. The state was better than the nation's 2.4% growth rate.

Florida's seasonally adjusted unemployment rate for December 2021 was 4.4%, which is 0.7% lower than the December 2020 seasonally adjusted unemployment rate. Florida's unemployment rate was 4.4%, while the national unemployment rate at the end of 2021 was 3.9%. Broward County reports a 4.2% unemployment rate in December 2021, slightly higher than the national rate of 4.0% for the same period.

Population growth is the state's primary engine of economic growth, fueling both employment and income growth. Over the next five years, Florida's population growth is expected to average 1.36%, from 2021 through 2025. Almost all of Florida's population growth through 2030 will be from net migration. The City of Parkland's population is expected to increase between 10-15% by 2023 due to continued housing construction in the annexed portions of the City.

The City of Parkland is experiencing rapid single-family home development. The number of single-family homes within the City is projected to increase approximately 10-20% through 2023. As of the end of the third quarter of 2021 Florida's homeownership rate was 67.1% finally moving above the long-run average rate of 66.3% during the 35-year history of the series. In contrast, Parkland's homeownership rate is approximately 83%.

In fiscal year 2021, the City had an increase of 6.3% in taxable values. For fiscal year 2022, the City had an increase of 6.3% or \$359 million in taxable value. This increase is a combination of new taxable values and current values increasing. This increase resulted in an additional \$1.4 million in new ad valorem revenue. This is the 11th consecutive year that taxable values have increased. The Operating Millage Rate is \$4.2979 for fiscal year 2021, the City did not raise property taxes for 2021.

According to Zillow, the median home value in Parkland is \$885,738. Parkland home values have increased 31.9% over the past year. The median price of homes currently listed in Parkland is \$988,500 according to Realtor.com. The median rent price in Parkland is \$6,500, which is higher than the Miami-Fort Lauderdale Metro median of \$3,100. Top rated schools, great parks, beautifully manicured grounds, and spacious private homes continue to make the City of Parkland one of the most desired cities to live in Florida.

An increasing tax base due to increasing real estate values and new construction has enabled the City to accumulate a healthy fund balance and take on capital improvement projects all while keeping the millage rate low. The City is able to contribute to its infrastructure and capital replacement funds and has increased the stabilization fund reserve level. These contributions help prepare the City for upcoming equipment and infrastructure needs and any unforeseen circumstances including natural disasters. The City is preparing for the future, which includes the opportunities and challenges due to population growth, supply shortages, rising fuel costs, and high inflation. Spending is continuously analyzed in order to maximize resources, streamline and reduce costs and keep in line with the City's strategic goals.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's finances. Questions concerning any of the information provided herein or requests for additional financial information should be addressed to:

**City of Parkland
Finance Department
6600 University Drive
Parkland, Florida 33067**

FINANCIAL STATEMENTS

CITY OF PARKLAND, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2021

	<u>Governmental Activities</u>
<u>ASSETS</u>	
Cash and cash equivalents	\$ 48,355,138
Restricted cash and and cash equivalents	19,101,037
Investments	24,346,920
Receivables - net accounts	854,272
Due from other governmental agencies	678,959
Prepaid Items	25,454
Capital assets not being depreciated	27,783,350
Capital assets being depreciated, net	47,312,371
Total assets	168,457,501
<u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Other post employment benefits (OPEB)	70,521
<u>LIABILITIES</u>	
Accounts payable	1,519,984
Accrued expenses	514,072
Unearned revenue	87,028
Deposits	65,550
Other liabilities	105,450
Noncurrent liabilities:	
Due within one year	2,093,872
Due in more than one year	25,839,682
Total liabilities	30,225,638
<u>DEFERRED INFLOWS OF RESOURCES</u>	
Business license tax	59,519
<u>NET ASSETS</u>	
Net investment in capital assets	66,809,126
Restricted for:	
Equestrian center	9,470
Liberty park	200
Country point	4,575
Building department	7,560,370
Waste containers	3,817
Riverside Trail MUST grant	5,646
Public safety - fire	861,831
Public safety - police	1,128,106
Western fire station	6,250
Administrative building	1,485,524
Library	498,236
Park improvements	446,995
Police forfeiture	10,409
Capital projects	18,580,995
Unrestricted	
Total net position	\$ 138,242,865

See notes to basic financial statements.

CITY OF PARKLAND, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

<u>Functions/programs</u>	<u>Program Revenues</u>				<u>Total Governmental Activities</u>
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Governmental activities:					
General government	\$ 4,595,507	\$ 622,608	\$ 1,046,160	\$ -	\$ (2,926,739)
Public safety	19,379,415	4,172,635	-	-	(15,206,780)
Development services	3,395,669	5,961,887	18,001		2,584,219
Physical environment	6,693,488	-	7,250	506,718	(6,179,520)
Culture and recreation	4,329,173	1,007,270	591,578	-	(2,730,325)
Interest on long-term debt	288,086	-	-	-	(288,086)
Total governmental activities	<u>38,681,338</u>	<u>11,764,400</u>	<u>1,662,989</u>	<u>506,718</u>	<u>(24,747,231)</u>
General revenues:					
Ad valorem revenues				\$ 23,685,838	
Franchise and taxes				2,785,034	
Utility taxes				4,093,174	
Intergovernmental (unrestricted)				4,138,512	
Interest income				119,169	
Gain on sale of capital assets				11,068	
Miscellaneous income				<u>423,056</u>	
Total general revenues				<u>35,255,851</u>	
Change in net position				10,508,620	
Net position, beginning of year				<u>127,734,245</u>	
Net position, end of year				<u>\$ 138,242,865</u>	

See notes to basic financial statements.

CITY OF PARKLAND, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021

	<u>Major Funds</u>						
	<u>General</u>		<u>Capital Projects</u>		<u>Total Nonmajor Funds</u>	<u>Total Governmental Funds</u>	
	<u>ASSETS</u>	<u>LIABILITIES</u>	<u>DEFERRED INFLOWS OF RESOURCES</u>	<u>FUND BALANCES</u>			
Cash and cash equivalents	\$ 25,159,702	\$ 11,378,506	\$ 10,534,578	\$ 47,072,786			
Restricted cash and cash equivalents	520,042	18,580,995	-	19,101,037			
Investments	23,989,652	184,237	173,031	24,346,920			
Accounts receivable - net	854,272	-	-	854,272			
Due from other governments	678,959	-	-	678,959			
Prepaid items	25,454	-	-	25,454			
Total assets	<u>\$ 51,228,081</u>	<u>\$ 30,143,738</u>	<u>\$ 10,707,609</u>	<u>\$ 92,079,428</u>			
Accounts payable	\$ 577,461	\$ 861,997	\$ 80,526	\$ 1,519,984			
Accrued liabilities	514,072	-	-	514,072			
Unearned revenue	87,028	-	-	87,028			
Deposits	152,174	-	-	152,174			
Other liabilities	18,826	-	-	18,826			
Total liabilities	<u>1,349,561</u>	<u>861,997</u>	<u>80,526</u>	<u>2,292,084</u>			
DEFERRED INFLOWS OF RESOURCES							
Business license tax	59,519	-	-	59,519			
FUND BALANCES							
Non-spendable:							
Prepaid items	25,454	-	-	25,454			
Restricted:							
Equestrian center	9,470	-	-	9,470			
Liberty park	200	-	-	200			
Country point	4,575	-	-	4,575			
Building department	7,560,370	-	-	7,560,370			
Waste containers	-	3,817	-	3,817			
Riverside Trail MUST grant	-	5,646	-	5,646			
Public safety - fire	-	-	861,831	861,831			
Public safety - police	-	-	1,128,106	1,128,106			
Western fire station	-	6,250	-	6,250			
Administrative building	-	-	1,485,524	1,485,524			
Library	555	-	497,681	498,236			
Park improvements	-	-	446,995	446,995			
Police forfeiture	-	-	10,409	10,409			
Capital projects	-	18,580,995	-	18,580,995			
Committed:							
Stabilization agreement	10,627,500	-	-	10,627,500			
Insurance deductible	750,000	-	-	750,000			
Assigned:							
Capital projects	-	10,685,033	6,196,537	16,881,570			
Unassigned:							
Total fund balances	30,840,877	-	-	30,840,877			
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 51,228,081</u>	<u>\$ 30,143,738</u>	<u>\$ 10,707,609</u>	<u>\$ 92,079,428</u>			

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

Fund balances - total governmental funds (Page 13) \$ 89,727,825

Amounts reported for governmental activities in the Statement of Net Position are different as a result of:

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

Governmental capital assets	114,605,268
Less accumulated depreciation	<u>(39,509,547)</u>
	75,095,721

Internal service funds are used by management to charge the costs of fleet management and self-insurance activities to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities column of the statement of net position.

Net position	1,282,352
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Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.

Long term debt	(26,867,590)
Other post-employment benefit (OPEB)	(123,383)
Compensated absences	<u>(942,581)</u>
	(27,933,554)

Deferred inflows/outflows of resources reported in the statement of net position: period and therefore are not reported in the governmental funds.

Other post-employment benefit (OPEB)	<u>70,521</u>
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Net position of governmental activities (Page 11) \$ 138,242,865

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

	Major Funds			Total Nonmajor Funds	Total Governmental Funds		
	<u>General</u>	<u>Capital Projects</u>	Total Nonmajor Funds				
	General	Capital Projects					
REVENUES:							
Ad valorem taxes	\$ 23,685,838	\$ -	\$ -	\$ 23,685,838			
Franchise taxes	2,785,034	-	-	2,785,034			
Utility service taxes	4,093,174	-	-	4,093,174			
Local business tax	55,278	-	-	55,278			
Permit and fees	7,617,337	-	-	7,617,337			
Charges for services	2,209,242	140,414	1,352,627	3,702,283			
Intergovernmental	4,138,512	-	-	4,138,512			
Fines and forfeitures	389,645	-	-	389,645			
Grants and contributions	1,631,846	506,718	31,000	2,169,564			
Interest	84,365	16,025	16,673	117,063			
Miscellaneous	425,254	-	-	425,254			
Total revenues	47,115,525	663,157	1,400,300		49,178,982		
EXPENDITURES:							
Current:							
General government	4,095,792		-	4,095,792			
Public safety	18,866,702	-	-	18,866,702			
Physical environment	5,230,690	-	-	5,230,690			
Development services	3,375,445	-	-	3,375,445			
Culture and recreation	2,657,578	-	-	2,657,578			
Debt Service:							
Principal retirement	1,022,713	-	-	1,022,713			
Interest	268,086	20,000	-	288,086			
Capital Outlay	69,007	5,671,098	639,150		6,379,255		
Total expenditures	35,586,013	5,691,098	639,150		41,916,261		
Excess (Deficiency) of revenues over expenditures	11,529,512	(5,027,941)	761,150		7,262,721		
OTHER FINANCING SOURCES (USES)							
Proceeds from long-term debt	-	20,000,000	-	20,000,000			
Insurance proceeds	17,328	-	-	17,328			
Proceeds from sale of capital assets	11,068	-	-	11,068			
Transfers in	532,950	4,000,000	1,350,000	5,882,950			
Transfers out	(5,700,000)	-	(532,950)	(6,232,950)			
Total other financing sources and uses	(5,138,654)	24,000,000	817,050		19,678,396		
Net change in fund balances	6,390,858	18,972,059	1,578,200	26,941,117			
Fund balances, beginning of the year	43,428,143	10,309,682	9,048,883	62,786,708			
Fund balances, end of year	\$ 49,819,001	\$ 29,281,741	\$ 10,627,083		\$ 89,727,825		

CITY OF PARKLAND, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

Amounts reported for governmental activities in the statement of activities are different as a result of:

Net change in fund balances - total governmental funds (Page 15)	\$	26,941,117
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Governmental funds report outlays for capital assets as expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives.

Expenditures for capital outlays	6,379,255
Less current year depreciation	(3,741,121)
Amounts reported as capital outlay not included in capital assets (not capitalized)	<u>(9,767)</u>
Net adjustment	2,628,367

The net effect of various transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase (decrease) net position: (19,526)

The issuance of long-term debt (e.g. bonds, leases) provided 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.

Principal payments on long term debt	1,022,713
Issuance of debt	(20,000,000)

Internal service funds are used by management to charge the costs of certain activities to individual funds. Change in net position of the internal service fund is reported with government activities.	53,923
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Some expenses reported in the statement of activities do not require current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Compensated absences	(65,112)
Other post-employment benefit (OPEB)	<u>(52,862)</u>
	<u>(117,974)</u>

Change in net position of governmental activities (Page 12)	\$	10,508,620
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CITY OF PARKLAND, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUND - INTERNAL SERVICE FUND - CAPITAL REPLACEMENT FUND
SEPTEMBER 30, 2021

	<u>ASSETS</u>
Cash and cash equivalents	\$ 1,282,352
Total assets	<u>\$ 1,282,352</u>
	<u>NET POSITION</u>
Unrestricted	\$ 1,282,352
Total net position	<u>\$ 1,282,352</u>

CITY OF PARKLAND, FLORIDA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUND - INTERNAL SERVICE FUND
CAPITAL REPLACEMENT FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

NON-OPERATING REVENUES (EXPENSES):

Capital assets expense	\$ (298,183)
Interest income	2,106
Total non-operating expenses	<u>(296,077)</u>
 Transfers in	 <u>350,000</u>
 Change in net position	 53,923
 Net position, beginning of year	 <u>1,228,429</u>
 Net position, end of year	 <u>\$ 1,282,352</u>

CITY OF PARKLAND, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUND - INTERNAL SERVICE FUND - CAPITAL REPLACEMENT FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

Cash flows from capital and related financing activities	
Purchases of capital assets	\$ (298,183)
Transfer from other funds	<u>350,000</u>
Net cash provided by capital and related financing activities	<u>51,817</u>
 Cash flows from investing activities	
Interest income	2,106
Net cash provided by investing activities	<u>2,106</u>
 Net increase in cash and cash equivalents	53,923
 Cash and cash equivalents, beginning of year	<u>1,228,429</u>
 Cash and cash equivalents, end of year	<u>\$ 1,282,352</u>

CITY OF PARKLAND, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
POLICE OFFICERS RETIREMENT PLAN
SEPTEMBER 30, 2021

ASSETS

Cash and cash equivalents	\$ 51,929
Investment in external investment pool	<u>2,457,496</u>
Total assets	<u>2,509,425</u>

LIABILITIES AND NET POSITION

Accounts payable and accrued expenses	<u>2,670</u>
Total liabilities	<u>2,670</u>
Net position restricted for pensions	<u>\$ 2,506,755</u>

CITY OF PARKLAND, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
POLICE OFFICERS RETIREMENT PLAN
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

ADDITIONS

Contributions:

State of Florida	\$ 373,255
Total contributions	<u>373,255</u>

Investment income:

Net appreciation in fair value of investments	360,486
Less investment expenses	<u>5,944</u>
Net investment income	<u>354,542</u>
Total additions	<u>727,797</u>

DEDUCTIONS

Benefits	166,702
Other distributions	371,832
Administrative expense	<u>28,809</u>
Total deductions	<u>567,343</u>

Net increase 160,454

Net position restricted for pensions, beginning of year 2,346,301
 Net position restricted for pensions, end of year \$ 2,506,755

NOTES TO THE FINANCIAL STATEMENTS

CITY OF PARKLAND, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Parkland, Florida (the “City”) was incorporated in 1963 under the laws of the State of Florida Chapter 166 and is a political subdivision of the State of Florida located in Broward County. The City operates under a Commission-Manager form of government, with its legislative function being vested in a five-member Commission. The City Commission is governed by the City Charter and by state and local laws and regulations. The City Commission is responsible for the establishment and adoption of policy. The City provides a full range of municipal services as authorized by its charter.

