CITY OF PARKLAND, FLORIDA



ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEAR ENDED SEPTEMBER 30, 2023



ANNUAL COMPREHENSIVE FINANCIAL REPORT

OF THE

CITY OF PARKLAND, FLORIDA

FOR THE FISCAL YEAR ENDED

SEPTEMBER 30, 2023

Prepared By

The Finance Department

Chris Johnson, CPA, Finance Director

CITY OF PARKLAND, FLORIDA
TABLE OF CONTENTS
SEPTEMBER 30, 2023

		PAGES
I.	**INTRODUCTORY SECTION (UNAUDITED)**	
	Letter of Transmittal	i-vii
	List of Principal Officials	viii
	Organizational Chart	ix
	GFOA Certificate of Achievement	x
II.	**FINANCIAL SECTION**	
	Independent Auditors' Report	1-3
	Management's Discussion and Analysis (Unaudited)	4-11
	Basic Financial Statements:	
	Government-Wide Financial Statements:	
	Statement of Net Position	12
	Statement of Activities	13
	Fund Financial Statements:	
	Balance Sheet – Governmental Funds	14
	Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	15
	Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	16
	Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	17
	Statement of Net Position – Proprietary Funds – Internal Service Fund – Capital Replacement Fund	18
	Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds – Internal Service Fund – Capital Replacement Fund	19
	Statement of Cash Flows – Proprietary Funds – Internal Service Fund – Capital Replacement Fund	20
	Statement of Fiduciary Net Position – Police Officers' Retirement Plan	21
	Statement of Changes in Fiduciary Net Position – Police Officers' Retirement Plan	22
	Notes to the Basic Financial Statements	23-43
	REQUIRED SUPPLEMENTARY INFORMATION:	
	Budgetary Comparison Schedule – General Fund	44-45
	Budgetary Comparison Schedule – ARPA Fund	46
	Notes to Budgetary Comparison Schedule	47-48
	Schedule of Changes in Total Other Post Employment Benefits (OPEB) Liability and Related Ratios	49
	COMBINING FINANCIAL STATEMENTS:	
	Combining Balance Sheet – Nonmajor Governmental Funds	50
	Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds	51

CITY OF PARKLAND, FLORIDA
TABLE OF CONTENTS
SEPTEMBER 30, 2023

		PAGES
II.	**FINANCIAL SECTION (CONTINUED)**	
	Schedules of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Nonmajor Governmental Funds:	
	Government Library Building Fund	52
	Public Safety Improvement Fund	53
	Pine Tree Road Fund	54
	Park and Community Improvements Fund	55
	Schedules of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Infrastructure Replacement Fund	56
	Schedules of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Capital Projects Fund	57
III.	**STATISTICAL SECTION (UNAUDITED)**	
	Net Position by Component	58
	Changes in Net Position	59
	Fund Balances, Governmental Funds	60
	Changes in Fund Balances, Governmental Funds	61
	Assessed Value and Estimated Actual Value of Taxable Property	62
	Direct and Overlapping Property Tax Rates	63
	Principal Property Taxpayers	64
	Property Tax Levies and Collections	65
	Ratios of Outstanding Debt By Type	66
	Direct and Overlapping Governmental Activities Debt	67
	Pledged-Revenue Coverage	68
	Demographic and Economic Statistics	69
	Principal Employers	70
	Full-Time Equivalent City Government Employees by Function/Program	71
	Operating Indicators by Function/Program	72
	Capital Asset Statistics by Function/Program	73
IV.	**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*	74
	Independent Auditors' Report on Compliance for the Major Federal Program and State Project, and on Internal Control Over Compliance Required by the Uniform Guidance and Chapter 10.550, Rules of the Auditor General	75-76
	Schedule of Expenditures of Federal Awards and State Financial Assistance	77-78
	Notes to Schedule of Expenditures of Federal Awards	79
	Schedule of Findings and Questioned Costs	80-81
	Management Letter in Accordance with the Rules of the Auditor General of the State of Florida	82-83
	Independent Accountants' Report on Compliance Pursuant to Section 218.145 Florida Statutes	84
	Impact Fee Affidavit	85

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 27, 2023

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, 2023.

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 36,390 and the median age is 38.4. There are 11,907 dwelling units with 11,037 single family and 870 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 ensuring 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

Parkland is an affluent, upscale residential community with low density housing, outstanding recreational facilities, and top rated schools. The median value of a Parkland home is approximately $1.2 million, which was approximately $200,000 higher than the value recorded in 2022. This increase was driven by a high demand and low supply of housing as buyers outpaced sellers in the City. The City's median value is significantly higher than the median house price in Broward County of $439,000.

Florida has seen an increased demand for real estate in the past few years, but as interest rates and the cost of borrowing climbed to historic high levels in 2023, the housing market began to slow down. According to the Office of Economic and Demographic Research, home sales volume began to fall in the first six months of 2023 and all metrics now point to an existing home market that is now in correction territory. The state's median price moved above the national media and set new records between December 2021 and June 2023, but prices are expected to decline through 2024.

Single-family building permit activity, a leading economic indicator of new construction began to decline in 2022. The negative 9.7% decline marks the first time the series had turned negative since 2009. The Economic Estimating Conference expects single-family new construction to drop from 2022 through 2024 and resume growth in 2025.

Population growth is the state's primary engine of economic growth, fueling both employment and income growth. Since the 2020 Census, Florida's strong migration trends have continued, increasing population by 700,000 residents despite the losses from more deaths than births. Between 2021 and 2030, growth is forecast to average 1.27% per year.

Florida's quarterly GDP movements have generally mirrored the nation as a whole since the beginning of the pandemic. The state's GDP grew 4.0% in fiscal year 2020-2021 and grew another 6.9% in fiscal year 2021-2022. The Economic Estimating Conference anticipates that the state's economy will drop to 2.5% in 2023-2024 as economic imbalances continue to weigh down on the economy. However, it will grow to 1.7% in 2024-2025 and to 2.4% in 2026-2027.

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 CPI increased 5.7% for the 12 months ending in December 2023.

Personal income growth is another important gauge of the state's economic health. According to the Economic Estimating Conference, the state's income expanded at a strong 7.8% during 2022 and 2023 mainly because of the continuing strength of salary growth. A step down to 5.6% is expected in 2024 and continue to decline to a more characteristic 4.2% per year. The City of Parkland continues to show strong household income as the median family income for 2022 was $188,544 compared to $70,331 for Broward County.

The national unemployment rate was 3.7% as of December 2023. Florida's unemployment rate for the same period was 3.0%. Miami-Dade had an unemployment rate of 1.6%, the lowest unemployment rate in the state. Broward County's unemployment rate at 2.8%, up from 2.2% a year ago. Palm Beach County's unemployment rate is 3.0%, which is up from 2.2% at the end of 2022.

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 14% or $938 million in taxable value. This increase is a combination of new taxable value and current values increasing that resulted in an additional $3.79 million in ad valorem revenue. This is the 13th consecutive year that taxable values have increased. As the City nears build-out, we anticipate slower growth corresponding to the annual Save our Homes cap and turnover of existing houses.

- Parkland's quality of life will continue to make Parkland a highly desirable residential destination. While new development construction has decelerated, property values remained on the rise, which has solidified Ad Valorem property tax revenue as the City's primary funding source. In 2023, the City acquired land within the Heron Bay Golf Course, anticipating the addition of new residential and commercial developments. Home values are forecasted to rise by 2 to 3% annually, even post-build-out.