A. Financial Reporting Entity

As required by generally accepted accounting principles, these basic financial statements present the reporting entity of the City. Component units are legally separate entities for which the government is considered to be financially accountable and for which the nature and significance of their relationship with the primary government are such that exclusion would cause the City's combined financial statements to be misleading or incomplete. The primary government is considered financially accountable if it appoints a voting majority of an organization's governing body 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 Board. 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 financial statements to be misleading or incomplete. Based upon the application of these criteria, there were no organizations which met the criteria described above.

The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting. The more significant of the City's accounting policies are described below:

B. Government-Wide and Fund Financial Statements

The Statement of Net Position and Statement of Activities display information about the reporting government as a whole. They include all funds of the reporting entity except for the fiduciary fund. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. As of September 30, 2021, the City had no business-type activities.

Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services, or privileges provided; 2) operating grants and contributions; and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

The accounts of the City are organized on the basis of funds, each of which is considered and accounted for as a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental category. GASB Statement No. 34 sets forth minimum criteria (percentage of assets/deferred outflows of resources, liabilities/deferred inflows of resources, revenues or expenditures/expenses of either fund category for the governmental and enterprise, combined or funds that management deems of public importance) for the determination of major funds. The nonmajor funds are combined and presented in a single column in the fund financial statements.

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

CITY OF PARKLAND, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The government-wide financial statements (i.e., the Statements of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the government. Fiduciary funds are excluded from the government-wide financial statements. The effect of interfund activity has been removed from these statements. Interfund services provided, if any, are not eliminated in the process of consolidating the government-wide financial statements.

The government-wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting. This differs from the manner in which governmental fund financial statements are prepared. Therefore, governmental fund financial statements include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

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

The City reports the following major governmental funds:

General Fund – the General Fund is the principal operating fund of the City and is used to account for all financial transactions except those that are required to be accounted for in another fund.

Capital Projects Fund – the Capital Projects Fund is used to account for the acquisition and construction of major capital facilities as well as to account for financial resources to be used for the purchase of equipment and the construction of major improvements to City facilities.

Additionally, the City reports the following fund types:

Internal Service Fund – the Capital Replacement Fund is 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 one Internal Service Fund, which the City is primarily for equipment and vehicle purchases.

Fiduciary Trust Fund – the Fiduciary Trust Fund is used to account for assets held by the City as trustee for others. The City of Parkland Police Officers Retirement Plan, reported as a Fiduciary Trust Fund, is used to account for the activities of the City-sponsored Plan.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, generally only current assets and current liabilities are included on the balance sheet. Operating statements of these funds' present increases (i.e., revenues and other financial sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The financial statements of the City have been prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard setting body for governmental accounting and financial reporting.

CITY OF PARKLAND, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The accrual basis of accounting is followed in the Internal Service Fund and the Pension Trust Fund. Under this method of accounting, operating revenues and additions are recognized in the accounting period in which they are earned, while expenses and deductions are recognized in the period in which they are incurred. With this measurement focus, all assets and liabilities associated with the operations of these funds are included on the statement of net position.

All governmental fund types use the modified accrual basis of accounting under which revenue is recognized in the accounting period in which it becomes susceptible to accrual (i.e., when it becomes both measurable and available). "Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The City considers property taxes as available if they are collected within sixty (60) days after fiscal year end. Other taxes, intergovernmental revenues, 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. All other revenue items such as fines and forfeitures and licenses and permits are considered to be measurable and available only when cash is received by the City.

Expenditures are generally recognized when the related fund liability is incurred except for principal and interest on long-term debt which are recognized as expenditures on the due date.

1. **Use of Estimates** - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts of assets, deferred outflows of resources, liabilities, disclosures of contingent liabilities, deferred inflows of resources, revenues and expenditures/expenses reported in the financial statements and accompanying notes. These estimates include assessing the collectability of receivables, the realization of pension obligations and the useful lives of capital assets. Although these estimates as well as all estimates are based on management's knowledge of current events and actions it may undertake in the future, they may ultimately differ from actual results.
2. **Cash and Cash Equivalents** - Cash and cash equivalents include cash on hand, demand deposits, and highly liquid investments with a maturity of three months or less when purchased. Resources of all funds have been combined into a pooled cash and investment system for the purpose of maximizing earnings. Interest earned on pooled cash and investments is allocated monthly based upon the month end equity of fund balances of the respective funds.
3. **Investments** - All City investments are reported at fair value based on quoted prices as of the financial statement date. Interest income from pooled cash and investments is allocated on the basis of each individual fund's proportionate share of the investment pool.
4. **Accounts Receivable** - Accounts receivable of the General Fund consists of billed receivables for miscellaneous services. The City has not established a reserve for doubtful accounts relating to these accounts receivable because the City considers all balances to be collectable.
5. **Prepays** - Certain payments to vendors reflect costs applicable to a future accounting period and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditure/expense when consumed (i.e. the consumption method), rather than when purchased in both the governmental and proprietary funds.
6. **Capital Assets** - Capital Assets whether tangible or intangible, which include land, buildings, improvements other than buildings, machinery and equipment, vehicles, construction in progress, and infrastructure are reported in the governmental activities column in the government-wide financial statements. The City defines capital assets as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets, donated work of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value.

CITY OF PARKLAND, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

6. Capital Assets (Continued) - 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 of the City are depreciated using the straight-line method over their estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	10-50
Improvements other than buildings	5-25
Machinery and equipment	5-20
Vehicles	5-20
Infrastructure	10-50

7. Deferred Outflows/Inflows of Resources - In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has one item that qualifies for reporting in this category. The deferred outflows of resources relating to the OPEB plan amounting to \$70,521 is further discussed in Note 12.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as inflows of resources (revenue) until that time.

Currently, the only item in this category is local business license tax collected in advance of \$59,519 reported in both the governmental funds and the government-wide statement of net position. This amount is deferred and will be recognized as an inflow of resources in the period that the amounts become available.

Net position is the residual of all other elements presented in a statement of financial position. It is the difference between (a) assets plus deferred outflow of resources and (b) liabilities and deferred inflows of resources.

8. Unearned Revenues - Inflows that do not meet the criteria for revenue recognition, such as grants are classified as liabilities and recorded as unearned revenue in government-wide and the fund financial statements.

9. Unavailable Revenues - Unavailable revenue (deferred inflows of resources) is recorded for governmental fund receivables that are not both measurable and available. Currently, the City has no such revenues.

10. Compensated Absences - City employees are granted vacation, sick, and compensatory leave in varying amounts based on length of service. Upon separation in good standing, employees receive full reimbursement up to a maximum of 240 hours for accumulated vacation, up to 16 hours of compensatory hours, as well as reimbursement for sick hours at a rate of one hour of pay for every two hours accumulated up to a maximum of 520 hours.

Accumulated compensated absences are recorded as expenses in the government-wide financial statements when incurred. Expenditures for accumulated compensated absences have been recorded in the governmental funds only for amounts payable to employees who have terminated as of the end of the fiscal year.

CITY OF PARKLAND, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

11. **Long-Term Obligations** - In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net position. The long-term debt consists primarily of notes, revenue bonds, and accrued compensated absences payable. Bonds payable are reported net of applicable bond premium or discount. Debt issue costs, even if withheld from net proceeds (if material) are recognized during the period in which the bonds are issued.
12. **On-Behalf Payments** - The City receives on-behalf payments from the State of Florida to be used for Police Officers' Retirement Plan contributions. On-behalf payments to the City totaled \$373,255 for the fiscal year ended September 30, 2021. Such payments are recorded as intergovernmental revenue and public safety expenses/expenditures in the GAAP basis government-wide and general fund financial statements but are not budgeted and therefore are not included in the general fund budgetary basis financial statements.
13. **Net Position** - Net Position is classified and displayed in three components:
 - ***Net investment in capital assets***
Consists of capital assets (including restricted capital assets), net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes, or other borrowings, as well as any retainage payable and accounts payable that are attributable to the acquisition, construction, or improvement of those assets.
 - ***Restricted net position***
Consists of net position with constraints placed on the use either by: 1) external groups such as creditors, grantors, contributors, laws or regulations of other governments; or 2) law through constitutional provisions of enabling legislation.
 - ***Unrestricted net position***
All other net position that do not meet the definition of "restricted" or "net investment in capital assets.
14. **Fund Balance** - In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.
 - ***Non-spendable***
Amounts that cannot be spent because they are either (a) not in spendable form; or (b) legally or contractually required to be maintained intact.
 - ***Restricted***
Amounts that are restricted to specific purposes either by a) constraints placed on the use of resources by creditors, grantors, contributors, laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.
 - ***Committed***
Amounts that can only be used for specific purposes pursuant to constraints imposed by the City Commission through an ordinance, which is the highest level of decision making authority.
 - ***Assigned***
Amounts that are constrained by the City's intent to be used for specific purposes but are neither restricted nor committed. In accordance with the City's fund balance policy, assignments can be made by formal action of the City Commission or the City Commission can delegate authority to the City Manager.
 - ***Unassigned***
Fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. The General Fund is the only fund that reports a positive unassigned fund balance amount.

CITY OF PARKLAND, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

15. Net Position Flow Assumption - Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted-net position and unrestricted-net position in the government-wide financial statements, a flow assumption must be made about the order in which resources are considered to be applied.

When an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, it is the City's policy to reduce restricted amounts first. When an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, it is the City's policy to reduce committed amounts first, followed by assigned amounts, and then unassigned amounts.

16. Interfund Transactions - Basic types of interfund transactions include transactions for services rendered or facilities provided. These transactions are recorded as revenues in the receiving fund and expenditures in the disbursing fund. In addition, interfund transactions include transactions to transfer revenue or contributions from the fund budgeted to receive them to the fund budgeted to expend them. These transactions are recorded as transfers in and out. Lastly, interfund transactions include transfers to close funds.

17. Encumbrances - Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the governmental funds for which an annual budget is adopted. Encumbrances outstanding at year-end are included in next the year's budget; however, the General Fund typically does not have any encumbrances outstanding at year end.

NOTE 2 – PROPERTY TAXES

The City's property tax is levied, becomes a lien on real and personal property located in the City, and is recorded as a receivable on November 1 of each year based upon the assessed value established by Broward County Property Appraiser as of the prior January 1.

The City is permitted by Florida law to levy ad-valorem taxes for real and tangible personal property taxes up to \$10 per \$1,000 of assessed value, except for special benefits and debt service obligations which may be issued with the approval of those taxpayers subject to ad-valorem taxes. The assessed value as of January 1, 2020 upon which the 2021 fiscal year levy was based, was approximately \$5.482 billion. Taxes were levied at 4.4000 per \$1,000 for the fiscal year ended September 30, 2021.

Taxes become payable on November 1st each year and are discounted 1% for each month for payment prior to the following March 1st. All unpaid taxes become delinquent on April 1st and are subject to the issuance of Tax Sale Certificates on June 1st. Tax collections for the fiscal year ended September 30, 2021 were 95.6% of the tax levy, net of discounted allowed.

The City's tax revenue is first paid to the Broward County Tax Collector who remits to the City funds collected following a calendar prescribed by law. The City's taxes are billed along with all other taxes due to Broward County taxing entities. The Tax Collector pays the City interest on monies held from the day of collection to the day of distribution. The City has no control over the investment program of the Tax Collector as this program is governed by Florida Statutes.

CITY OF PARKLAND, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 3 – DEPOSITS AND INVESTMENTS

CITY OF PARKLAND

1. Deposits - In addition to insurance provided by the Federal Depository Insurance Corporation, deposits are held in banking institutions approved by the State Treasurer of the State of Florida to hold public funds. Under Florida Statutes Chapter 280, *Florida Security for Public Deposits Act*, the State Treasurer requires all Florida qualified public depositories to deposit with the Treasurer or other banking institution eligible collateral. In the event of failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses. The City's deposits at year end are considered insured for custodial credit risk purposes.

As of September 30, 2021, the carrying amount of the City's deposits and bank balances was \$67,455,186. The City also had cash on hand of \$995.

Investments - The State Board of Administration is part of the Local Governments Surplus Funds Trust Fund and is governed by Chapter 19-7 of the Florida Administrative Code. These rules provide guidance and establish the general operating procedures for the administration of the Local Governments Surplus Funds Trust Fund. Additionally, the Office of the Auditor General performs the operational audit of the activities and investments of the State Board of Administration. The Local Government Surplus Funds Trust Fund is not a registrant with the Securities and Exchange Commission (SEC); however, the board has adopted operating procedures consistent with the requirements for a 2a-7 fund. The State Board of Administration administers the Florida PRIME, which is the Local Government Surplus Funds Trust Fund Investment Pool and consists of all money market appropriate assets.

The Florida Cooperative Liquid Assets Securities System (FLCLASS) has adopted an investment policy that limits the investment instruments of FLCLASS in accordance with the Florida's Investment of Local Government Surplus Funds Trust Fund. FLCLASS's investment advisory and administration and marketing services are provided by Public Trust Advisors, LLC.

At September 30, 2021, Florida PRIME and the FLCLASS were assigned an "AAAm" principal stability fund rating by Standard and Poor's. Florida PRIME and FLCLASS are considered a SEC 2a7-like fund, thus, the account balances should be considered its fair value.

In accordance with GASB Statement No. 79, Certain External Investment Pools and Pool Participants, the City's investment in the Florida PRIME and FLCLASS meets the definition of a qualifying investment pool that measures for financial reporting purposes all of its investments at amortized cost and should disclose the presence of any limitations or restrictions on withdrawals. As of September 30, 2021, there were no redemption fees, maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100 percent of their account value.

The weighted average days to maturity (WAM) of Florida PRIME at September 30, 2021, was 49 days. A portfolio's WAM reflects the average maturity in days based on final maturity or reset date, in the case of floating rate instruments. WAM measures the sensitivity of Florida PRIME to interest rate changes. Next interest rate reset dates for floating rate securities are used in the calculation of the WAM. The weighted average life (WAL) of Florida PRIME at September 30, 2021, is 64 days. As of September 30, 2021, the City of Parkland had \$7,785,079 invested in Florida PRIME. Additional information regarding the Local Government Surplus Funds Trust Fund may be obtained from the State Board of Administration.

The weighted average days to maturity (WAM) of Florida Fixed Income Trust at September 30, 2021, was 79 days. The weighted average life (WAL) of Florida Fixed Income Trust at September 30, 2021, is 104 days. As of September 30, 2021, the City of Parkland had \$5,140,098 invested in Florida Fixed Income Trust. Additional information regarding the Fixed Income Trust Fund may be obtained from Water Walker Investments.

The weighted average days to maturity (WAM) of FLCLASS at September 30, 2021, was 47 days. The weighted average life (WAL) of FLCLASS at September 30, 2021, is 82 days. As of September 30, 2021, the City of Parkland had \$5,133,301 invested in FLCLASS. Additional information regarding the Local Government Surplus Funds Trust Fund may be obtained from the Public Trust Advisors, LLC.

CITY OF PARKLAND, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 3 – DEPOSITS AND INVESTMENTS (CONTINUED)

CITY OF PARKLAND (Continued)

The weighted average days to maturity (WAM) of Florida Trust at September 30, 2021, was 48 days. As of September 30, 2021, the City of Parkland had \$5,103,968 invested in Florida Trust. Additional information regarding the Florida Trust Fund may be obtained from the Florida Local Government Investment Trust.

The weighted average days to maturity (WAM) of Florida Surplus Asset Trust (Florida SAFE) at September 30, 2021, was 54 days. The weighted average life (WAL) of Florida SAFE at September 30, 2021, is 76 days. As of September 30, 2021, the City of Parkland had \$1,000,237 invested in Florida Safe. Additional information regarding the Florida SAFE may be obtained from Florida Management and Administrative Services, LLC.

2. Credit Risk - The City has an investment policy that emphasizes the safety of principal while maintaining adequate liquidity to meet its needs. Investments are limited to the highest ratings by two of the nationally recognized statistical rating organizations (NRSRO) – (Standard & Poor's and Moody's Investment Services).

As of September 30, 2021, Florida PRIME and FLCLASS were rated AAA by Standard and Poor's Ratings Services.

3. Interest Rate Risk - Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City does not have a formal investment policy that limits investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates.

POLICE OFFICERS RETIREMENT PLAN

1. Investment Authorization - The Police Officers Retirement Plan's (the "Plan") investment policy is determined by the Board of Trustees. The policy identified by the Board is preserving the purchasing power of the Plan's assets to earn an above average real rate of return (after inflation) over the long-term while minimizing, to a reasonable extent, the short-term volatility of results. The Plan is authorized to invest in repurchase agreements; direct obligations of the United States Treasury including bills, notes, bonds and various forms of Treasury zero-coupon securities; authorized investments purchased by or through the State Board of Administration or the Office of the State Treasurer; commercial paper issued in the United States by any corporation; banker's acceptances issued within the U.S.; nonnegotiable Certificates of Deposit issued by Florida Qualified Public Depositories as identified by the State Treasurer's office and/or negotiable certificates of deposit issued in U.S. dollars by institutions; obligations of the agencies or instrumentalities of the federal government; money market mutual master trust funds; mortgage obligations guaranteed by the United States government and sponsored agencies or instrumentalities; corporate fixed income securities issued by any corporation in the United States; asset-backed securities issued in the United States; securities of state, municipal and county governments or their public agencies; commingled governmental investment trusts, no-load investment master trust funds, or no-load mutual master trust funds in which all securities held by the trusts or master trust funds are authorized investments; guaranteed investment contracts with insurance companies; investment agreements with other financial institutions; equity assets, including common stock, preferred stock and interest bearing obligations having an option to convert into common stock; Florida Municipal Investment Trust (FMIvT) Portfolios; and any other investment permitted by law. At September 30, 2021, the Plan's investments were as follows:

	<u>Fair Value</u>
Local Government Investment Pool:	
Florida Municipal Pension Trust Fund	<u>\$ 2,457,496</u>
Total investments	<u>\$ 2,457,496</u>

The Florida Municipal Investment Trust (Municipal Trust) was created under the laws of the State of Florida to provide eligible units of local government with an investment vehicle to pool their surplus funds and to reinvest such funds in one or more investment portfolios under the directions and daily supervision of an investment advisor. The Florida League of Cities serves as the administrator, investment manager and secretary-treasurer of the Trust.

CITY OF PARKLAND, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 3 – DEPOSITS AND INVESTMENTS (CONTINUED)

POLICE OFFICERS RETIREMENT PLAN (Continued)

All assets of the Plan are invested with the Florida Municipal Pension Trust Fund (FMPTF). The FMPTF was established in 1993 under the laws of the State of Florida to provide eligible units of local government with an investment vehicle to pool their surplus funds. All Plan assets with the FMPTF are included in the trust's Master Trust Fund and are administered by the Florida League of Cities, Inc. The Master Trust Agreement provides that the Master Trustees have the exclusive authority and discretion to manage and control the assets of the Master Trust Fund according to the provisions of the FMPTF Investment Policy, amended and restated as of June 4, 2015. The fund is stated at fair value and investments earnings are allocated to the participants in the fund based on their equity in this pooled investment account as provided by the FMPTF.

The Plan is invested in the 50/50 Allocation Portfolio with the following balances:

	<u>Fair Value</u>	<u>Percent</u>
Broad Market High Quality Bond Fund	\$ 496,514	20.20%
Core Plus Fixed Income Fund	436,331	17.76%
Diversified Large Cap Equity Portfolio	589,298	23.98%
Diversified Small to Mid Cap Equity Portfolio	258,288	10.51%
International Equity Portfolio	428,808	17.45%
Core Real Estate	<u>248,257</u>	<u>10.10%</u>
	<u>\$ 2,457,496</u>	<u>100%</u>

Shares of the portfolios are neither insured nor guaranteed by any U.S. Government Agency, including the FDIC. At September 30, 2021, the Broad Market High Quality Bond Fund was rated AAf/S4 by Fitch Rating and had a weighted average maturity of 6.30 years. At September 30, 2021, the Core Plus Fixed Income Fund (not rated) had a weighted average maturity of 3.98 years.

2. Interest Rate Risk - Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment in debt securities. The investment policy of the Plan limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.
3. Custodial Risk - For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Plan will not be able to recover the value of the investments or collateral securities that are in the possession of an outside party. The Plan has no formal policy for custodial risk. The local government investment pool is not evidenced by securities that exist in physical or book entry form.
4. Credit Risk - For investments, credit risk is generally the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Investment ratings by investment type are included in the preceding summary of investments.
5. Concentration of Credit Risk - Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. The investment policy of the Plan contains limits on the amount that can be invested in any one issuer as well as maximum portfolio allocation percentages.

CITY OF PARKLAND, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 4 – FAIR VALUE MEASUREMENTS

GASB Statement No. 72, Fair Value Measurement and Application, requires that investments be categorized according to the fair value hierarchy established by this Statement. The hierarchy is based on valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Domestic equity 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 on quoted foreign market prices and translated into U.S. dollars at the exchange rate in effect at September 30, 2021. Securities which are not traded on a national securities 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. (Level 1). This includes common stock, domestic equities, international equities, mutual fund equities and REITS. Debt securities are valued using pricing inputs that reflect the assumptions market participants would use to price an asset or liability and are developed based on market data obtained from sources independent of the reporting entity (Level 2). This includes U.S. Treasury bonds and notes, U.S. federal agencies, mortgage backed and collateralized securities, money market funds, mutual bond funds, corporate obligations, and international 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 include recent trades, yields, price quotes, cash flows, maturity, credit ratings, and other assumptions based on the specifics of the investment type. The Pension Plans have investments in alternative asset classes including various real estate funds. These investments are valued at their respective net asset value (NAV) as of September 30, 2021. The fair value of the investment in the fund is valued at the net asset value of outstanding units held at the end of the period based on the fair value of the underlying investments. These holdings are valued by the general partners on a quarterly or semi-annual basis, in conjunction with management and investment advisors. The City of Parkland investments in the SBA Florida Prime, Florida Fixed Income Trust, Florida Class, and Florida Local Government Investment Trust are recorded at amortized cost.

City of Parkland

As of September 30, 2021, the City of Parkland had the following investments:

<u>Investments</u>	<u>Fair Value</u>	<u>Ratings</u>	<u>Maturity</u>	<u>Percentage of Distribution</u>
SBA Florida Investment	\$ 7,969,316	AAAm	49 days	100%
Florida Fixed Income Trust	5,140,098	AAAf/S1	79 days	100%
Florida Class	5,133,301	AAAm	47 days	100%
Florida Trust	5,103,968	AAAm	48 days	100%
Florida SAFE	1,000,237	AAAm	54 days	100%
Total	<u>\$ 24,346,920</u>			

CITY OF PARKLAND, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 4 – FAIR VALUE MEASUREMENTS (CONTINUED)

Police Officers Retirement Plan

The following table summarizes the Plan's investments within the fair value hierarchy at September 30, 2021:

Investment Type	Fair Value Measurements at Reporting date			
	Fair Value	Quoted Prices in Active Markets for Identical Assets	Significant Other Observable Inputs	Significant Unobservable Inputs
		(Level 1)	(Level 2)	(Level 3)
Broad Market High Quality Bond Fund	\$ 496,514	\$ -	\$ 496,514	\$ -
Core Plus Fixed Income Fund	436,331	-	-	436,331
Diversified Large Cap Equity Portfolio	589,298	-	589,298	-
Diversified Small to Mid Cap Equity Portfolio	258,288	-	258,288	-
International Equity Portfolio	428,808	-	428,808	-
Core Real Estate	248,257	-	-	248,257
Total Fair Value	\$ 2,457,496	\$ -	\$ 1,772,908	\$ 684,588

Broad Market High Quality Bond Fund – This fund invests mainly in US government and agency securities, asset-backed securities and corporate bonds and notes. The underlying securities have observable level 1 quoted pricing inputs or observable level 2 significant other observable pricing inputs. Most of the security prices are obtained from a pricing service, Interactive Data Corporation. While the underlying asset values are based on quoted prices or market-corroborated inputs, the net asset value of the portfolio is not publicly quoted.

Core Plus Fixed Income Fund – This fund invests in a single underlying fund, the Amundi Institutional Multi-Sector Fixed Income Portfolio, LLC. Shares of the fund are not publicly quoted. The underlying fund invests in a variety of financial instruments, including equity investments, asset-backed securities, debt securities, swaps, forward exchange contracts, credit-linked notes, escrow accounts and litigation trusts for both U.S. and foreign companies and governments.

Diversified Large Cap Equity Portfolio – This portfolio invests mainly in domestic stocks and in a single underlying fund, the Intech U.S. Broad Enhanced Plus Fund, LLC (Intech Fund), shares of which are not publicly quoted. The majority of the underlying securities have observable level 1 quoted pricing inputs. Most of the security prices were obtained from a pricing service, Interactive Data Corporation (IDC). The value of the portfolio's shares of the Intech Fund investment is determined based on the net asset value provided by the Intech Fund, which was calculated in accordance with generally accepted accounting principles. While most of the underlying asset values are based on quoted market prices, the net asset value of the portfolio is not publicly quoted.

Diversified Small to Mid-Cap Equity Portfolio – This portfolio invests mainly in domestic stocks. The majority of the underlying securities have observable level 1 quoted pricing inputs. Most of the security prices were obtained from a pricing service, Interactive Data Corporation (IDC). While the underlying asset values are based on quoted market prices, the net asset value of the portfolio is not publicly quoted.

International Equity Portfolio – This portfolio invests in two underlying funds, the Ninety One International Dynamic Equity Fund, LLC (Ninety One Fund) and the Wells Capital Management Emerging Market Large/Mid Cap Fund, LLC (Wells Fund), shares of which are not publicly quoted. Both Funds invest in stocks sold on U.S. and international exchanges, all of which have observable level 1 quoted pricing inputs. The value of the shares of the Ninety One Fund and the Wells Fund investment is determined based on the net asset value provided by the Funds, which was calculated in accordance with generally accepted accounting principles.

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

CITY OF PARKLAND, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 5 – INTERFUND TRANSACTIONS

Interfund transfers for the year ended September 30, 2021, were as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	532,950	5,700,000
Capital Projects Fund	4,000,000	-
Non-Major Governmental Funds	1,350,000	532,950
Capital Replacement Fund	350,000	-
Totals	\$ 6,232,950	\$ 6,232,950

Impact fees previously collected were transferred to the General Fund to make debt service payments on the loan payable referenced in the long-term liabilities footnote. Transfers out of the General Fund were made to formally set aside General Fund reserves for the City's capital replacement and infrastructure replacement programs and to use General Fund reserves for capital project funding.

NOTE 6 – CAPITAL ASSETS

Capital asset activity for the fiscal year ended September 30, 2021, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 21,674,605	\$ -	\$ -	\$ 21,674,605
Construction in progress	2,533,496	6,358,162	(2,782,913)	6,108,745
Total capital assets, not	<u>24,208,101</u>	<u>6,358,162</u>	<u>(2,782,913)</u>	<u>27,783,350</u>
Capital assets, being depreciated:				
Buildings	21,787,136	-	-	21,787,136
Infrastructure	45,030,428	795,015	(57,400)	45,768,043
Machinery and equipment	6,718,960	332,161	(92,554)	6,958,567
Vehicles	3,219,831	204,467	(21,359)	3,402,939
Improvements other than buildings	7,533,752	1,462,596	(91,115)	8,905,233
Total capital assets,	<u>84,290,107</u>	<u>2,794,239</u>	<u>(262,428)</u>	<u>86,821,918</u>
Less accumulated depreciation for:				
Buildings	4,468,299	531,038	-	4,999,337
Infrastructure	18,740,674	1,494,106	(57,399)	20,177,381
Machinery and equipment	5,660,435	590,171	(73,029)	6,177,577
Vehicles	2,121,218	311,495	(21,359)	2,411,354
Improvements other than buildings	5,020,702	814,311	(91,115)	5,743,898
Total accumulated depreci	<u>36,011,328</u>	<u>3,741,121</u>	<u>(242,902)</u>	<u>39,509,547</u>
Total capital assets,	<u>48,278,779</u>	<u>(946,882)</u>	<u>(19,526)</u>	<u>47,312,371</u>
Governmental activities,	<u>\$ 72,486,880</u>	<u>\$ 5,411,280</u>	<u>\$ (2,802,439)</u>	<u>\$ 75,095,721</u>

CITY OF PARKLAND, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 6 – CAPITAL ASSETS (CONTINUED)

Provision for depreciation was charged to functions/programs of the government as follows:

General government	\$ 421,762
Public safety	512,713
Physical environment	1,223,740
Culture and recreation	1,582,906
Total depreciation expense - governmental activities	<u>\$ 3,741,121</u>

NOTE 7 – LONG-TERM LIABILITIES

The following is a summary of the changes in long-term liabilities of the City's governmental activities for the fiscal year ended September 30, 2021:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Note payable	\$ 3,350,303	\$ -	\$ (571,713)	\$ 2,778,590	\$ 599,395
Loan payable	4,540,000	-	(451,000)	4,089,000	463,000
Revenue note	-	20,000,000	-	20,000,000	911,273
Other post-employment benefit (OPEB)	-	123,383	-	123,383	-
Compensated absences	877,469	739,785	(674,673)	942,581	94,000
Governmental activity long-term liabilities	<u>\$ 8,767,772</u>	<u>\$20,863,168</u>	<u>\$(1,697,386)</u>	<u>\$27,933,554</u>	<u>\$2,067,668</u>

Compensated absences are typically liquidated in the General Fund.

Note Payable - In September 2005, the City issued a promissory note in the amount of \$10,000,000 to provide funds to refinance existing debt and to finance recreational facility improvements. This note requires quarterly payments of principal and interest of approximately \$179,860. The interest rate of the note is 4.64%. Payment of this note is secured by a pledge of the City's half cent sales tax, franchise, and utility tax revenues. Principal and interest paid for the current fiscal year was \$719,425 and the pledged half-cent sales taxes, franchise taxes, and utility taxes totaled \$9,317,196 for the year. At September 30, 2021, principal and interest to maturity in 2026 to be paid from pledged future revenues totaled \$3,083,171. In the event of a default, the note contains a provision allowing the owner of the debt to declare the entire debt immediately due and payable including all costs of collection and enforcement.