Financial Strategy

In 2023, the nation faced numerous economic hurdles, including concerns about a potential recession, multi-year high interest rates, persistent inflation, and geopolitical tensions. Local governments nationwide were compelled to prepare for these challenges and devise strategic measures to mitigate their effects on their communities. Despite facing these risks, the City of Parkland managed to maintain its financial strength, thanks to resolute leadership and a commitment to sound fiscal management.

On March 11, 2023, the City commemorated its 60th anniversary with a day filled with festivities that brought together residents, neighbors, City staff, and community leaders. The day's celebrations highlighted the City's financial prosperity and commitment to a thriving future rooted in meticulous planning and fiscal responsibility. The 2024 adopted budget reflects this commitment to both short and long-term financial health, sound capital investment, and ongoing provision of services to our residents as well as providing a frame of reference for gauging financial performance and guiding decision making.

Parkland remains in excellent and stable financial health. Despite an overall trend of sluggish economic growth, primarily due to inflationary pressures, the City's prudent approach to spending and conservative revenue forecasts have been instrumental in preserving a healthy fund balance in the General Fund. This positions the City well to navigate economic challenges or unexpected events while ensuring the continued delivery of high-quality services, programs, public safety, and beautification projects for the benefit of our residents.

The City will also continue to fund major capital projects with the appropriate mix of low-cost debt and cash reserves. During fiscal year 2023, the City purchased approximately 65 acres of land located on the Heron Bay Golf Course, west of Nob Hill Road at a cost of $25.4 million. The plan is to sell a portion of this land to a developer for residential construction and the remaining land to be used for commercial development. Negotiations are ongoing and the City is constantly monitoring the plan's progress.

The adopted millage rate for 2024 is 4.2979 mills, which has remained unchanged for four consecutive years. Homestead homes will see a 3% increase in their taxable value, which is the maximum allowed percentage change in the Consumer Price Index. The City maintained the same staffing levels for both police and fire rescue services at an increased cost of approximately 9%. Staffing levels for the City are budgeted at 116 full-time and 35 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 covers short-term revenue deficits or potential emergencies. For the fiscal year 2024, the reserve is $13,037,500. Additionally, the City reserves $750,000 to cover insurance deductibles in the event of a natural disaster.

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 that was received in two separate installments. The first installment of $8,557,084 was received in October 2021 and a second installment was received in August 2022. The American Rescue Plan allows the use of these funds to make necessary investments in water and sewer infrastructure. The City has allocated $7,114,169 to the Pine Tree and the Ranches drainage improvement projects. The remaining $10 million of these funds were used to recapture revenue losses suffered during the pandemic as allowed by the plan.

Major Initiatives

The City continues to fund capital improvement projects to maintain and improve City facilities and infrastructure. The most notable FY 2024 capital projects are as follows:

1. Wedge Preserve 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. Hillsboro Boulevard Lighting: This project entails installing decorative lighting along the western stretch of Hillsboro Boulevard aimed at enhancing road safety.
3. IT Network Overhaul: This project consists of replacing the existing hyperconverged system of network software to improve the City's IT framework and network resources.
4. Pine Tree Estates and Ternbridge Drainage: This project will rehabilitate the existing drainage systems on the north of Pine Tree Estates and to the South of the Ternbridge community.
5. Liberty Park Improvements: The project consists of renovation of the park's existing amenities, including the restrooms, parking areas, and landscaping.

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 provide 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 2023, 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 disasters, especially hurricanes, which could affect the City. For 2024, the City's stabilization/operating reserves are $13,037,500, 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 2023, 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 2023, cash reserves, impact fee collections, and loan proceeds received in 2021 were utilized to pay for all Capital Improvement Program expenditures. A portion of the American Rescue Plan Act funds received will be used to pay for the Ternbridge and the Ranches drainage improvement projects. Additionally, for fiscal year 2024, 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 $11.3 million for the year and provided interest income totaling about $3.2 million. 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 2023, 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.

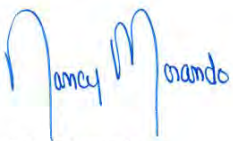
Certificate of Achievement The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to City of Parkland, Florida, for its comprehensive annual financial report for the fiscal year ended September 30, 2022.

In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City has received a Certificate of Achievement for thirty-two consecutive years including the fiscal year ended September 30, 2022. 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,