Future debt service requirements to amortize the Note Payable are as follows:

Fiscal Year			
<u>Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	599,395	120,030	719,425
2023	628,095	91,330	719,425
2024	658,009	61,416	719,425
2025	689,675	29,750	719,425
2026	203,416	2,349	205,765
	<u>\$ 2,778,590</u>	<u>\$ 304,875</u>	<u>\$ 3,083,465</u>

Loan Payable - On October 7, 2013, the City entered into a 15-year loan agreement totaling \$7,000,000, with a fixed interest rate of 2.79%. The loan proceeds were used to construct capital improvements consisting of a fire station, improvements to Pine Trails Park, and such other capital projects as shall be approved by the City. This loan requires semi-annual interest payments as well as one annual principal payment, which will equal approximately \$572,000. The loan matures in October 2028. In the event of a default, the note contains a provision allowing the owner of the debt to declare the entire debt immediately due and payable including all costs of collection and enforcement.

CITY OF PARKLAND, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 7 – LONG-TERM LIABILITIES (CONTINUED)

Payment for the loan is from a pledge of all non-ad valorem tax revenues. Principal and interest paid for the current fiscal year was \$571,375 and pledged non-ad valorem tax revenues totaled \$23,056,432 for the year. At September 30, 2021, principal and interest to maturity in 2028 to be paid from pledged future revenues totaled \$4,561,835.

Future debt service requirements to amortize the loan are as follows:

Fiscal Year			
Ending	Principal	Interest	Total
2022	463,000	107,624	570,624
2023	476,000	94,525	570,525
2024	490,000	81,050	571,050
2025	503,000	67,197	570,197
2026	517,000	52,968	569,968
2027-2029	1,640,000	69,471	1,709,471
	<u>\$ 4,089,000</u>	<u>\$ 472,835</u>	<u>\$ 4,561,835</u>

Revenue Note - On June 22, 2021, the City entered into a 20-year loan agreement totaling \$20,000,000, with a fixed interest rate of 2.55%. The loan proceeds are intended to be used to acquire and construct a 36-acre park, capital improvements to existing City parks and recreation facilities, and other improvements for public safety, public works, and recreation as approved by the City. This loan requires bi-annual interest payments as well as one annual principal payment, which will equal approximately \$1,380,000 in 2022. The loan matures in December 2040. The loan will require a prepayment premium of 1% for any prepayment of principal balance prior to June 1, 2030. Following June 1, 2030, the City will not be subject to a prepayment penalty. In the event of a default, the loan agreement has a provision that the Council or Lender shall have all remedies provided by law to collect amounts then due.

Payment for the loan is from a pledge of all non-ad valorem tax revenues. Payment of this note is secured by a pledge of the City's half cent sales tax and utility tax revenues. No principal and interest was paid for the current fiscal year and pledged tax revenues totaled \$6,532,162 for the year. At September 30, 2021, principal and interest to maturity in 2040 to be paid from pledged future revenues totaled \$25,278,811.

Future debt service requirements to amortize the loan are as follows:

Fiscal Year			
Ending	Principal	Interest	Total
2022	911,273	469,737	1,381,010
2023	894,248	475,361	1,369,609
2024	905,650	452,412	1,358,062
2025	917,197	429,171	1,346,368
2026	928,891	405,633	1,334,524
2027-2031	4,825,154	1,664,463	6,489,617
2032-2036	5,140,702	1,029,344	6,170,046
2037-2040	5,476,885	352,690	5,829,575
	<u>\$ 20,000,000</u>	<u>\$ 5,278,811</u>	<u>\$ 25,278,811</u>

NOTE 8 – SPECIAL ASSESSMENTS

Fire Assessments - In 2005, the City instituted a fire assessment in order to assist the City in paying for the fire contract. Starting in 2006, the assessments were on the tax roll with Broward County. During the fiscal year ended September 30, 2021, the City collected \$3,070,583 of fire assessments.

CITY OF PARKLAND, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 8 – SPECIAL ASSESSMENTS (CONTINUED)

Solid Waste Assessments - The annual assessment for Solid Waste and Recyclable Materials management, collection and disposal services, facilities, and programs was levied on City properties for fiscal year commencing October 1, 2010 and future fiscal years. This levy is part of a franchise agreement and all fees collected are processed through the City. During fiscal year ended September 30, 2021, the City collected \$511,571 in franchise revenue.

NOTE 9 – DEFINED CONTRIBUTION PENSION PLAN

On February 22, 1989, the City Commission passed Ordinance No. 89-1 authorizing and establishing the first ICMA 401(a), a money purchase plan, which is a defined contribution pension plan. On March 1, 2000, the City Commission adopted two additional ICMA 401(a) plans for middle management and the City Manager. Ordinance 2000-04 authorized and adopted those Plans. Historically, the City Commission authorized amendments to contributions through the budget-adopting ordinance. In the case of the City Manager, contributions would be determined through contractual arrangements, which would be adopted by resolution of the City Commission.

A defined contribution pension plan provides pension benefits in return for services rendered, provides an individual account for each participant, and specifies how contributions to the individual's account are to be determined instead of specifying the amount of benefits the individual is to receive. Under a defined contribution pension plan, the benefits a participant will receive depend solely on the amount contributed to the participant's account and the returns earned on investments of those contributions. Substantially all permanent, full-time employees participate in this Plan.

City contributions and related earnings are 20% vested after one year of service and the remaining City contributions vest at 20% each year until fully vested after five years. Contributions made by an employee vest immediately. Employees must complete ICMA forms within 90 days of termination to elect the method by which they will receive their distribution of funds held in trust. In case of a death, the beneficiaries must complete forms for the distribution of funds held in trust. Upon death or retirement due to disability, the employee is immediately vested at 100%.

The total payroll for all employees and payroll for employees covered by the Plan for the current year were \$7,481,898 and \$5,912,843 respectively. During the year, the City was required to contribute 10% of each eligible general employee's gross earnings and 10% of management employee's gross earnings with a mandatory employee contribution of 8%. The City is also required to contribute 17% of the City Manager's salary. The City's contribution to the plan as of September 30, 2021, was \$605,376 which is 100% of the required contribution. Total forfeitures of \$28,359 were processed for the defined contribution plan during 2021.

NOTE 10 – DEFINED BENEFIT PENSION PLAN

Plan Description - The Police Officers Retirement Plan is a single-employer defined benefit pension plan created by the City in accordance with Florida Statutes, Chapter 185. The City established the Plan pursuant to City Ordinance Number 2004-09 (as amended) in February 2004. The Plan is administered by a board of trustees, which covers all police officers employed by the City or as a Broward County Deputy Sheriff who elected membership at the Plan adoption date.

Plan members with at least 10 years of credited service and age 55, or Plan members with at least 20 years of credited service, regardless of age, are eligible for normal retirement benefits. Plan members with at least 10 years of credited service and age 50 are eligible for early retirement benefits. In the case of early retirement, the participant's benefit is reduced by 3% for each year by which the participant's early retirement age precedes the normal retirement age. A participant becomes fully vested upon attainment of 10 years of credited service. Pursuant to City Ordinance Number 2011-11, the four (4) remaining members of the Plan were permitted to retire without any penalty for early retirement based on existing credited service as of June 15, 2011.

The monthly retirement benefit is equal to the number of years of credited service multiplied by 3% of average monthly earnings. Average monthly earnings are determined based on earnings during the highest consecutive 5 years out of the 10 years immediately preceding the determination. Earnings include total cash remuneration, but limit overtime to 300 hours per year and exclude payments for extra duty or special detail work performed on behalf of a second party. At September 30, 2021, the Plan had three participants receiving service retirement benefits and one participant receiving disability retirement benefits. There were no actively employed participants.

CITY OF PARKLAND, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 10 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

Net Pension Liability - Management has evaluated the Net Pension Liability and has concluded that it is immaterial to the financial statements. Therefore, the Net Pension Liability and related disclosures have been excluded from these financial statements.

Funding Policy - Funding for the Plan consists of contributions from members, the City of Parkland, the Broward Sheriff's Office, and the State of Florida. Plan members are required to contribute 5% of their annual covered compensation. The City is required to contribute an amount determined by the Plan's actuaries at least once every three years. Additionally, the State of Florida makes contributions from locally authorized insurance premium surcharges. During the year ending September 30, 2021, the State of Florida contributed \$373,255 and the City contributed \$0 to the Plan.

The City's external auditors did not audit the financial statements of the Police Officers Retirement Plan, the fiduciary fund of the City. Other auditors were engaged, who audited the stand-alone financial report. Copies of the report can be obtained from the pension board by calling the Police Pension Administrator at (954) 720-8910.

Actuarial Methods and Significant Assumptions - Actuarial methods and significant actuarial assumptions used to determine the annual required contributions for the two most recent actuarial valuations are presented below:

Valuation date	October 1, 2019	October 1, 2020
Actuarial cost method	Entry age normal	Entry age normal
Amortization method	Level dollar, closed	Level dollar, closed
Remaining amortization period	5 years	5 years
Asset valuation method	Market value	Market value
Actuarial assumptions:		
Investment rate of return *	6.50%	6.50%
* Includes inflation percentage of 3%		
Projected salary increases	N/A	N/A
Cost-of-living adjustments (COLA)	2.00%	2.00%

NOTE 11 – DEFERRED COMPENSATION PLAN

The City also offers its employees a deferred compensation plan created in accordance with Internal Revenue Code 457. The Plan is available to all full-time employees and permits them to defer a portion of their salary until future years. Such deferred compensation is not available to employees until termination, retirement, death, or an unforeseeable emergency.

Under the provisions of IRC Section 457, the City modified its Plan documents and transferred all Plan assets to custodial accounts. In the opinion of City Management, this custodial account structure removes any presumption of fiduciary responsibility. Because City Management has little administrative involvement with the Plan and does not perform any investing functions for the Plan, the Plan assets are not included in the City's financial statements.

NOTE 12 – OTHER POSTEMPLOYMENT BENEFITS

The City follows GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. GASB Statement No. 75 specifies that governments must recognize their total OPEB liability and related deferred outflows of resources, deferred inflows of resources, and OPEB expense in the financial statements based on the actuarial present value of projected benefit payments.

CITY OF PARKLAND, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 12 – OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Plan Description - The City provides a single employer defined benefit health care plan to all of its employees. The plan allows its employees and their beneficiaries to continue to obtain health and dental benefits upon retirement. The normal retirement age for City employees is age 62. The benefits of the plan are in accordance with Florida Statutes, which are the legal authority for the plan. The plan has no assets and does not issue a separate financial report.

Retirees of the City pay an amount equal to the actual premium for health insurance charged by the carrier, but there is an implied subsidy in the healthcare insurance premium for retirees because the premium charged for these retirees is the same as the premium charged for active employees, who are younger than retirees on average. This implied subsidy constitutes other postemployment benefits (OPEB) as defined by GASB Pronouncements.

Funding Policy - The City does not directly make a contribution to the plan on behalf of retirees. Retirees and their beneficiaries pay the same group rates as are charged to the City for active employees by its healthcare provider. However, the City's actuaries in their actuarial valuation, calculate an offset to the cost of these benefits as an Employer Contribution, based upon an implicit rate subsidy. This offset equals the total age-adjusted costs paid by the City or its active employees for coverage of the retirees and their dependents for the year net of the retiree's own payments for the year. The Plan has never had any employees that continued to obtain health and dental benefits upon retirement.

The following table provides a summary of the number of participants in the plan as of the measurement date:

Inactive plan members or beneficiaries currently receiving benefits	3
Inactive plan members entitled to but not not yet receiving benefits	-
Active plan members	<u>107</u>
Total plan members	<u><u>110</u></u>

Currently, the City's OPEB benefits are unfunded. This plan is not accounted for in a trust fund. To date, the City has followed a pay as you go funding policy, therefore, only those amounts necessary to provide for the City's reporting of current year benefit costs and expenses have been contributed from the General Fund. Contribution rates are determined by the City. The Plan does not issue a stand-alone financial report and it is not included in the report of a public employee retirement system or a report of another entity.

Actuarial Methods and Assumptions - The actuarial valuation of the calculation of OPEB involves estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded 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 benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the City and plan members) and include the types of benefits in force at the valuation date and the historical pattern of sharing benefit costs between the City and the plan members to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

CITY OF PARKLAND, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 12 – OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

The total OPEB liability at September 30, 2021 was measured as of October 1, 2020 and was determined to be based on an actuarial valuation performed as of the same date:

Actuarial cost method	Entry age, level percent of pay
Inflation	2.50%
Discount rate	2.43%
Projected salary increases	2.50%
Healthcare cost trend rates:	Based on the Getzen Model starting at 7.50% in fiscal 2022, grading down to the ultimate trend rate of 4.00% in fiscal 2075.
Mortality:	For all lives, mortality rates were based on PubG-2010 Mortality Tables projected to the valuation date using Projection Scale MP-2021.

Difference Between Expected and Actual Experience reflects the impact of changes to the census data from the prior valuation to the valuation as of September 30, 2021, as well as updated health care costs and premiums.

Changes of Assumptions reflect a change in the discount rate from 3.50% for the reporting period ended September 30, 2020, to 2.43% for the reporting period ended September 30, 2021. Also reflected as assumption changes are updated health care cost trend rates, and updated salary and mortality improvement scales.

Discount Rate - Given the City's decision not to fund the program, all future benefit payments were discounted using a high-quality municipal bond rate of 2.43%. The high-quality municipal bond rate was based on the S&P Municipal Bond 20 Year High Grade Rate Index as published by S&P Dow Jones Indices nearest the measurement date. The S&P Municipal 20 Year High Grade Rate Index consists of bonds in the S&P Municipal Bond Index with a maturity of 20 years. Eligible bonds must be rated at least AA by Standard and Poor's Ratings Services, Aa2 by Moody's or AA by Fitch. If there are multiple ratings, the lowest rating is used.

Total OPEB Liability of the City: The components of the City's net OPEB liability at September 30, 2021, are as follows:

Total OPEB liability	\$ 123,383
OPEB Plan fiduciary net position	-
City's net OPEB liability	<u>\$ 123,383</u>
OPEB Plan fiduciary net position as a percentage of total OPEB liability	0%

Schedule of Changes in Total OPEB Liability

Measurement year ended September 30, 2020		
Total OPEB liability:		
Service cost	\$ 966	
Interest on total OPEB liability	1,571	-
Benefit changes	-	
Difference between actual and expected experience	56,224	
Assumption changes	20,708	
Benefit payments	-	
Net change in total OPEB liability	79,469	
Total OPEB liability, beginning	43,914	
Total OPEB liability, ending	<u>\$ 123,383</u>	

CITY OF PARKLAND, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 12 – OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate - The following table presents the total OPEB liability, calculated using the discount rate of 2.43%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than current discount rate:

Total OPEB liability	Current		
	1% Decrease	Discount Rate	1% Increase
	1.43%	2.43%	3.43%
<u>Total OPEB liability</u>	<u>\$ 128,557</u>	<u>\$ 123,383</u>	<u>\$ 118,532</u>

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates - The following table presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage-point lower or one percentage-point higher than the current trend rate:

Total OPEB liability	Current		
	1% Trend	Decrease	1% Trend
	3.00% - 6.50%	Trend Rates	Increase
<u>Total OPEB liability</u>	<u>\$ 117,919</u>	<u>\$ 123,383</u>	<u>\$ 129,524</u>

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB - For the year ended September 30, 2021 the City recognized OPEB expense of \$ 14,098. At September 30, 2021, the City has deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 51,539	\$ -
Changes in assumptions and other inputs	18,982	-
Total	\$ 70,521	\$ -

The deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ending September 30,	Deferred	
		Outflows of Resources
2022	\$ 6,411	
2023	6,411	
2024	6,411	
2025	6,411	
2026	6,411	
Thereafter	38,466	

NOTE 13 – COMMITMENTS AND CONTINGENCIES

Litigation - Various suits and claims arising in the ordinary course of operations are pending against the City. While the ultimate effect of such litigation cannot be ascertained at this time, in the opinion of legal counsel, the City has sufficient insurance coverage to cover any claims and/or liabilities, which may arise from such action. The effect of such losses would not materially affect the financial position of the City or the results of its operations.