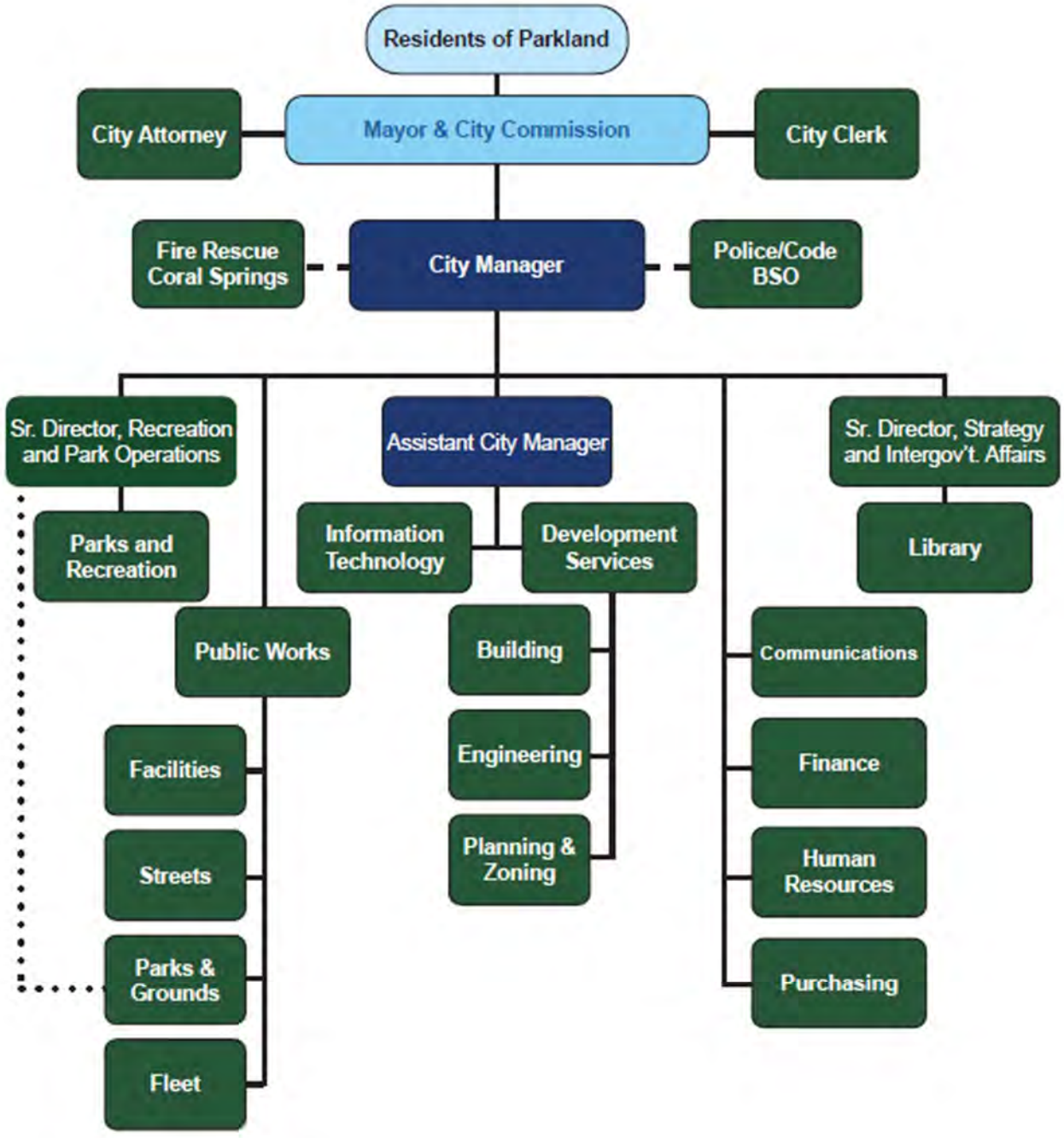


Nancy Morando
City Manager

CITY OF PARKLAND, FLORIDA
LIST OF PRINCIPAL OFFICIALS
SEPTEMBER 30, 2023

Title	Name
Mayor	Rich Walker
Vice Mayor	Simeon Brier
Commissioner	Ken Cutler
Commissioner	Jordan Isrow
Commissioner	Bob Mayersohn
City Manager	Nancy Morando
Assistant City Manager	Sowande Johnson
City Attorney	Anthony Soroka
City Clerk	Alyson Morales
Finance Director	Christopher Johnson
Purchasing Director	Jeff Napier
Sr. Director Strategy and Intergovernmental Affairs	Jacqueline Wehmeyer
Sr. Director Recreation and Parks Operations	Christine Garcia
Director of Communications	Todd DeAngelis
Director of Human Resources	Kristin Milligan
Building Official	William Tracy
Fire Chief-CSFD	Michael McNally
Police Chief-BSO	Michele McCardle

CITY OF PARKLAND, FLORIDA
ORGANIZATIONAL CHART
SEPTEMBER 30, 2023



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, 2022

Christopher P. Morrill

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 Audit of the Financial Statements

Opinions

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, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

We did not audit the financial statements of the City of Parkland, Florida's Police Officers Retirement Plan (the Plan), which represent 21%, 21%, and 41%, 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 in our opinion, insofar as it relates to the amounts included for the Plan, is based solely on the report of the other auditors.

In our opinion, based on our audit and the audit of the 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, 2023, 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.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

1930 Harrison St I Suite 101 I Hollywood, FL 33020
T: 954.922.8866. I F: 305.662.4266 I CFLGCPA.COM

Auditors' Responsibilities for the Audit of the Financial Statements (Continued)

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 – 11 and budgetary comparison schedule and the schedule of changes in the City's OPEB liability and related ratios on pages 44 – 49 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary 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 accompanying combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and Chapter 10.550, Rules of the Auditor General of the State of Florida, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

1930 Harrison St **I** Suite 101 **I** Hollywood, FL 33020
T: 954.922.8866. **I F:** 305.662.4266 **I CFLGCPA.COM**

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 27, 2024, 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 City's internal control over financial reporting and compliance.

Caballero Fierman Llerena & Garcia, LLP

Caballero Fierman Llerena & Garcia, LLP
Hollywood, Florida
March 27, 2024

1930 Harrison St **I** Suite 101 **I** Hollywood, FL 33020
T: 954.922.8866. **I F:** 305.662.4266 **I CFLGCPA.COM**

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Required Supplementary Information)

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, 2023. 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 $175,427,103 (net position), as compared with $164,982,026 for the previous fiscal year. Of this amount, $62,014,053 (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 $10,445,077 during the current fiscal year. Capital assets increased approximately $27.1 million due to the purchase of the Heron Bay Golf Course Land, improvements made at Terramar Park, Pine Trails Park, the Equestrian Center, and the Quigley Tennis Center, and design services for the Wedge Preserve Park. Increases in tax revenues, utility service taxes, franchise fees, charges for services, intergovernmental revenues, and interest income further contributed to the increase in the City's net position by approximately $6.6 million. Additionally, the City's long-term debt decreased approximately $2 million due to annual debt service payments made during the current fiscal year.
- The City's governmental funds reported combined ending fund balances of $89,968,263 a decrease of $20,218,937 in comparison with the prior fiscal year. Of this amount, approximately $41,266 is non-spendable, $29,295,509 is restricted, $13,037,500 committed, $13,043,572 is assigned and $35,439,374 is unassigned.
- The total fair value of the City's cash and investments at September 30, 2023 was $76,649,954 a decrease of $17,974,127 from the prior year.
- Restricted cash is $13,693,297 as a result of the loan proceeds from Sterling Bank Capital Improvement Revenue Note with maturity date of December 1, 2040. These funds are being used to finance the acquisition, construction, and enhancement of various capital projects, including the design and construction of the Wedge Preserve Park.
- At the end of the current fiscal year, the unassigned fund balance for the general fund was $35,439,374 or 52% 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 12 and 13 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 and liabilities and deferred inflows 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.

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 nine 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, infrastructure 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 14 through 17 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 18 through 20.

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 21 and 22.

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 23 through 43 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 44 through 49 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 50 through 57.

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 and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $175,427,103 at the close of the fiscal year. The table below summarized the City's net position for the fiscal year ended September 30, 2023.

Approximately 56% of the City's net position belongs to 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 $22.9 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

Net Position

	September 30		$	%
	2023	2022	Change	Change
Current and other assets	$ 93,724,245	$ 113,470,111	$ (19,745,866)	-17%
Capital assets	107,221,300	80,042,995	27,178,305	34%
Total assets	200,945,545	193,513,106	7,432,439	4%
Deferred outflows of resources	57,699	64,110	(6,411)	-10%
Other liabilities	1,469,045	2,541,629	(1,072,584)	-42%
Long-term liabilities	23,981,949	25,991,173	(2,009,224)	-8%
Total liabilities	25,450,994	28,532,802	(3,081,808)	-11%
Deferred inflows of resources	125,147	62,388	62,759	101%
Net position:				
Net investment in capital assets	97,276,895	70,741,227	26,535,668	38%
Restricted	16,136,155	28,377,355	(12,241,200)	-43%
Unrestricted	62,014,053	65,863,444	(3,849,391)	-6%
Total net position	175,427,103	164,982,026	10,445,077	6%

A portion of net position, approximately 9%, 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 $62,014,053 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 decreased by $21,453,502, from $111,796,753 to $90,343,251 due to the receipt of ARPA funds in the prior year and the purchase of the Heron Bay Golf Club land. Capital assets (net) increased by $21,178,305 mainly because of the purchase of the Heron Bay Golf Club land. In addition, current year capital spending (for the various capital projects like enhancements to both Terramar Park and Pine Trails Park, the Equestrian Center, and Quigley Tennis Center) exceeded depreciation expense and current year disposals.

Approximately 6% of the total liabilities are attributable to current liabilities, down from 9% in the prior year. Net long-term liabilities, comprised of compensated absences payable and long-term debt, decreased by $2,009,224 as long-term debt decreased by $2,077,624 and compensated absences payable increased by $68,400.

Governmental activities:

Governmental activities increased the City's net position by $10,445,077, 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		$	%
	2023	2022	Change	Change
REVENUES:				
Program revenues:				
Charges for services	$ 9,045,107	$ 10,567,093	$ (1,521,986)	-14%
Operating grants and contributions	2,097,831	1,667,781	430,050	26%
Capital grants and contributions	1,500,000	17,114,169	(15,614,169)	-91%
General revenues:				
Ad valorem taxes	27,516,706	25,063,485	2,453,221	10%
Franchise and other taxes	8,938,033	7,666,452	1,271,581	17%
Intergovernmental (unrestricted)	5,197,820	5,023,562	174,258	3%
Interest income	3,195,237	466,430	2,728,807	585%
Miscellaneous income	607,604	641,228	(33,624)	-5%
Total revenues	58,098,338	68,210,200	(10,111,862)	-15%
EXPENSES:				
General government	5,476,222	4,636,460	839,762	18%
Public safety	21,978,014	20,212,190	1,765,824	9%
Phisical environment	10,210,024	11,492,883	(1,282,859)	-11%
Culture and recreation	5,551,379	720,866	4,830,513	670%
Development services	3,777,383	3,711,322	66,061	2%
Interest and other financing costs	660,239	697,318	(37,079)	-5%
Total expenses	47,653,261	41,471,039	6,182,222	15%
Change in net position	10,445,077	26,739,161	(16,294,084)	
Net position at beginning of year	164,982,026	138,242,865	26,739,161	
Net position at end of year	175,427,103	164,982,026	10,445,077	6%

Property tax collections increased $2,453,221 from fiscal year 2022. This increase is attributed to the appreciating values of existing homes and new construction. The City of Parkland had an increase of 9.9% in taxable values, resulting in an increase in ad valorem revenue. The fiscal year 2023 millage rate was 4.2979 mills per $1,000 of assessed value, which is the same as fiscal year 2022. This rate is well within the 10-mill maximum established by the State of Florida.

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 $89,968,263, a decrease of $20,218,937. Approximately 39% of this total amount constitutes unassigned fund balance, or $35,439,374, 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, the unassigned fund balance of the general fund was $35,439,374 while total fund balance was $51,837,319. 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 52% of the total general fund expenditures, while total fund balance represents 75% of that same amount.

The fund balance of the City's general fund decreased by $6,252,643 during the current fiscal year. From an operating perspective, expenditures exceeded revenues by approximately $13.9 million. A total of $2,600,000 in transfers from general fund reserves were made to the equipment and infrastructure replacement funds in order to fund replacement projects with available cash and continue with pay-as-you-go financing. $10 million was transferred from the ARPA fund to the General Fund for revenue loss during the COVID-19 pandemic as permitted by the Treasury's Final Rule. Key factors in the operations are listed below:

- Purchase of the Heron Bay Golf Club land for a total of $25,233,673.
- Taxes were $2,453,221 higher than in fiscal year 2022 due to new construction, population growth, and increase in the values of existing homes.
- Interest income increased $2,714,190 as the Federal Reserve pushed interest rates throughout the year in an effort to suppress the effects of inflation.
- Utility service taxes were $779,994 higher, in line with the City's population growth.
- Intergovernmental revenues increased $180,833 due to higher state revenue sharing and half cent sales tax proceeds that are in line with the City's population growth.
- License and permit revenues were $1,149,172 lower than the previous year due to a slowdown in building permits and permitted home renovations caused by high interest rates and lingering supply shortages.
- Expenditures across all operating departments were approximately $4.5 million higher in comparison to fiscal year 2022:
    - Public Safety was $1,801,096 higher in 2023 due to contractual cost increases.
    - Public Works costs were $1,075,288 higher due to personnel related increases and building and park maintenance projects citywide.
    - General government expenditures were $714,429 higher resulting from increases in personnel related costs as well as higher operating and contractual costs in general.
    - Development Services expenditures were $168,857 higher than in 2022 due to personnel related increases and higher operating costs.

GENERAL FUND BUDGETARY HIGHLIGHTS

Taxes were $373,417 over budget due to increasing home values and population growth. Licenses and permits were under the budget by $572,931, or 22%, due to a slow-down in new single-family home construction and permitted home renovations. As the local population continues to grow with recent housing development, intergovernmental revenues were over budget by $1,868,850 due to an increase in half-cent sales tax collections, state revenue sharing proceeds, and motor fuel tax receipts. Charges for services were $610,523 higher than the budget due to added EMS transport activity as a result of population growth and increase participation in public event and sport programs.

Excluding contingencies, General government expenditures were below budget by $971,418 due primarily to lower personnel costs and lower operating spending in general. Development services expenditures were $735,750 lower than budgeted due to employee vacancies. Expenditures for Culture and recreation were $680,344 lower than budget due to vacancies and a decrease in summer program spending. Public Works expenditures were $674,345 below budget due to vacancies.

Summary of Revenues and Expenditures – Budget and Actual

General Fund

For the Year Ended September 30, 2023

	Original Budget	Final Budget	Actual	Approximate Dollar Variance	Approximate Percent Variance
Revenues					
Ad valorem taxes	$ 27,143,289	$ 27,143,289	$ 27,516,706	$ 373,417	1%
Franchise fees & local business tax	2,715,000	2,715,000	3,738,163	1,023,163	38%
Utility service taxes	4,245,000	4,245,000	5,199,870	954,870	22%
Licenses and permits	2,635,400	2,635,400	2,062,469	(572,931)	-22%
Intergovernmental	4,731,400	4,731,400	6,600,250	1,868,850	39%
Charges for services	5,480,461	5,480,461	6,090,984	610,523	11%
Fines and forfeitures	100,000	100,000	129,270	29,270	29%
Interest income	151,000	151,000	2,402,489	2,251,489	1491%
Miscellaneous income	418,400	418,400	589,556	171,156	41%
Total revenues	47,619,950	47,619,950	54,329,757	6,709,807	14%
Expenditures					
General government	5,891,037	16,242,434	5,071,016	11,171,418	69%
Public safety	21,563,053	21,563,053	21,216,425	346,628	2%
Phisical environment	7,044,731	7,176,731	6,502,386	674,345	9%
Culture and recreation	4,422,542	4,422,542	3,742,198	680,344	15%
Development services	4,392,737	4,509,463	3,773,713	735,750	16%
Debt service	2,660,100	2,660,100	2,659,263	837	0%
Capital outlay	115,700	25,355,647	25,327,447	28,200	0%
Total expenditures	46,089,900	81,929,970	68,292,448	13,637,522	17%

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 $18,678,251, a decrease of $4,447,281 from the prior year.

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

- Wedge Preserve Park design.
- Pine Trails Park and Terramar Park enhancements.
- Equestrian Center and Quigley Tennis Center improvements.
- City facilities security upgrades.
- Citywide improvements related to the ADA Transition Plan.
- Various computer hardware and software upgrades.

CAPITAL ASSETS AND DEBT ADMINISTRATION

The City's investment in capital assets for its governmental activities as of September 30, 2023, amounts to $107,221,300 (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:

- Acquisition of the Heron Bay Golf Club land at $25,233,673.
- Various ongoing improvements at Terramar Park and Pine Trails Park sports fields and other areas. Approximately $1.5 million was expended during fiscal year 2023.
- Finishing of the Pines Trail Park playground for 1.1 million
- Purchase of the Juniper network servers system for $505,140.
- Citywide improvements as part of the ADA Transition Plan, $192,807 incurred in 2023.
- Completion of the Quigley LED lighting project at $191,999.