CITY OF PARKLAND, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 13 – COMMITMENTS AND CONTINGENCIES (CONTINUED)

Grants - Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected may constitute a liability of the applicable funds. In the opinion of management, future disallowances of grant expenditures, if any, would not have a material adverse effect on the City's financial condition.

Police Services Agreement - The City previously entered into an agreement with the Broward Sheriff's Office (BSO) to provide professional law enforcement services through September 30, 2009, with an option to renew for an additional five years through September 30, 2014, which the City exercised. This agreement was extended for another year to September 30, 2015, renewable for one five year term to September 30, 2019 which the City and BSO agreed to. Under this agreement BSO provides all necessary labor, supervision, equipment, vehicles, communication facilities, and supplies necessary for the purpose of performing the services. In accordance with the agreement, the City provides a police facility, major improvements and repairs for which are the City's responsibility. The contract was extended for two years effective October 1, 2019 with an option to renew for an additional three years through September 30, 2024.

BSO pays for all utility costs including, but not limited to, telephone, electric, and water services. For the year ended September 30, 2021, the City had expenditures of approximately \$9,802,360 relating to this agreement.

Emergency Medical and Fire Protection Services - Effective October 1, 2010, the City entered into a new interlocal agreement with the City of Coral Springs to provide emergency medical and fire protection services through September 30, 2015. The agreement was extended to September 30, 2020 and except for the expiration of the agreement, the agreement may only be terminated for cause by either part. The contract was extended for an additional five year term, effective October 1, 2020 through September 30, 2025. Under the terms of the agreement, Parkland shall provide spacing and housing for all necessary services and is responsible for major repairs as well as utility costs. The City of Coral Springs is responsible for maintaining the aforementioned facilities.

Baseline costs are \$7,913,615 for the fiscal year ended September 30, 2020, and annual increases will be determined based on the same percentage as the increases in the Coral Springs' Fire Fund personnel cost, benefit costs, and operating expenses, subject to certain limits. For the year ended September 30, 2021, the City paid costs of approximately \$8,228,202 relating to this agreement.

Encumbrances - Appropriations in governmental fund types are encumbered upon issuance of purchase orders for goods and/or services. Even though encumbered appropriations lapse at the end of the fiscal year, unfilled purchase orders of the current year are carried forward, and the following year's appropriations are likewise encumbered. At September 30, 2021, the City had encumbrances of \$3,272,44 and \$26,544 in the Capital Projects Fund and the Capital Replacement Fund, respectively, which are primarily made up of construction commitments for various Citywide capital projects and computer equipment replacements.

NOTE 14 – RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the City carries commercial insurance. The City is also covered by Florida Statutes under the Doctrine of Sovereign Immunity which effectively limits the amount of liability of municipalities to individual claims of \$200,000 and \$300,000 for all claims relating to the same accident. During the year ended September 30, 2021, the City had coverage for property and automobile insurance up to a maximum of \$1,000,000 per occurrence. The City has not significantly reduced insurance coverage from coverage in the prior year. There were no settled claims which exceeded insurance coverage during the past five fiscal years.

NOTE 15 – STABILIZATION AGREEMENT

Many governments have formal arrangements to maintain amounts for budget or revenue stabilization, working capital needs, contingencies, or emergencies. The City has adopted a stabilization agreement that provides for an operating reserve of 20% of the General Fund operating budget less transfers and contingency. As of September 30, 2021, the General Fund reported fund balance committed to the stabilization agreement in the amount of \$10,627,500.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF PARKLAND, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

	Budgeted Amounts			Variance with Final Budget - Positive <u>(Negative)</u>	
	<u>Original</u>	<u>Final</u>	<u>Actual</u>		
				<u>Original</u>	<u>Final</u>
REVENUES:					
Taxes					
Ad valorem taxes	\$ 23,403,727	\$ 23,403,727	\$ 23,685,838	\$ 282,111	
Franchise taxes	2,395,000	2,395,000	2,785,034	390,034	
Utility service taxes	3,469,000	3,469,000	4,093,174	624,174	
Local business tax	40,850	40,850	55,278	14,428	
Total taxes	<u>29,308,577</u>	<u>29,308,577</u>	<u>30,619,324</u>	<u>1,310,747</u>	
Permits and fees					
Building permits	2,293,000	2,293,000	4,048,486	1,755,486	
Other permits and fees	99,250	99,250	498,268	399,018	
Fire assessments	2,925,000	2,925,000	3,070,583	145,583	
Total permits and fees	<u>5,317,250</u>	<u>5,317,250</u>	<u>7,617,337</u>	<u>2,300,087</u>	
Intergovernmental revenues					
Half cent sales tax	1,885,000	1,885,000	2,438,988	553,988	
State revenue sharing	601,600	601,600	1,101,975	500,375	
FEMA reimbursement	-	-	7,250	7,250	
CARES reimbursement	-	-	634,967	634,967	
Motor fuel tax	405,000	405,000	550,386	145,386	
Alcoholic beverage license	2,500	2,500	5,802	3,302	
Grants	31,000	31,000	24,939	(6,061)	
Local shared revenues	587,500	587,500	632,796	45,296	
Total intergovernmental revenues	<u>3,512,600</u>	<u>3,512,600</u>	<u>5,397,103</u>	<u>1,884,503</u>	
Charges for services					
Ambulance transport fees	302,000	302,000	391,964	89,964	
Summer camp fees	484,500	484,500	232,908	(251,592)	
Other charges for services	<u>812,153</u>	<u>812,153</u>	<u>1,584,370</u>	<u>772,217</u>	
Total charges for services	<u>1,598,653</u>	<u>1,598,653</u>	<u>2,209,242</u>	<u>610,589</u>	
Fines and forfeitures					
Court fines	93,800	93,800	68,506	(25,294)	
Violations of local ordinances	<u>70,000</u>	<u>70,000</u>	<u>321,139</u>	<u>251,139</u>	
Total fines and forfeitures	<u>163,800</u>	<u>163,800</u>	<u>389,645</u>	<u>225,845</u>	
Miscellaneous revenues					
Interest income	36,000	36,000	84,365	48,365	
Rents	179,550	179,550	220,260	40,710	
Contributions	63,000	63,000	97,938	34,938	
Other income	<u>159,250</u>	<u>159,250</u>	<u>107,056</u>	<u>(52,194)</u>	
Total miscellaneous revenues	<u>437,800</u>	<u>437,800</u>	<u>509,619</u>	<u>71,819</u>	
Total revenues	<u>\$ 40,338,680</u>	<u>\$ 40,338,680</u>	<u>\$ 46,742,270</u>	<u>\$ 6,403,590</u>	

CITY OF PARKLAND, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
EXPENDITURES:				
General government				
City Commission	306,227	306,227	274,703	31,524
City Manager	796,689	796,689	569,947	226,742
Finance	593,724	593,724	598,602	(4,878)
Legal services	536,200	536,200	245,386	290,814
City Clerk	336,581	336,581	298,670	37,911
Personnel	462,823	462,823	442,202	20,621
Purchasing	327,982	327,982	313,274	14,708
Computer support	787,052	787,052	602,189	184,863
Communications and Marketing	425,397	425,397	376,749	48,648
Other general	310,570	310,570	374,070	(63,500)
Total general government	<u>4,883,245</u>	<u>4,883,245</u>	<u>4,095,792</u>	<u>787,453</u>
Public safety				
Police/crossings guards	10,694,443	10,694,443	10,069,895	624,548
Fire rescue	8,541,120	8,541,120	8,406,148	134,972
Code enforcement	19,300	19,300	17,404	1,896
Total public safety	<u>19,254,863</u>	<u>19,254,863</u>	<u>18,493,447</u>	<u>761,416</u>
Physical environment				
Public works	<u>5,561,653</u>	<u>5,561,653</u>	<u>5,230,690</u>	<u>330,963</u>
Development services				
Building	2,920,470	3,015,670	2,797,129	218,541
Planning and zoning	225,534	232,134	221,623	10,511
Environmental services	361,425	463,625	356,693	106,932
Total development services	<u>3,507,429</u>	<u>3,711,429</u>	<u>3,375,445</u>	<u>335,984</u>
Culture and recreation				
Parks and recreation	2,997,884	2,997,884	2,165,932	831,952
Library	713,776	713,776	491,646	222,130
Total culture and recreation	<u>3,711,660</u>	<u>3,711,660</u>	<u>2,657,578</u>	<u>1,054,082</u>
Debt Service				
Principal	2,222,750	2,222,750	1,022,713	1,200,037
Interest and fiscal charges	275,000	275,000	268,086	6,914
Total debt service	<u>2,497,750</u>	<u>2,497,750</u>	<u>1,290,799</u>	<u>1,206,951</u>
Capital outlay	<u>92,400</u>	<u>103,400</u>	<u>69,007</u>	<u>34,393</u>
Total expenditures	<u>39,509,000</u>	<u>39,724,000</u>	<u>35,212,758</u>	<u>4,511,242</u>
Excess (deficiency) of revenues over (under) expenditures	<u>829,680</u>	<u>614,680</u>	<u>11,529,512</u>	<u>10,914,832</u>
Other financing sources (uses)				
Insurance proceeds	-	-	17,328	17,328
Proceeds from sale of capital assets	-	-	11,068	11,068
Contingency	(150,000)	(105,000)	-	(105,000)
Transfers in	532,950	532,950	532,950	-
Transfers out	(1,700,000)	(5,700,000)	(5,700,000)	-
Total other financing sources (uses)	<u>(1,317,050)</u>	<u>(5,272,050)</u>	<u>(5,138,654)</u>	<u>(76,604)</u>
Revenue over (under) expenditures and other financing sources (uses)	(487,370)	(4,657,370)	6,390,858	10,838,228
Fund Balance appropriated	<u>487,370</u>	<u>4,657,370</u>	<u>-</u>	<u>(4,657,370)</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>6,390,858</u>	<u>6,180,858</u>
Fund balance, beginning of year			<u>43,428,143</u>	
Fund balance, end of year			<u>\$ 49,819,001</u>	

CITY OF PARKLAND, FLORIDA
NOTES TO BUDGETARY COMPARISON SCHEDULES
SEPTEMBER 30, 2021

NOTE 1 – BUDGETS AND BUDGETARY ACCOUNTING

Budgets and Budgetary Data - The City adopts an annual operating budget, which is employed as a management control device, for the General Fund, Capital Projects Fund and the Park and Community Improvements Fund. These budgets, as adopted or amended during the year by the City Commission, are prepared on a modified-accrual basis, excluding on-behalf payments from the State for Police Officers pension. During the year, all legal requirements with regard to budget adoption were met.

Process of Adoption

1. On or about August 1, the City Manager submits a proposed operating budget for the coming fiscal year to the City Commission.
2. During August, the City Commission holds workshops, which are open to the public, to review the proposed budget and determine the tentative budget.
3. During September, two public hearings are held for the purpose of presenting to and receiving input from citizens on the tentative budget and the proposed millage rate. At the second hearing, the annual budget is adopted, and the taxes are levied.

Period of Appropriation - Unless encumbered by a purchase order, budgeted appropriations lapse at the end of each fiscal year. For budgetary control purposes, encumbrances are rolled over and adjusted to next year's budget.

Supplemental Appropriations - If during the fiscal year revenues in excess of the original budgeted amounts become available, the City Commission may make supplemental appropriations.

Level of Control - The adoption of the budget by the City Commission constitutes the legal appropriation of the amounts specified therein as expenditures from the appropriate governmental fund. The amount of the appropriation cannot be exceeded unless the City Commission has approved a supplemental appropriation. Budgetary control of expenditures is maintained at the departmental level. A departmental budget cannot be exceeded without the approval, by motion, of the City Commission at a public meeting. The City Manager may authorize a budget adjustment among the various line items within a department, as long as the total budget for the department does not change.

NOTE 2 – BUDGET RECONCILIATION

Budget Reconciliation - The General Fund budget excludes on-behalf payments from the State for Police Officers pension. As a result, the General Fund revenues and expenditures reported in the Statement of Revenues, Expenditures and Changes in Fund Balance – Budget to Actual differ from the revenues and expenditures reported on the GAAP basis. The differences are reconciled as follows:

<u>General Fund</u>	<u>Revenues</u>	<u>Expenditures</u>
Budgetary Basis	\$ 46,742,270	\$ 35,212,758
On-behalf payments for pension benefits	373,255	373,255
GAAP Basis	<u>\$ 47,115,525</u>	<u>\$ 35,586,013</u>

For the year ended September 30, 2021, expenditures exceeded appropriations in the following:

General Fund - Finance	\$ 4,878
General Fund - Other General	63,500

These unfavorable variances were caused by unbudgeted costs related to unforeseen circumstances and occurrences during the year and were covered by revenues in excess of budget and unassigned fund balance.

CITY OF PARKLAND, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN TOTAL OTHER POST EMPLOYMENT BENEFITS (OPEB)
LIABILITY AND RELATED RATIOS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

	9/30/2021	9/30/2020	9/30/2019	9/30/2018
	9/30/2021	9/30/2020	9/30/2019	9/30/2018
Total OPEB Liability:				
Service cost	\$ 966	\$ 2,328	\$ 2,169	\$ 7,560
Interest	1,571	510	425	1,383
Benefit changes	-	-	-	-
Difference between expected and actual experience	56,224	28,825	(326)	(30,919)
Assumption changes	20,708	-	-	-
Benefit payments	-	-	-	-
Net change in Total OPEB Liability	79,469	31,663	2,268	(21,976)
Total OPEB liability-beginning	43,914	12,251	9,983	31,959
Total OPEB liability-ending	\$ 123,383	\$ 43,914	\$ 12,251	\$ 9,983
Covered payroll	\$ 6,682,730	N/A	N/A	N/A
Total OPEB liability as a percentage of covered payroll	1.85%	N/A	N/A	N/A

Notes to Schedule:

* Schedule is intended to show information for ten years. Additional years will be displayed as they become available.

All results for the Reporting Period Ending September 30, 2020 and prior were developed by the prior actuary.

Difference Between Expected and Actual Experience. Difference Between Expected and Actual Experience reflects the impact of changes to the census data from the prior valuation to the valuation as of September 30, 2021, as well as updated health care costs and premiums.

Changes of assumptions. Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

Fiscal Year Ending September 30, 2021:	2.43%
Fiscal Year Ending September 30, 2020:	3.50%
Fiscal Year Ending September 30, 2019:	3.50%

Also reflected as assumption changes are updated health care cost trend rates, and updated salary and mortality improvement scales.

Benefit Payments. The plan sponsor did not provide actual net benefits paid by the Plan for the fiscal year ending on September 30, 2021. Expected net benefit payments produced by the valuation model for the same period are shown in the table above.