Capital assets for the years ended September 30, 2023, and 2022, consisted of the following:

Capital Assets

	September 30		
	2023	2022	% Change
Governmental activities:			
Capital assets:			
Land	$ 46,908,278	$ 21,674,605	116%
Buildings	21,787,136	21,787,136	0%
Improvements other than buildings	17,055,781	9,806,389	74%
Machinery and equipment	8,722,962	7,512,361	16%
Vehicles	3,510,798	3,445,572	2%
Intrastructure	48,420,839	47,786,438	1%
Construction in progress	7,959,777	11,135,258	-29%
Total capital assets	154,365,571	123,147,759	25%

Further data on the City of Parkland's capital assets can be found in Note 6 on pages 34 and 35.

DEBT ADMINISTRATION

Long-term debt. At the end of the fiscal year, the City had total long-term liabilities of $23,981,949. 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 Webster Bank to finance various capital projects in 2021. This 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 pages 35 and 36. All debt is related to governmental activities.

Changes in Long-Term Liabilities

	Balance October 1, 2022	Additions	Retirements	Balance October 1, 2023	Due within one year
Notes payable	$ 2,179,445	$ -	$ (627,670)	$ 1,551,775	$ 658,009
Loan payable	3,626,000	-	(476,000)	3,150,000	$ 490,000
Revenue note	19,088,727	-	(895,354)	18,193,373	905,650
Other post-employment benefit (OPEB)	104,024	10,371	(88,971)	25,424	-
Compensted absences payable	992,977	1,035,831	(967,971)	1,060,837	88,000
Governmental activities:					
Long-term debt	25,991,173	1,046,202	(3,055,966)	23,981,409	2,141,659

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

Florida's economy is growing and is expected to continue to expand through 2027 as measured by real gross state product. The housing market is being suppressed by high mortgage rates and decreasing affordability, which is also slowing down the house price appreciation experienced in the last few years. Florida's labor force grew 3.9% in 2022 but it's expected to average only 1.3% from 2023-2027. The national economy is anticipated to slow down in 2024, characterized by sluggish growth and a looming possibility of recession.

Nationwide, there are three most widely used indicators of government financial health. One such economic measure is State Gross Product. In data published by the University of Central Florida in the Fall of 2023, Florida's gross domestic product is expanding at an annual rate of 1.6%. It will decelerate to 0.5% in 2024 and 0.8% in 2025, it is expected to reach 2.0% by 2027.

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. The state's real personal income will be 0.7 percentage points higher than the national average during the same period. Rel personal income growth will average 2.8% between 2023 and 2027.

Florida's unemployment rate was 2.9% in 2022. Ongoing economic conditions will push unemployment to 4.4% in 2024 and 5.0% in 2025. As of December 2023, Florida's unemployment rate was 3.0%, while the national unemployment rate at the end of 2023 was 3.7%. Broward County reports a 2.8% unemployment rate in December 2023, lower than Palm Beach County with a 3.0% rate and higher than the 1.6% rate in Miami Dade County.

Population growth is the state's primary engine of economic growth, fueling both employment and income growth. Over the next nine years, Florida's population growth is expected to average 1.27%, from 2022 through 2030, half of the national level. As Florida's strong migration trends continue, most of Florida's population growth through 2030 will be from net migration. The City of Parkland's population is expected to increase slightly by 2026 due to housing construction in the remaining annexed portions of the City.

The City of Parkland's single-family housing growth has started to slow down. Any remaining growth is expected to end as the City reaches build-out around 2025-2026. In 2022 and 2023, Florida's homeownership rate was 67.3%, which is above the long-run average rate of 66.3% during the 35-year history of the series. In contrast, Parkland's homeownership rate is about 86.3%.

In fiscal year 2023, the City had an increase of 10.0% in taxable values. For the 2024 budget year, the City had an increase of 14.3% or $938 million in taxable value. This increase is a combination of new taxable values and current values increasing. This increase resulted in an additional $3.79 million in new ad valorem revenue. This is the 13th consecutive year that taxable values have increased. The Operating Millage Rate is $4.2979 for fiscal year 2023, the City did not raise the millage rate for 2024.

According to Zillow, the average home value in Parkland is nearing $1.1 million. Parkland home values an increased 2.2% over the past year. The median price of homes currently listed in Parkland is $1.2 million. The median rent price in Parkland for all residential property types is $6,490, which is higher than the Fort Lauderdale median of $2,911. Top rated schools, great parks, beautifully groomed landscapes, and spacious private homes continue to make the City of Parkland one of the most desired residential destinations 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, high inflation, labor shortages, and other issues. 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, 2023

	Governmental Activities
ASSETS	
Cash and cash equivalents	$ 30,016,928
Restricted cash and and cash equivalents	13,693,297
Investments	46,633,026
Receivables - net accounts	2,695,621
Due from other governmental agencies	644,107
Prepaid Items	41,266
Capital assets not being depreciated	54,868,055
Capital assets being depreciated, net	52,353,245
Total assets	200,945,545
DEFERRED OUTFLOWS OF RESOURCES	
Other post employment benefits (OPEB)	57,699
LIABILITIES	
Accounts payable	951,707
Accrued expenses	227,092
Unearned revenue	91,565
Deposits	92,617
Other liabilities	106,064
Noncurrent liabilities:	
Due within one year	2,141,659
Due in more than one year	21,840,290
Total liabilities	25,450,994
DEFERRED INFLOWS OF RESOURCES	
Business license tax	53,982
Other post employment benefits (OPEB)	71,165
	125,147
NET POSITION	
Net investment in capital assets	97,276,895
Restricted for:	
Equestrian center	9,470
Liberty park	200
Country point	4,575
Building department	3,304,380
Waste containers	3,817
Riverside Trail MUST grant	5,646
Public safety - fire	406,561
Public safety - police	2,045,640
Western fire station	6,250
Administrative building	2,305,013
Library	964,014
Park improvements	261,354
Police forfeiture	11,191
Capital projects	6,808,044
Unrestricted	62,014,053
Total net position	$ 175,427,103

See notes to basic financial statements.

CITY OF PARKLAND, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

Functions/programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Total Governmental Activities
Governmental activities:					
General government	$ 5,476,222	$ 797,510	$ 718,791	$ -	$ (3,959,921)
Public safety	21,978,014	4,288,518	-	-	(17,689,496)
Development services	3,777,383	2,702,216	34,120	-	(1,041,047)
Physical environment	10,210,024	-	-	-	(10,210,024)
Culture and recreation	5,551,379	1,256,863	1,344,920	1,500,000	(1,449,596)
Interest on long-term debt	660,239	-	-	-	(660,239)
Total governmental activities	$ 47,653,261	$ 9,045,107	$ 2,097,831	$ 1,500,000	(35,010,323)

General revenues:	
Ad valorem revenues	27,516,706
Franchise and taxes	3,738,163
Utility taxes	5,199,870
Intergovernmental (unrestricted)	5,197,820
Interest income	3,195,237
Miscellaneous income	607,604
Total general revenues	45,455,400
Change in net position	10,445,077
Net position, beginning of year	164,982,026
Net position, end of year	$ 175,427,103

See notes to basic financial statements.