Note: Schedule is intended to show information for ten years. Additional years will be displayed as they become available.

COMBINING FINANCIAL STATEMENTS

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Government Library Building Fund - This fund is used to account for the revenue and expenditure for the collection of impact fees for government buildings and the library.

Public Safety Improvement Fund - This fund is used to account for the revenue and expenditure for the collection of fire and police impact fees.

Law Enforcement Fund - This fund is used to account for revenues derived from the enforcement from the Florida Contraband Act. Expenditures are restricted to the purchase of law enforcement equipment.

Pine Tree Road Fund - This fund is used to account for the City's use of reserves that will be used to fund road construction.

Parks & Community Improvements Fund – This special revenue fund is used to account for revenues and expenditures for capital improvements to the City parks and capital contributions to the community and Broward County schools located in the City.

CAPITAL PROJECTS FUND

Infrastructure Replacement Fund - This fund is used to fund future capital expenditures as they relate to City facilities.

CITY OF PARKLAND, FLORIDA
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021

1,989,937	10,409	446,995	5,259.075	10,707,609
		1,017,988	-	-

CITY OF PARKLAND, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

	Special Revenue Funds						Capital Project Fund	Total	
	Government Building	Public Safety Improvement	Law Enforcement	Pine Tree Road	Parks Improvement	Infrastructure Replacement			
						Governmental Funds			
REVENUES:									
Impact fees	\$ 779,033	\$ 542,338	\$ 456	\$ -	\$ 30,800	\$ Nonmajor	\$ 1,352,627		
Interest income	2,541	2,992	56	1,720	945	8,419	16,673		
Grants and contributions						31,000	31,000		
Total revenues	781,574	545,330	512	1,720	30,800			1,400,300	
EXPENDITURES:									
Capital outlay	-							639,150	
Total expenditures	-		50,000	-	31,745		589,150		
Excess (Deficiency) of revenues over expenditures	781,574	545,330	(49,488)	1,720	31,745	(549,731)	761,150		
OTHER FINANCING SOURCES (USES):									
Transfers in	-	50,000							
Transfers out	(11,400)						589,150		
Total other financing sources (uses)	(11,400)	(236,550)	-			(285,000)			
Net change in fund balance	770,174	308,780	(49,488)	1,720	(253,255)	800,269	1,578,200		
Fund balance, beginning of year	1,213,031	1,681,157	59,897	1,016,268	700,250	4,378,280	9,048,883		
Fund balance, end of year	\$ 1,983,205	\$ -	\$ -	\$ -	\$ 1,350,000	\$ 817,050	\$ -		

1,989,937	10,409	1,017,988	446,995	5,178,549	10,627,083
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CITY OF PARKLAND, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET VS ACTUAL - GOVERNMENT LIBRARY BUILDING FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	Positive (Negative)
REVENUES:				
Impact fees	\$ -	\$ -	\$ 779,033	\$ 779,033
Interest	<u>-</u>	<u>-</u>	<u>2,541</u>	<u>2,541</u>
Total revenues	<u>-</u>	<u>-</u>	<u>781,574</u>	<u>781,574</u>
EXPENDITURES:				
Excess of expenditures under revenues	<u>-</u>	<u>-</u>	<u>781,574</u>	<u>781,574</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	(11,400)	(11,400)	(11,400)	-
Appropriation of prior year fund balance	<u>11,400</u>	<u>11,400</u>	<u>-</u>	<u>(11,400)</u>
Total other financing sources	<u>-</u>	<u>-</u>	<u>(11,400)</u>	<u>(11,400)</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>770,174</u>	<u>770,174</u>
Fund balance, beginning of year			<u>1,213,031</u>	
Fund balance, end of year			<u>\$ 1,983,205</u>	

CITY OF PARKLAND, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET VS ACTUAL - PUBLIC SAFETY IMPROVEMENT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	Positive (Negative)
REVENUES:				
Impact fees	\$ -	\$ -	542,338	\$ 542,338
Interest	- -	- -	2,992	2,992
Total revenues	<u>-</u>	<u>-</u>	<u>545,330</u>	<u>545,330</u>
EXPENDITURES:				
Excess of expenditures under revenues	- -	- -	545,330	545,330
OTHER FINANCING SOURCES (USES):				
Transfers out	(236,550)	(236,550)	(236,550)	-
Appropriation of prior year fund balance	236,550	236,550	-	(236,550)
Total other financing sources	<u>-</u>	<u>-</u>	<u>(236,550)</u>	<u>(236,550)</u>
Net change in fund balance	- -	- -	308,780	308,780
Fund balance, beginning of year			<u>1,681,157</u>	
Fund balance, end of year			<u>\$ 1,989,937</u>	

CITY OF PARKLAND, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET VS ACTUAL - PINE TREE ROAD
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		<u>Positive (Negative)</u>
REVENUES:				
Interest	\$ -	\$ -	\$ 1,720	\$ 1,720
Total revenues	-	-	1,720	1,720
EXPENDITURES:	-	-	-	-
Excess of expenditures under revenues	-	-	1,720	1,720
Net change in fund balance	-	-	1,720	1,720
Fund balance, beginning of year			<u>1,016,268</u>	
Fund balance, end of year			<u>\$ 1,017,988</u>	

CITY OF PARKLAND, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET VS ACTUAL - PARK & COMMUNITY IMPROVEMENTS FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		<u>Positive (Negative)</u>
REVENUES:				
Charges for services	\$ -	\$ -	30,800	\$ 30,800
Interest	-	-	945	945
Total revenues	-	-	31,745	31,745
EXPENDITURES:	-	-	-	-
Excess of expenditures under revenues	\$ -	\$ -	31,745	31,745
OTHER FINANCING SOURCES (USES):				
Transfers out	(285,000)	(285,000)	(285,000)	-
Appropriation of prior year fund balance	285,000	285,000	-	(285,000)
Total other financing sources	-	-	(285,000)	(285,000)
Net change in fund balance	-	-	(253,255)	(253,255)
Fund balance, beginning of year			700,250	
Fund balance, end of year			\$ 446,995	

CITY OF PARKLAND, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET VS ACTUAL - INFRASTRUCTURE REPLACEMENT FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	Positive (Negative)
REVENUES:				
Interest	\$ -	\$ -	8,419	\$ 8,419
Miscellaneous revenue	- -	31,000	31,000	- -
Total revenues	- -	31,000	39,419	8,419
EXPENDITURES:				
Capital outlay	645,000	1,140,600	589,150	(551,450)
Total expenditures	645,000	1,140,600	589,150	(551,450)
Excess of expenditures under revenues	(645,000)	(1,109,600)	(549,731)	559,869
OTHER FINANCING SOURCES (USES):				
Reserve for future capital projects	(705,000)	(705,000)	- -	705,000
Transfers in	1,350,000	1,350,000	1,350,000	- -
Appropriation of prior year fund balance	- -	464,600	- -	(464,600)
Total other financing sources	645,000	1,109,600	1,350,000	240,400
Net change in fund balance	- -	- -	800,269	800,269
Fund balance, beginning of year			4,378,280	
Fund balance, end of year			<u>\$ 5,178,549</u>	

CITY OF PARKLAND, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET VS ACTUAL - CAPITAL PROJECTS FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	Positive (Negative)
REVENUES:				
Impact fees	\$ -	\$ -	\$ 140,414	\$ 140,414
Grants and contributions	250,000	250,000	506,718	256,718
Interest	10,000	10,000	16,025	6,025
Miscellaneous income	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>(5,000)</u>
Total revenues	<u>265,000</u>	<u>265,000</u>	<u>663,157</u>	<u>398,157</u>
EXPENDITURES:				
Debt services	- -	- -	20,000	(20,000)
Capital outlay	<u>4,127,000</u>	<u>13,715,568</u>	<u>5,671,098</u>	<u>8,044,470</u>
Total expenditures	<u>4,127,000</u>	<u>13,715,568</u>	<u>5,691,098</u>	<u>8,024,470</u>
Excess of expenditures under revenues	<u>(3,862,000)</u>	<u>(13,450,568)</u>	<u>(5,027,941)</u>	<u>(7,626,313)</u>
OTHER FINANCING SOURCES (USES):				
Reserve for future capital projects	- -	(23,245,907)	- -	23,245,907
Proceeds from long-term debt	- -	20,000,000	20,000,000	- -
Transfers in	- -	4,000,000	4,000,000	- -
Appropriation of prior year fund balance	<u>3,862,000</u>	<u>12,696,475</u>	<u>- -</u>	<u>(12,696,475)</u>
Total other financing sources	<u>3,862,000</u>	<u>13,450,568</u>	<u>24,000,000</u>	<u>10,549,432</u>
Net change in fund balance	<u>- -</u>	<u>- -</u>	<u>18,972,059</u>	<u>2,923,119</u>
Fund balance, beginning of year			<u>10,309,682</u>	
Fund balance, end of year			<u>\$ 29,281,741</u>	

STATISTICAL SECTION

CITY OF PARKLAND, FLORIDA
STATISTICAL SECTION

This part of the City of Parkland'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.

Contents

Page

Financial Trends	54-57
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	
Revenue Capacity	58-61
These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	
Debt Capacity	62-64
These schedules contain 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 future.	
Demographic and Economic Information	65-66
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	
Operating Information	67-69
These schedules contain service and infrastructure data to help the reader understand how the information in the city's financial report relates to the services the City provides and the activities it performs.	

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

CITY OF PARKLAND, FLORIDA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Governmental activities:										
Net investment in capital assets	\$ 36,118,346	\$ 36,676,563	\$ 31,478,364	\$ 41,552,038	\$ 48,976,994	\$ 51,201,128	\$ 52,661,539	\$ 56,498,862	\$ 64,596,577	\$ 66,809,126
Restricted:										
Equestrian center	-	-	-	-	-	-	-	-	-	9,470
Liberty park	-	-	-	-	-	-	-	-	-	200
Library	-	-	-	-	-	-	-	-	-	555
Country point	-	-	-	-	-	-	-	-	-	4,575
Building department	-	-	-	-	-	-	-	-	-	7,560,370
Waste containers	-	-	-	-	-	-	-	-	-	3,817
Riverside Trail MUST grant	-	-	-	-	-	-	-	-	-	5,646
Public safety - fire	-	-	-	-	-	-	-	-	-	861,831
Public safety - police	-	-	-	-	-	-	-	-	-	1,128,106
Western fire station	-	-	-	-	-	-	-	-	-	6,250
Administrative building	-	-	-	-	-	-	-	-	-	1,485,524
Library	-	-	-	-	-	-	-	-	-	497,681
Park Improvement	182,362	1,285,805	1,243,055	5,266,106	6,295,980	5,965,401	5,400,612	8,061,574	700,250	446,995
Law enforcement	26,943	36,657	32,239	33,208	34,286	67,042	67,547	57,931	59,897	10,409
Capital projects	1,881,886	3,432,366	6,574,539	8,000,934	9,506,569	11,504,054	12,003,472	11,749,632	10,561,917	18,580,995
Unrestricted	<u>18,345,576</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>					
Total governmental activities net position	<u>\$ 56,555,113</u>	<u>\$ 62,652,663</u>	<u>\$ 69,949,228</u>	<u>\$ 80,139,945</u>	<u>\$ 90,850,867</u>	<u>\$ 97,474,150</u>	<u>\$ 104,644,763</u>	<u>\$ 118,599,451</u>	<u>\$ 127,734,245</u>	<u>\$ </u>
The City has no business-type activities.	21,221,272	30,621,031	25,287,659	26,037,038	28,736,525	34,511,593	42,231,452	51,815,604	40,831,315	
										138,242,865

CITY OF PARKLAND, FLORIDA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRAUL BASIS OF ACCOUNTING)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Expenses:										
Governmental activities:										
General government	\$ 2,128,059	\$ 2,423,958	\$ 3,154,084	\$ 2,821,337	\$ 3,119,581	\$ 4,040,265	\$ 4,258,265	\$ 4,145,227	\$ 4,419,822	\$ 4,595,507
Public safety	10,693,529	10,910,156	11,663,587	12,230,519	13,111,805	14,033,730	14,778,705	16,914,796	18,795,900	19,379,415
Physical environment	3,440,729	4,054,575	3,264,799	3,212,767	3,630,027	4,333,530	4,733,130	3,682,115	6,116,720	6,693,488
Culture and recreation	3,088,740	2,750,940	2,832,387	4,714,246	10,075,787	3,202,154	3,736,757	5,331,399	3,742,989	4,329,173
Development services	1,217,932	1,297,404	3,429,707	3,063,435	2,958,094	3,334,913	3,537,070	4,249,444	3,148,286	3,395,669
Interest expense and other financing costs	385,701									
Total governmental activities	<u>20,954,690</u>	<u>21,800,665</u>	<u>24,924,812</u>	<u>26,558,592</u>	<u>33,369,039</u>	<u>29,307,403</u>	<u>31,296,877</u>	<u>34,666,516</u>	<u>36,530,776</u>	
Program revenues:										
Governmental activities:										
Charges for services:										
General government	363,632	580,248	1,516,288	473,745	362,811	252,950	343,535	307,059	288,086	573,633
Public safety	285,636	571,066	1,027,458	789,128	789,136	820,239	691,115	38,887,888	622,608	
Physical environment	5,479,703	7,095,095	8,818,702	7,754,663	7,455,482	8,497,121	8,544,208	10,111,759	-	4,172,635
Culture and recreation	460,788	831,893	953,500	666,003	885,796	906,160	528,608	-	-	-
Development Services	590,292	1,817,767	1,898,225	6,829,076	11,948,052		1,033,260	3,966,596	444,140	1,007,270
Operating grants and contributions	127,275	122,272	89,310	95,918	96,120	72,940	31,790	224,758	152,862	5,961,887
Capital grants and contributions	70,644	120,986	262,946	281,578	301,867	296,265	310,732	-	1,937,710	1,662,989
Total governmental activities	<u>80,905</u>									
Total governmental activities program revenues	<u>7,095,243</u>	<u>10,582,030</u>	<u>13,375,708</u>	<u>16,620,375</u>	<u>21,676,453</u>	<u>10,944,781</u>			<u>11,388,736</u>	
Net expense/revenue:										
Governmental activities	<u>(13,859,447)</u>	<u>(11,238,685)</u>	<u>(11,549,104)</u>	<u>(9,938,217)</u>	<u>(11,692,586)</u>	<u>(18,362,622)</u>	<u>(20,028,040)</u>	<u>(19,672,288)</u>	<u>(25,142,040)</u>	<u>(24,747,231)</u>
										506,718
Total governmental activities net expense	<u>\$ (13,859,447)</u>	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ 11,268,837</u>	<u>\$ 14,994,228</u>	<u>\$ _____</u>	<u>\$ 13,934,107</u>	<u>\$ _____</u>
General revenues and other changes in net position:										
Governmental activities:										
Taxes:										
Ad valorem taxes	\$ (11,216,689)	\$ (11,549,104)	\$ (9,355,174)	\$ (12,221,931)	\$ (11,692,586)	\$ (18,362,622)	\$ (20,028,040)	\$ (19,672,288)	\$ (25,142,040)	\$ (24,747,231)
Franchise taxes	344,222	336,151	346,923	370,408	405,797	445,824	1,075,645	2,558,804	2,576,339	2,785,034
Utility service taxes	2,762,394	2,885,688	3,010,550	3,120,422	3,188,455	3,261,991	3,569,425	3,745,735	3,985,648	4,093,174
Intergovernmental (Unrestricted)	2,129,297	2,393,759	2,806,658	3,054,018	3,205,331	3,473,106	3,975,403	4,787,421	4,162,163	4,138,512
Interest income	38,386	32,361	34,928	37,565	69,391	133,246	292,623	486,196	696,875	119,169
Net increase/(decrease) in the fair value of investments	71,559	32,669	-	-	-	-	-	-	-	-
Miscellaneous	138,927									
Total governmental activities general revenues	<u>16,758,807</u>	<u>17,316,185</u>	<u>18,845,669</u>	<u>20,128,934</u>	<u>22,403,508</u>	<u>23,928,858</u>	<u>27,198,653</u>	<u>33,300,716</u>	<u>34,369,625</u>	<u>35,255,851</u>
Change in net position										
Governmental activities	<u>2,899,360</u>	<u>6,097,550</u>	<u>7,618,565</u>	<u>10,190,717</u>	<u>10,710,922</u>	<u>5,566,236</u>	<u>7,170,613</u>	<u>13,628,428</u>	<u>9,227,585</u>	<u>10,508,620</u>
Total primary government	<u>\$ 2,899,360</u>	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>