CITY OF PARKLAND, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023

	Major Funds					
	General	ARPA	Capital Projects	Infrastructure Replacement	Total Nonmajor Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	$ 4,274,843	$ 6,824,047	$ 5,532,568	$ 5,798,819	$ 6,853,696	$ 29,283,973
Restricted cash and cash equivalents	533,943	-	13,159,354	-	-	13,693,297
Investments	46,255,002	-	194,940	-	183,084	46,633,026
Accounts receivable - net	1,195,621	-	-	-	1,500,000	2,695,621
Due from other governments	644,107	-	-	-	-	644,107
Prepaid items	41,266	-	-	-	-	41,266
Total assets	$ 52,944,782	$ 6,824,047	$ 18,886,862	$ 5,798,819	$ 8,536,780	$ 92,991,290
LIABILITIES						
Accounts payable	$ 536,143	$ 16,003	$ 208,611	$ 190,950	$ -	$ 951,707
Accrued liabilities	227,092	-	-	-	-	227,092
Unearned revenue	91,565	-	-	-		91,565
Deposits	188,390	-	-	-	-	188,390
Other liabilities	10,291	-	-	-	-	10,291
Total liabilities	1,053,481	16,003	208,611	190,950	-	1,469,045
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue	-	-	-	-	1,500,000	1,500,000
Business license tax	53,982	-	-	-	-	53,982
Total deferred inflows of resources	53,982	-	-	-	1,500,000	1,553,982
FUND BALANCES						
Non-spendable:						
Prepaid items	41,266	-	-	-	-	41,266
Restricted:						
Equestrian center	9,470	-	-	-	-	9,470
Liberty park	200	-	-	-	-	200
Country point	4,575	-	-	-	-	4,575
Building department	3,304,380	-	-	-	-	3,304,380
Waste containers	-	-	3,817	-	-	3,817
Riverside Trail MUST grant	-	-	5,646	-	-	5,646
Public safety - fire	-	-	-	-	406,561	406,561
Public safety - police	-	-	-	-	2,045,640	2,045,640
Western fire station	-	-	6,250	-	-	6,250
Administrative building	-	-	-	-	2,305,013	2,305,013
Library	554	-	-	-	963,460	964,014
Park improvements	-	-	-	-	261,354	261,354
Police forfeiture	-	-	-	-	11,191	11,191
Capital projects	-	6,808,044	13,159,354	-	-	19,967,398
Committed:						
Stabilization agreement	12,287,500	-	-	-	-	12,287,500
Insurance deductible	750,000	-	-	-	-	750,000
Assigned:						
Capital projects	-	-	5,503,184	5,607,869	1,043,561	12,154,614
Unassigned:	35,439,374	-	-	-	-	35,439,374
Total fund balances	51,837,319	6,808,044	18,678,251	5,607,869	7,036,780	89,968,263
Total liabilities, deferred inflows of resources, and fund balances	$ 52,944,782	$ 6,824,047	$ 18,886,862	$ 5,798,819	$ 8,536,780	$ 92,991,290

See notes to basic financial statements.

CITY OF PARKLAND, FLORIDA
RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023

Fund balances - total governmental funds (Page 14)		$ 89,968,263
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	154,365,571	
Less accumulated depreciation	(47,144,271)	
		107,221,300
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		732,955
Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Long term debt	(22,895,148)	
Other post-employment benefit (OPEB)	(25,424)	
Compensated absences	(1,061,377)	
		(23,981,949)
Deferred inflows/outflows of resources reported in the statement of net position in the current period and therefore are not reported in the governmental funds.		
Other post-employment benefit (OPEB)		(13,466)
Some receivables are not available to pay for current-period expenditures and, therefore are reported as unavailable revenue in the funds		1,500,000
Net position of governmental activities (Page 12)		$ 175,427,103

See notes to basic financial statements.

CITY OF PARKLAND, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Major Funds					
	General	ARPA	Capital Projects	Infrastructure Replacement	Total Nonmajor Funds	Total Governmental Funds
REVENUES:						
Ad valorem taxes	$ 27,516,706	$ -	$ -	$ -	$ -	$ 27,516,706
Franchise taxes	3,738,163	-	-	-	-	3,738,163
Utility service taxes	5,199,870	-	-	-	-	5,199,870
Local business tax	43,309	-	-	-	-	43,309
Permit and fees	2,019,160	-	-	-	-	2,019,160
Charges for services	6,090,984		-	-	730,582	6,821,566
Intergovernmental	5,180,897	-	-	-	-	5,180,897
Fines and forfeitures	129,270	-	-	-	337	129,607
Grants and contributions	1,896,144	-	250,075	-	-	2,146,219
Interest	2,402,489	253,845	231,740	139,114	150,893	3,178,081
Miscellaneous	589,556	-	-	-	-	589,556
Total revenues	54,806,548	253,845	481,815	139,114	881,812	56,563,134
EXPENDITURES:						
Current:						
General government	5,071,016	-	-	-	-	5,071,016
Public safety	21,693,216	-	-	-	-	21,693,216
Physical environment	6,502,386	-	-	-	-	6,502,386
Development services	3,773,713	-	-	-	-	3,773,713
Culture and recreation	3,742,198	-	-	-	-	3,742,198
Debt Service:						
Principal retirement	1,999,024	-	-	-	-	1,999,024
Interest	660,239	-	-	-	-	660,239
Capital Outlay	25,327,447	455,830	4,929,096	2,190,004	-	32,902,377
Total expenditures	68,769,239	455,830	4,929,096	2,190,004	-	76,344,169
Excess (Deficiency) of revenues over expenditures	(13,962,691)	(201,985)	(4,447,281)	(2,050,890)	881,812	(19,781,035)
OTHER FINANCING SOURCES (USES)						
Insurance proceeds	18,048	-	-	-	-	18,048
Proceeds from sale of capital assets	44,050	-	-	-	-	44,050
Transfers in	10,247,950	-	-	2,100,000	-	12,347,950
Transfers out	(2,600,000)	(10,000,000)	-	-	(247,950)	(12,847,950)
Total other financing sources and uses	7,710,048	(10,000,000)	-	2,100,000	(247,950)	(437,902)
Net change in fund balances	(6,252,643)	(10,201,985)	(4,447,281)	49,110	633,862	(20,218,937)
Fund balances, beginning of the year	58,089,962	17,010,029	23,125,532	5,558,759	6,402,918	110,187,200
Fund balances, end of year	$ 51,837,319	$ 6,808,044	$ 18,678,251	$ 5,607,869	$ 7,036,780	$ 89,968,263

See notes to basic financial statements.

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, 2023

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 16)		$	(20,218,937)
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	33,385,007		
Less current year depreciation	(4,235,012)		
Amounts reported as capital outlay not included in capital assets (not capitalized)	(1,917,440)		
Loss on disposition of capital assets	(54,250)		
Net adjustment			27,178,305
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			1,999,024
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.			44,726
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	(68,400)		
Other post-employment benefit (OPEB)	10,359		
			(58,041)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenue in the governmental funds. The change in unavailable revenue increase/decrease revenue in the Statement of Net Position			1,500,000
Change in net position of governmental activities (Page 13)		$	10,445,077

See notes to basic financial statements.

CITY OF PARKLAND, FLORIDA

STATEMENT OF NET POSITION

PROPRIETARY FUND - INTERNAL SERVICE FUND - CAPITAL REPLACEMENT FUND

SEPTEMBER 30, 2023

ASSETS	
Current assets:	
Cash and cash equivalents	$ 732,955
Total assets	732,955
NET POSITION	
Unrestricted	732,955
Total net position	$ 732,955

See notes to basic financial statements.

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, 2023

NON-OPERATING REVENUES (EXPENSES):	
Capital assets expense	$ (482,630)
Interest income	17,156
Total non-operating expenses	(465,474)
Proceeds from sale of capital assets	10,200
Transfers in	500,000
Change in net position	44,726
Net position, beginning of year	688,229
Net position, end of year	$ 732,955

See notes to basic financial statements.

CITY OF PARKLAND, FLORIDA

STATEMENT OF CASH FLOWS

PROPRIETARY FUND - INTERNAL SERVICE FUND - CAPITAL REPLACEMENT FUND

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

Cash flows from capital and related financing activities		
Purchases of capital assets	$	(482,630)
Sale of capital assets		10,200
Transfer from other funds		500,000
Decrease in accounts payable		(105,686)
Net cash used in capital and related financing activities		(78,116)
Cash flows from investing activities		
Interest income		17,156
Net cash provided by investing activities		17,156
Net decrease in cash and cash equivalents		(60,960)
Cash and cash equivalents, beginning of year		793,915
Cash and cash equivalents, end of year	$	732,955

See notes to basic financial statements.

CITY OF PARKLAND, FLORIDA

STATEMENT OF FIDUCIARY NET POSITION

POLICE OFFICERS RETIREMENT PLAN

SEPTEMBER 30, 2023

ASSETS	
Cash and cash equivalents	$ 115,714
Investment in external investment pool	1,958,324
Total assets	2,074,038
LIABILITIES	
Accounts payable and accrued expenses	2,001
Total liabilities	2,001
NET POSITION	
Net position restricted for pensions	$ 2,072,037

See notes to basic financial statements.

CITY OF PARKLAND, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
POLICE OFFICERS RETIREMENT PLAN
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

ADDITIONS	
Contributions:	
State of Florida	$ 476,791
Total contributions	476,791
Investment income:	
Net increase (decrease) in fair value of investments	144,113
Less investment expenses	5,181
Net investment income	138,932
Total additions	615,723
DEDUCTIONS	
Benefits	173,436
Other distributions	407,785
Administrative expense	32,060
Total deductions	613,281
Net increase	2,442
Net position restricted for pensions, beginning of year	2,069,595
Net position restricted for pensions, end of year	$ 2,072,037

See notes to basic financial statements.

NOTES TO THE FINANCIAL STATEMENTS

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, 2023, 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.

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.

ARPA Fund – the ARPA Fund is used to account for the funds received from the American Rescue Plan Act as well as to account for financial resources to be used for major drainage improvement projects around the City.

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.

Infrastructure Replacement Fund – the Infrastructure Replacement Fund is used to fund future capital expenditures as they relate to City facilities and infrastructure.

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.

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. Prepaids - 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 propriety 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.

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:

Assets	Years
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, represent 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 $57,699 is further discussed in Note 12.

   In additions 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 items in this category are deferred inflows of resources relating to the OPEB plan and local business license tax collected in advance of $71,165 and $53,982 respectively. These amounts have been 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. For the fiscal year ended September 30, 2023, the City had $1,500,000 in unavailable revenue related to grant funds being received after the City's period of availability for revenue recognition.

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.

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 $476,791 for the fiscal year ended September 30, 2023. 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.

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.

18. Implementation of New Accounting Principles - The City adopted the provisions of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* (SBITAs). The objective of this Statement is to better meet the information needs of financial statement users by establishing uniform accounting and financial reporting requirements for SBITAs, improving the comparability of financial statements among governments that have entered into SBITAs, and enhancing the understandability, relatability, relevance, and consistency of information about SBITAs. The City utilized Debtbook to track its SBITAs and have determined that all current subscription agreements can be cancelled either by the City or the vendor, as such, the subscription agreements do not meet the requirements to be classified under GASB Statement No. 96 for the fiscal year ended September 30, 2023.

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, expect 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, 2022 upon which the 2023 fiscal year levy was based, was approximately $6.505 billion. Taxes were levied at 4.2979 per $1,000 for the fiscal year ended September 30, 2023.

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, 2023 were 96% of the tax levy, net of discount 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.

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, 2023, the carrying amount of the City's deposits and bank balances was $30,608,315. 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. FLCASS's investment advisory and administration and marketing services are provided by Public Trust Advisors, LLC.

   At September 30, 2023, 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, 2023, 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, 2023, was 35 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, 2023, is 75 days. As of September 30, 2023, the City of Parkland had $8,432,297 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, 2023, was 23 days. The weighted average life (WAL) of Florida Fixed Income Trust at September 30, 2023, is 94 days. As of September 30, 2023, the City of Parkland had $5,425,485 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, 2023, was 42 days. The weighted average life (WAL) of FLCLASS at September 30, 2023, is 69 days. As of September 30, 2023, the City of Parkland had $26,337,771 invested in FLCLASS. Additional information regarding the Local Government Surplus Funds Trust Fund may be obtained from the Public Trust Advisors, LLC.

NOTE 3 – DEPOSITS AND INVESTMENTS (CONTINUED)

CITY OF PARKLAND (Continued)

The weighted average days to maturity (WAM) of Florida Trust at September 30, 2023, was 37.91 days. As of September 30, 2023, the City of Parkland had $5,382,611 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, 2023, was 44.71 days. The weighted average life (WAL) of Florida SAFE at September 30, 2023, is 40 days. As of September 30, 2023, the City of Parkland had $1,054,862 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, 2023, Florida PRIME and FLCLASS were rated AAAm 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, 2023, the Plan's investments were as follows:

	Fair Value
Local Government Investment Pool:	
Florida Municipal Pension Trust Fund	$ 1,958,324
Total investments	$ 1,958,324

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.

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 as of March 25, 2021. 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:

	Fair Value	Percent
Broad Market High Quality Bond Fund	$ 389,593	19.89%
Core Plus Fixed Income Fund	391,665	20.00%
Diversified Large Cap Equity Portfolio	381,303	19.47%
Diversified Small to Mid Cap Equity Portfolio	161,639	8.25%
International Equity Portfolio	358,508	18.31%
Core Real Estate	275,616	14.07%
	$ 1,958,324	100%

Shares of the portfolios are neither insured nor guaranteed by any U.S. Government Agency, including the FDIC. At September 30, 2023, the Broad Market High Quality Bond Fund was rated AAf/S4 by Fitch Rating and had a weighted average maturity of 5.58 years. At September 30, 2023, the Core Plus Fixed Income Fund (not rated) had a weighted average maturity of 6.80 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.