CITY OF PARKLAND, FLORIDA
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
General Fund:										
Nonspendable:										
Assessments Receivable	\$ 6,296	\$ 5,495	\$ 5,495	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Receivable	12,719	12,056	12,295	-	-	-	-	-	-	-
Prepays	55,584	25,069	126,197	125,699	148,997	188,612	195,950	116,399	10,081	25,455
SBA - Fund B	277,434	151,589	-	-	-	-	-	-	-	-
Restricted for:										
Equestrian Center	9,470	9,470	9,470	9,470	9,470	9,470	9,470	9,470	9,470	9,470
Liberty Park	200	200	200	200	200	200	200	200	200	200
Library	554	554	554	554	554	554	554	554	554	554
Country Point	4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575
Building Department	1,314,789	2,077,406	4,379,523	5,242,507	6,366,570	7,845,786	7,970,307	8,681,403	7,637,217	7,560,370
Committed to:										
Stabilization Agreement	4,540,000	4,914,761	5,112,499	6,737,500	7,144,000	6,956,500	7,285,060	8,021,786	9,970,750	10,627,500
Insurance Deductible	-	-	607,500	607,500	607,500	607,500	625,000	750,000	750,000	750,000
Capital Replacement Fund	300,000	-	-	-	-	-	-	-	-	-
Infrastructure Replacement Fund	300,000	-	-	-	-	-	-	-	-	-
Assigned:										
Subsequent year's budget	408,101	235,883	-	-	-	-	-	-	-	-
Unassigned	<u>\$ 11,419,404</u>	<u>\$ 20,992,738</u>	<u>\$ 29,004,952</u>	<u>\$ 28,135,026</u>	<u>\$ 26,650,816</u>	<u>\$ 29,650,161</u>	<u>\$ 32,218,240</u>	<u>\$ 37,113,794</u>	<u>\$ 43,428,143</u>	<u>\$</u>
Total General Fund	<u>\$ 18,649,126</u>	<u>\$ 20,992,738</u>	<u>\$ 29,004,952</u>	<u>\$ 28,135,026</u>	<u>\$ 26,650,816</u>	<u>\$ 29,650,161</u>	<u>\$ 32,218,240</u>	<u>\$ 37,113,794</u>	<u>\$ 43,428,143</u>	<u>\$</u>
All other governmental funds:										
Nonspendable:										
Prepays	\$ 13,555,680	\$ 18,746,644	\$ 15,407,021	\$ 12,368,950	\$ 14,036,964	\$ 16,127,124	\$ 19,529,407	\$ 25,045,296	\$ 30,840,877	\$ -
SBA - Fund B										49,819,001
Restricted for:										
M.U.S.T. grant	5,646	5,646	5,646	5,646	5,646	5,646	5,646	5,646	5,646	5,646
Impact Fees	100,887	443,411	1,026,404	1,484,427	1,868,189	2,257,800	2,387,034	1,288,595	1,213,032	1,983,205
Public Safety	44,862	119,800	216,409	309,436	372,580	472,036	606,709	707,645	755,272	1,989,937
Western Fire Station	397,086	767,487	927,941	940,302	874,968	904,170	1,015,160	1,047,727	932,135	6,250
Waste containers	3,817	3,817	3,817	3,817	3,817	3,817	3,817	3,817	3,817	3,817
Park improvements	182,362	1,285,805	1,243,055	5,266,106	6,295,980	5,965,401	5,400,612	8,061,574	700,250	446,995
Law enforcement	26,943	36,657	32,239	33,208	34,286	67,042	67,547	57,931	59,897	10,409
Capital projects										18,580,995
Assigned to:										
Subsequent year's budget	-	-	-	-	-	-	-	-	-	-
Capital projects	<u>424,146</u>	<u>-</u>	<u>-</u>							
Total all other governmental funds	<u>\$ 1,185,749</u>	<u>\$ 4,346,631</u>	<u>\$ 9,270,723</u>	<u>\$ 10,389,339</u>	<u>\$ 14,145,680</u>	<u>\$ 15,989,407</u>	<u>\$ 18,918,987</u>	<u>\$ 24,436,061</u>	<u>\$ 19,358,565</u>	<u>\$</u>
	<u>1,684,008</u>	<u>5,815,212</u>	<u>2,346,397</u>	<u>4,690,214</u>	<u>6,313,495</u>	<u>9,432,462</u>	<u>13,263,126</u>	<u>15,688,516</u>	<u>16,881,570</u>	<u>39,908,824</u>

CITY OF PARKLAND, FLORIDA
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Revenues:										
Ad valorem taxes	\$ 11,274,022	\$ 11,519,275	\$ 12,224,931	\$ 12,928,495	\$ 14,637,301	\$ 16,246,790	\$ 17,702,458	\$ 21,253,041	\$ 22,641,111	\$ 23,685,838
Franchise fees	344,222	336,151	346,923	370,408	405,797	445,824	1,075,645	2,558,804	2,576,339	2,785,034
Utility service taxes	2,762,394	2,885,688	3,010,550	3,120,422	3,188,455	3,261,991	3,569,425	3,745,735	3,985,648	4,093,174
Licenses and permits	4,445,864	5,875,205	7,661,933	6,545,376	6,284,905	7,604,539	7,347,817	8,270,677	5,938,324	7,672,615
Intergovernmental revenues	2,452,615	2,653,163	3,161,394	3,202,974	3,707,198	3,969,371	4,054,875	4,787,422	6,099,873	4,138,512
Charges for services	1,895,663	4,035,466	4,782,814	8,981,019	14,278,572	3,487,679	3,331,818	6,526,856	1,963,669	3,702,283
Fines and forfeitures	421,259	320,512	275,590	619,068	536,382	348,126	206,395	196,694	165,478	389,645
Interest income	37,860	31,840	34,262	36,984	68,936	132,196	289,791	564,106	686,736	117,063
Unrealized gain (loss) on investments	71,559	32,669	-	-	-	-	-	-	-	-
Miscellaneous revenues	344,666	476,628	510,776	943,982	971,960	433,120	912,936	669,270	524,398	425,254
Contributions	-	-	-	-	-	-	-	-	-	2,169,564
Total revenues	24,050,124	28,166,597	32,009,173	36,748,728	44,079,506	35,929,636	38,491,160	48,572,605	45,994,413	49,178,982
										1,412,837
Expenditures:										
Current:										
General government	1,861,771	2,125,871	2,310,565	2,515,002	-	3,834,848	3,933,683	3,740,692	3,891,289	4,095,792
Public safety	10,624,950	10,879,120	11,471,581	11,996,487	12,800,102	13,668,460	14,449,274	16,549,096	18,076,247	18,866,702
Physical environment	2,669,135	3,227,308	3,205,260	3,204,609	3,630,027	4,333,530	4,733,130	5,327,036	4,910,781	5,230,690
Development services	1,240,803	1,272,056	1,660,370	2,193,531	2,090,599	2,423,084	2,536,533	2,705,674	3,102,241	3,375,445
Culture and recreation	2,021,496	1,650,700	1,705,994	1,860,107	2,121,556	1,953,093	2,196,981	2,441,734	2,486,354	2,657,578
Capital outlay	3,489,675	2,284,321	3,719,696	10,984,222	8,067,210	3,375,626	3,605,624	5,848,735	10,717,194	6,379,255
Contribution to other government	-	-	875,000	1,780,000	6,974,000	-	-	-	-	-
Debt service:										
Principal retirement	539,654	562,544	579,800	984,851	2,668,931	920,198	927,021	947,761	984,156	1,022,713
Interest and fiscal charges	391,910	370,109	450,562	516,288	521,396	371,269	364,021	343,535	307,059	288,086
Total expenditures	22,839,394	22,372,029	25,978,828	36,035,097	38,873,821	30,880,108	32,746,267	37,904,263	44,475,321	41,916,261
Excess of revenues over (under) expenditures	1,210,730	5,794,568	6,030,345	713,631	5,205,685	5,049,528	5,744,893	10,668,342	1,519,092	7,262,721
Other financing sources(uses):										
Proceeds from Long-Term Debt	-	-	-	-	-	-	-	-	-	20,000,000
Insurance proceeds	65,083	6,801	211,538	35,059	44,682	55,294	21,935	23,146	5,198	17,328
Proceeds from sale of capital assets	6,364	3,125	2,023	-	25,264	40,850	30,830	21,140	12,563	11,068
Issuance of debt	-	-	6,995,000	-	-	-	-	-	-	-
Transfers in	1,000,000	3,334,066	832,950	7,332,950	7,332,950	5,056,950	6,082,568	8,251,712	4,793,805	5,882,950
Transfers out	(1,000,000)	(3,634,066)	(1,135,550)	(7,832,950)	(7,635,550)	(5,359,550)	(6,382,568)	(8,551,712)	(5,093,805)	(6,232,950)
Total other financing sources (uses)	71,447	(290,074)	6,905,961	(464,941)	(232,654)	(206,456)	(247,235)	(255,714)	(282,239)	19,678,396
Net change in fund balances	\$ 1,282,177	\$ _____								
Debt service as a percentage of noncapital expenditures	4.79%	4.64%	4.60%	6.16%	9.56%	4.72%	4.44%	4.03%	3.82%	3.63%
	5,504,494	12,936,306		4,973,031	4,843,072	5,497,658	10,412,628	1,236,853	26,941,117	
			248,690							

CITY OF PARKLAND, FLORIDA
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

<u>Year</u>	Residential	Commercial	Industrial	Personal and Other	Total	Direct Tax	Estimated Actual	Estimated Actual Value
	<u>Property</u>	<u>Property</u>	<u>Property</u>	<u>Property</u>	<u>Value</u>			as a % of Net
Year	Property	Property	Property	Property	Value	Rate	Value	Assessed
2012	2,802,659,230	84,591,400	1,717,300	85,538,200	2,974,506,130	4.0198	2,974,506,130	100%
2013	2,980,927,570	88,277,670	1,838,200	81,893,360	3,152,936,800	3.9999	3,152,936,800	100%
2014	3,197,700,040	84,723,850	4,531,580	89,456,420	3,376,411,890	3.9900	3,376,411,890	100%
2015	3,554,975,760	81,721,890	822,600	134,282,580	3,771,802,830	3.9890	3,771,802,830	100%
2016	4,005,372,640	87,516,560	1,329,260	114,495,170	4,208,713,630	3.9870	4,208,713,630	100%
2017	4,382,456,800	90,253,710	1,242,900	110,046,170	4,583,999,580	3.9800	4,583,999,580	100%
2018	4,756,241,210	105,517,710	1,331,410	114,264,110	4,977,354,440	3.9780	4,977,354,440	100%
2019	5,372,922,135	109,126,580	1,100,160	115,739,770	5,598,888,645	4.4000	5,598,888,645	100%
2020	5,445,820,430	110,752,250	1,210,170	162,453,983	5,720,236,833	4.4000	5,720,236,833	100%
2021	5,744,708,240	105,736,340	1,331,180	145,956,910	5,997,732,670	4.2979	5,997,732,670	100%

Source: Broward County Property Appraiser

CITY OF PARKLAND, FLORIDA
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS

Overlapping Rates

<u>Year</u>	<u>City Direct Rate</u>	<u>Broward County</u>	<u>Broward School District</u>	<u>Children's Service Council of Broward County</u>	<u>South Florida Water Management District</u>	<u>Florida Inland Navigation District</u>	<u>North Broward Hospital District</u>	<u>Total</u>
2012	4.0198	5.5530	7.4180	0.4789	0.4363	0.0345	1.8750	19.8155
2013	3.9999	5.5530	7.4560	0.4902	0.4289	0.0345	1.8564	19.8189
2014	3.9900	5.7230	7.4800	0.4882	0.4110	0.0345	1.7554	19.8821
2015	3.9890	5.7230	7.4380	0.4882	0.3842	0.0345	1.5939	19.6508
2016	3.9870	5.7230	7.2740	0.4882	0.3551	0.0320	1.4425	19.3018
2017	3.9800	5.6690	6.9063	0.4882	0.3307	0.0320	1.3462	18.7524
2018	3.9780	5.6690	6.5394	0.4882	0.3100	0.0320	1.2483	18.2649
2019	4.4000	5.6690	6.7393	0.4882	0.3100	0.0320	1.0324	18.6709
2020	4.4000	5.4999	6.4140	0.4882	0.2675	0.0320	1.1469	18.2485
2021	4.2979	5.5134	6.3180	0.4699	0.2572	0.0320	1.2770	18.1654

Note: All rates are per \$1,000 of assessed taxable value.

Source: City of Parkland, 2021 Adopted Budget

CITY OF PARKLAND, FLORIDA
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

Taxpayer	Fiscal Year					
	2021		2012			
	Taxable Assessed <u>Value</u>	Rank	Percentage of Total Assessed <u>Value</u>	Taxable Assessed <u>Value</u>	Rank	Percentage of Total Taxable Assessed <u>Value</u>
Keystone Bell Fund Cir APT	\$ 72,796,630	1	2.05%			
9401 Aston Gardens LLC Senior Housing	52,020,400	2	1.46%			
Allegro at Parkland LLC	31,139,590	3	0.88%			
New Market-Parkland LLC	26,020,000	4	0.73%			
Lucky Star Holdings	15,600,610	5	0.44%			
BREM Parkland LP	12,357,560	6	0.35%			
Riverstone Plaza, LLC	12,085,110	7	0.34%			
Parkland Centerline LLC	7,486,020	8	0.21%			
Jacur Parkland Town Center LLC	6,116,200	9	0.17%			
Parkland Golf & Country Club	4,704,000	10	0.13%			
Toll FL V, LLC			60,496,170	1	1.72%	
Sunrise AG Commons			39,845,110	2	1.13%	
Winners Circle Realty			34,300,759	3	0.97%	
WCI Communities			28,624,910	4	0.81%	
WRI HR Parkland, LLC			18,086,350	5	0.51%	
Quality Properties Asset			14,130,550	6	0.40%	
Barclay Millennium, LLC			12,540,000	7	0.36%	
Brem Parkland LP			12,300,000	8	0.35%	
Florida Power & Light Co.			9,322,985	9	0.26%	
Lennar Homes			7,323,680	10	0.21%	
Total	\$ 240,326,120		6.76%	\$ 236,970,514		6.73%

Source: Broward County Property Appraiser's Office

CITY OF PARKLAND, FLORIDA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal <u>Year</u>	Taxes <u>Levied</u>	Collected Within the Fiscal Year of the Levy		Collections in Subsequent <u>Years</u>	Total Collections to Date	
		<u>Amount</u>	<u>Percentage of Levy</u>		<u>Amount</u>	<u>Percentage of Levy</u>
2012	11,741,741	10,994,504	93.64%	279,519	11,274,023	96.02%
2013	12,002,786	11,265,089	93.85%	254,187	11,519,275	95.97%
2014	12,712,539	12,224,931	96.16%	312,047	12,536,978	98.62%
2015	13,560,959	12,928,495	95.34%	220,210	13,148,705	96.96%
2016	15,182,579	14,637,301	96.41%	314,144	14,951,445	98.48%
2017	16,900,257	16,246,791	96.13%	270,398	16,517,189	97.73%
2018	18,438,575	17,702,458	96.01%	259,731	17,962,189	97.42%
2019	22,422,044	21,253,041	94.79%	323,737	21,576,778	96.23%
2020	24,590,545	22,641,111	92.07%	395,058	23,036,168	93.68%
2021	25,115,248	23,685,838	94.31%	320,782	24,006,621	95.59%

Source: Broward County Property Appraiser

CITY OF PARKLAND, FLORIDA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year	Government Activities			Percentage of	
	Notes Payable	Revenue Bonds	Total Government	Personal Income	Per Capita
2012	7,320,564	2,145,000	9,465,564	0.8038%	388.08
2013	6,878,021	2,025,000	8,903,021	0.7789%	357.95
2014	13,418,389	1,905,000	15,323,389	1.3165%	599.13
2015	12,558,370	1,804,926	14,363,296	1.1008%	546.69
2016	11,669,439	-	11,669,439	0.8122%	414.87
2017	10,749,316	-	10,749,316	0.6686%	363.32
2018	9,798,090	-	9,798,090	0.5260%	311.29
2019	8,813,791	-	8,813,791	0.4421%	269.19
2020	7,890,303	-	7,890,303	0.3602%	231.33
2021	6,867,590	20,000,000	26,867,590	1.1311%	758.11

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

Population data provided by the City of Parkland Planning Department.

CITY OF PARKLAND, FLORIDA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
SEPTEMBER 30, 2021

<u>Jurisdiction</u>	<u>Net Debt Outstanding</u>	<u>Percentage Applicable to Parkland</u>	<u>Amount Applicable to Parkland</u>
Overlapping debt:			
Broward County	\$ 84,172,970	(1)	2.37%
Broward District Schools	<u>1,755,444,062</u>	(2)	<u>2.37%</u>
Subtotal overlapping debt	1,839,617,032		43,668,185
Direct debt:			
City of Parkland	<u>26,867,590</u>	100%	<u>26,867,590</u>
Subtotal direct debt	<u>26,867,590</u>		<u>26,867,590</u>
Total direct and overlapping debt	<u>\$ 1,866,484,622</u>		<u>\$ 70,535,775</u>

Notes:

The Broward County Property Appraiser's Office provided total assessed taxable values to provide a basis for the ratio on assessed taxable values.

(1) Source: Budget Office, Broward County, Florida

(2) Source: School Board, Broward County, Florida

CITY OF PARKLAND, FLORIDA
PLEDGED-REVENUE COVERAGE
LAST TEN FISCAL YEARS

Fiscal <u>Year</u>	Note Payable				
	Half-Cent Sales	Utility Service	Debt Service		<u>Coverage</u>
	<u>Tax</u>	<u>Tax</u>	<u>Principal</u>	<u>Interest</u>	
2012	1,318,974	1,671,899	539,654	391,909	3.21
2013	1,428,297	1,774,608	562,544	370,109	3.43
2014	1,534,077	1,963,836	579,800	450,562	3.39
2015	1,647,166	2,069,606	984,851	516,288	2.48
2016	1,739,181	2,193,455	2,668,931	(1) 514,395	1.24
2017	1,874,226	2,299,642	920,198	371,269	3.23
2018	2,036,948	3,569,425	927,021	364,021	4.34
2019	2,161,055	3,745,735	947,761	343,535	4.57
2020	2,006,089	3,985,648	984,156	307,059	4.64
2021	2,438,988	4,093,174	1,022,713	268,086	5.06

Note: (1) The City paid off its Florida Municipal Loan Council obligation in FY 2016

CITY OF PARKLAND, FLORIDA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS

Calendar <u>Year</u>	<u>Population (3)</u>	Personal Income (Thousands of Dollars)	Per Capita Personal Income (1)	Median Age (1)(2)	Unemployment Rate (4)
2012	24,391	1,177,671	48,285	40.0	6.7%
2013	24,872	1,142,975	45,958	38.8	5.3%
2014	25,576	1,163,972	45,521	39.0	4.7%
2015	26,273	1,304,857	49,671	38.4	4.8%
2016	28,128	1,436,768	51,076	39.5	4.5%
2017	29,586	1,607,832	54,337	40.7	3.2%
2018	31,476	1,862,640	59,169	41.1	2.9%
2019	32,742	1,993,539	60,890	40.3	2.6%
2020	34,109	2,190,544	64,220	41.1	2.8%
2021	35,440	2,375,440	67,046	41.1	2.5%

Source:

- (1) U.S. Census Bureau - data.census.gov
- (2) Information is unchanged from prior year. No updated information available.
- (3) University of Florida BEBR, Florida Estimates of Population 2021
- (4) State of Florida - LAUS

CITY OF PARKLAND, FLORIDA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

<u>Employer</u>	2021			2012		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
Broward County Public School	627	1	*	586	1	*
Aston Gardens	168	2	*	198	2	*
City of Parkland	153	3	*	115	4	*
Publix Supermarket	147	4	*	68	5	*
BJ's Wholesale Club	144	5	*	120	3	*
Total	<u>1,239</u>		=	<u>967</u>		=

* Percentage of total City employment information not available.

Source: Employer Human Resources

CITY OF PARKLAND, FLORIDA
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Function/Program:										
General government:										
Mayor and Commission	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
City Manager	3.0	3.0	5.0	5.0	5.0	5.0	6.0	4.0	4.0	4.5
City Clerk	2.0	2.0	1.0	2.0	2.0	2.0	3.0	3.0	3.0	2.0
Communications and Marketing	-	-	-	-	-	-	-	-	3.0	3.0
Finance	5.5	5.0	5.0	5.0	5.0	6.0	6.0	6.0	5.0	5.0
Human Resources	2.0	2.0	2.0	2.5	3.0	5.5	4.0	5.0	3.0	3.0
Purchasing	-	-	-	-	-	-	-	2.0	2.0	2.0
Planning	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Engineering	1.5	3.0	4.0	4.0	3.0	4.0	4.0	4.0	4.0	4.5
Information technology	2.0	2.0	2.0	3.0	3.0	3.0	3.0	3.0	3.0	4.0
Public safety*:										
Police protection	36.5	38.5	38.5	40.0	41.0	43.0	43.0	43.0	43.0	43.0
Fire rescue and EMS	33.0	33.0	33.0	33.0	33.0	33.0	33.0	33.0	33.0	33.0
Protective inspections	6.5	10.0	13.5	19.5	18.5	15.5	15.5	15.5	19.0	19.0
Crossing Guards	7.5	7.0	7.0	10.0	9.0	9.0	10.0	10.0	10.0	10.0
Physical environment:										
Code Enforcement	-	-	-	-	-	-	-	-	-	-
Environmental Resources	1.0	1.0	-	-	-	-	-	-	-	-
Public Works	40.5	38.0	40.0	42.5	48.0	49.0	48.5	48.5	52.5	52.5
Culture and recreations:										
Parks and recreation	10.0	5.5	5.0	5.0	6.0	11.0	14.0	14.0	15.0	15.0
Library	6.5	6.5	6.0	6.0	6.0	6.0	6.0	6.0	7.0	7.5
Total	163.5	162.5	168.0	183.5	188.5	198.0	201.0	205.0	212.5	214.0

* Police, Fire and EMS is provided through contract

CITY OF PARKLAND, FLORIDA
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program:	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General government:										
Building permits issued	3,980	4,997	12,627	12,890	11,756	11,991	8,223	9,841	8,830	17,061
Building inspections conducted	17,545	24,764	43,277	55,204	45,725	45,301	43,646	46,595	34,112	38,418
Business licenses issued	362	409	299	429	388	443	456	266	165	167
Residential certificates of occupancy	138	259	380	634	584	464	414	406	370	248
Police:										
Physical arrests	402	173	163	140	137	104	119	225	250	116
Parking violations	72	111	47	22	37	8	4	1	-	-
Traffic violations	6,781	6,339	6,720	5,595	11,748	6,961	4,310	4,939	6,500	2,175
Calls for service	9,287	8,378	9,460	15,378	17,723	21,201	16,141	18,287	13,154	16,812
Fire:										
Emergency response	1,127	1,146	1,119	1,227	1,190	1,111	1,283	1,319	1,325	1,245
Fire calls	24	25	38	33	27	18	30	22	23	21
Response time < 8 min.	90.0%	91.3%	93.0%	92.5%	92.6%	94.1%	91.4%	93.4%	95.5%	95.2%
Other public works:										
Street resurfacing (in miles)	1.00	1.00	-	-	-	-	-	-	-	-
Potholes repaired	1,064	1,007	1,140	523	741	550	368	880	1,182	1,105
Engineering permits issued	34		50	40	48	52	28	22	31	47
Inspections performed	459	362	3,200	4,467	4,159	5,427	4,379	4,680	4,212	5,567
Parks and recreation:										
Pavilion reservations	266	188	184	280	224	258	261	261	194	92
Special events held	61	60	69	56	50	49	41	40	22	32
Camp participants	916	867	1,024	1,032	993	1,191	1,654	1,654	-	190
Library:										
Number of books owned	41,823	39,681	38,419	40,100	43,479	45,682	47,908	50,303	47,892	49,570
Number of programs offered	476	532	381	595	571	650	663	574	319	332
Number of books checked out	86,678	88,223	100,925	107,739	114,660	125,007	124,127	114,217	93,467	107,063
City Clerk:										
Research documents	107	132	72	86	102	110	191	149	200	322
Certification of notarization	177	260	162	76	71	144	72	80	60	29
Resolutions and ordinances	148	176	170	193	147	127	128	138	55	108
Passport services	611	409	499	473	723	107	-	-	-	-
Finance:										
Checks/direct deposits issued	4,789	5,290	5,399	5,593	6,054	6,108	6,202	6,080	5,729	6,131
Purchase orders issued	266	250	176	194	233	180	212	200	336	432
Computer support	1,042	1,357	1,379	1,449	1,187	1,314	1,125	1,091	1,198	1,296
Planning and zoning:										
Number of planning petitions processed	79	68	45	59	65	47	26	28	33	20

Source: City of Parkland, Quarterly Performance Measures

CITY OF PARKLAND, FLORIDA
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Function/Program:										
Fire Stations	3	3	3	3	3	3	3	3	3	3
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	30	30	30	30	30	30	30	30	30	30
Other public works:										
Streets (miles) *	18.05	18.05	18.05	18.05	18.05	18.05	18.05	18.05	18.05	18.2
Street lights	328	328	328	385	385	385	467	473	473	473
Traffic signals	3	3	3	4	4	6	6	6	6	6
Parks and recreation:										
Acreage	210	210	210	210	210	210	210	210	234	234
Playgrounds	7	7	7	7	7	7	7	7	7	7
Community centers	1	1	1	1	1	1	1	1	1	1
Soccer/football fields	11	11	11	15	15	15	15	15	15	15
Basketball courts	7	7	7	7	9	9	9	9	9	9
Tennis courts	7	7	7	7	19	19	19	19	19	19
Baseball/softball fields	14	14	14	14	18	18	18	18	18	18
Dog park	1	1	1	1	1	1	1	1	1	1

* Street mileage is only streets maintained by the Public Works Department and does not include sections of University Drive and Trails End Road

COMPLIANCE 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

Honorable Mayor and Members of the City Commission
City of Parkland, 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, each major fund, and the aggregate remaining fund information of the City of Parkland, Florida, (the "City"), as of and for the fiscal year ended September 30, 2021, 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 31, 2022. Our report includes a reference to other auditors who audited the financial statements of the City of Parkland, Florida Police Officers Retirement Plan, as described in our report on the City's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Caballero Fierman Llerena & Garcia, LLP

Caballero Fierman Llerena & Garcia LLP
Miramar, Florida
March 31, 2022

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

Honorable Mayor and Members of the City Commission
City of Parkland, Florida

Report on the Financial Statements

We have audited the financial statements of the City of Parkland, Florida (the "City") as of and for the fiscal year ended September 30, 2021, and have issued our report thereon dated March 31, 2022. Our report includes a reference to other auditors. Other auditors audited the financial statements of the City of Parkland, Florida Police Officers Retirement Plan.

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 and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirement

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountant's Report on an examination conducted in accordance with AICPA Professional Standards, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated March 31, 2022, 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. The City was incorporated on July 10, 1963 under chapter 166 of the Florida Statutes. The City has no component units.

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 the review of financial information provided by same. This 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.

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

Caballero Fierman Llerena & Garcia, LLP

Caballero Fierman Llerena & Garcia, LLP
Miramar, Florida
March 31, 2022



INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH THE REQUIREMENTS OF SECTION 218.415 FLORIDA STATUTES

Honorable Mayor and Members of the City Commission
City of Parkland, Florida

We have examined the City of Parkland, Florida, (the "City") compliance with the requirements of Section 218.415 Florida Statutes during the period of October 1, 2020 to September 30, 2021. 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 the requirements of Section 218.415 Florida Statutes during the period of October 1, 2020 to September 30, 2021.

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

Caballero Fierman Llerena & Garcia, LLP

Caballero Fierman Llerena & Garcia, LLP
Miramar, Florida
March 31, 2022



CITY OF PARKLAND
FINANCE and ADMINISTRATIVE
SERVICES DEPARTMENT

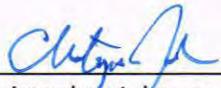
6600 University Drive
Parkland, Florida 33067
Office: (954) 753-5040 • Fax: (954) 341-5161
www.cityofparkland.org

IMPACT FEE AFFIDAVIT

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

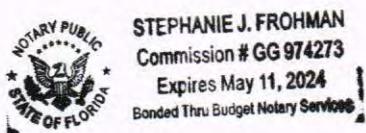
1. I am the Chief Financial Officer of **the City of Parkland**, which is a local governmental entity of the State of Florida;
2. **The City of Parkland** adopted (Ordinance No. 2020-007) implementing an impact fee; and
3. **The City of Parkland** has complied and, as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.

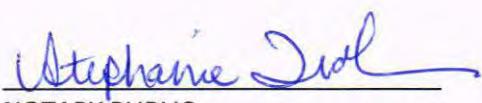
FURTHER AFFIANT SAYETH NAUGHT.


Christopher Johnson, CPA

STATE OF FLORIDA
COUNTY OF **Broward County**

SWORN TO AND SUBSCRIBED before me this 31 day of March, 2022.




NOTARY PUBLIC
Print Name Stephanie Frohman

Personally known ✓ or produced identification _____

Type of identification produced: _____

My Commission Expires:

5/11/2024