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, 2023. 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, 2023. 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, 2023, the City of Parkland had the following investments:

Investments	Fair Value	Ratings	Maturity	Percentage of Distribution
SBA Florida Investment	$ 8,432,297	AAAm	35 days	100%
Florida Fixed Income Trust	5,425,485	AAAf/S1	23 days	100%
Florida Class	26,337,771	AAAm	42 days	100%
Florida Trust	5,382,611	AAAm	37.91 days	100%
Florida SAFE	1,054,862	AAAm	44.71 days	100%
Total	$ 46,633,026			

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, 2023:

	Fair Value Measurements at Reporting date			
Investment Type	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Broad Market High Quality Bond Fund	$ 389,593	$ -	$ 389,593	$ -
Core Plus Fixed Income Fund	391,665	-	-	391,665
Diversified Large Cap Equity Portfolio	381,303	-	381,303	-
Diversified Small to Mid Cap Equity Portfolio	161,639	-	161,639	-
International Equity Portfolio	358,508	-	358,508	-
Core Real Estate	275,616	-	-	275,616
Total Fair Value	$ 1,958,324	$ -	$ 1,291,043	$ 667,281

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.

NOTE 5 – INTERFUND TRANSACTIONS

Interfund transfers for the year ended September 30, 2023, were as follows:

	Transfers In	Transfers Out
General Fund	10,247,950	2,600,000
ARPA Fund	-	10,000,000
Infrastructure Replacement Fund	2,100,000	-
Non-Major Governmental Funds	-	247,950
Capital Replacement Fund	500,000	-
Totals	$ 12,847,950	$ 12,847,950

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. The City allocated $10 million from the ARPA grant to the General Fund, in accordance with the standard allowance as authorized by the Final Rule of the Treasury.

NOTE 6 – CAPITAL ASSETS

Capital asset activity for the fiscal year ended September 30, 2023, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital assets, not being depreciated:				
Land	$ 21,674,605	$ 25,233,673	$ -	$ 46,908,278
Construction in progress	11,135,258	6,612,528	(9,788,009)	7,959,777
Total capital assets, not being depreciated	32,809,863	31,846,201	(9,788,009)	54,868,055
Capitals assets, being depreciated:				
Buildings	21,787,136	-	-	21,787,136
Infrastructure	47,786,438	636,101	(1,700)	48,420,839
Machinery and equipment	7,512,361	1,227,153	(16,552)	8,722,962
Vehicles	3,445,572	240,282	(175,056)	3,510,798
Improvements other than buildings	9,806,389	7,305,839	(56,447)	17,055,781
Total capital assets, being depreciated	90,337,896	9,409,375	(249,755)	99,497,516
Less accumulated depreciation for:				
Buildings	5,527,885	526,058	-	6,053,943
Infrastructure	21,664,568	1,522,841	(1,331)	23,186,078
Machinery and equipment	6,660,135	696,392	(12,957)	7,343,570
Vehicles	2,660,350	225,940	(137,031)	2,749,259
Improvements other than buildings	6,591,826	1,263,781	(44,186)	7,811,421
Total accumulated depreciation	43,104,764	4,235,012	(195,505)	47,144,271
Total capital assets, being depreciated, net	47,233,132	5,174,363	(54,250)	52,353,245
Governmental activities, capital assets, net	$ 80,042,995	$ 37,020,564	$ (9,842,259)	$ 107,221,300

NOTE 6 – CAPITAL ASSETS (CONTINUED)

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

General government	$ 338,969
Public safety	290,808
Physical environment	1,403,831
Culture and recreation	2,201,404
Total depreciation expense - governmental activities	$ 4,235,012

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, 2023:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Note payable	$ 2,179,445	$ -	$ (627,670)	$ 1,551,775	$ 658,009
Loan payable	3,626,000	-	(476,000)	3,150,000	490,000
Revenue note	19,088,727	-	(895,354)	18,193,373	905,650
Other post-employment benefit (OPEB)	104,024	10,371	(88,971)	25,424	-
Compensated absences	992,977	1,035,831	(967,431)	1,061,377	88,000
Governmental activity long-term liabilities	$25,991,173	$ 1,046,202	$(3,055,426)	$ 23,981,949	$2,141,659

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 $11,912,949 for the year. At September 30, 2023, principal and interest to maturity in 2026 to be paid from pledged future revenues totaled $1,645,290. 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 Ending	Principal	Interest	Total
2024	658,009	61,416	719,425
2025	689,675	29,750	719,425
2026	204,091	2,349	206,440
	$ 1,551,775	$ 93,515	$ 1,645,290

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.

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 $570,230 and pledged non-ad valorem tax revenues totaled $23,165,647 for the year. At September 30, 2023, principal and interest to maturity in 2028 to be paid from pledged future revenues totaled $3,420,686.

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

Fiscal Year Ending	Principal	Interest	Total
2024	490,000	81,050	571,050
2025	503,000	67,197	570,197
2026	517,000	52,968	569,968
2027	532,000	38,335	570,335
2028	546,000	23,296	569,296
2029	562,000	7,840	569,840
	$ 3,150,000	$ 270,686	$ 3,420,686

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 the Wedge Preserve 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 $1,358,062 in 2024. 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. Principal and interest was paid for the current fiscal year was $1,369,609 and pledged tax revenues totaled $8,174,786 for the year. At September 30, 2023, principal and interest to maturity in 2040 to be paid from pledged future revenues totaled $22,528,192.

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

Fiscal Year Ending	Principal	Interest	Total
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	940,734	381,796	1,322,530
2028	952,729	357,654	1,310,383
2029-2033	4,948,980	1,415,232	6,364,212
2034-2038	5,272,625	763,815	6,036,440
2039-2041	3,326,567	128,000	3,454,567
	$ 18,193,373	$ 4,333,713	$ 22,527,086

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, 2023, the City collected $3,799,486 of fire assessments.

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, 2023, the City collected $633,808 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 $9,123,609 and $7,125,559 respectively. During the year, the City was required to contribute 11% of each eligible general employee's gross earnings and 11% 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, 2023, was $797,670 which is 100% of the required contribution. Total forfeitures of $4,553 were processed for the defined contribution plan during 2023.

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, 2023, the Plan had three participants receiving service retirement benefits and one participant receiving disability retirement benefits. There were no actively employed participants.

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, 2023, the State of Florida contributed $476,791 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, 2021	October 1, 2022
Actuarial cost method	Entry age normal	Entry age normal
Amortization method	Level dollar, closed	Level dollar, closed
Remaining amortization period	5 years	4 years
Asset valuation method	Market value	Market value
Actuarial assumptions:		
Investment rate of return *	6.50%	6.50%
* Includes inflation percentage of 2.49%		
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.

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	2
Inactive plan members entitled to but not not yet receiving benefits	-
Active plan members	110
Total plan members	112

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.

NOTE 12 – OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

The total OPEB liability at September 30, 2023 was measured as of October 1, 2022 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	4.87%
Projected salary increases	2.50%
Healthcare cost trend rates:	Based on the Getzen Model starting at 7.00% in fiscal 2024, 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, 2023, as well as updated health care costs and premiums.

Changes of Assumptions reflect a change in the discount rate from 4.77% for the reporting period ended September 30, 2022, to 4.87% for the reporting period ended September 30, 2023.

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 4.87%. 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, 2023, are as follows:

Total OPEB liability	$ 25,424
OPEB Plan fiduciary net position	-
City's net OPEB liability	$ 25,424
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, 2022	
Total OPEB liability:	
Service cost	$ 5,626
Interest	4,745
Difference between expected and actual experience	(57,012)
Assumption changes	(11,365)
Benefit payments	(20,594)
Net change in total OPEB liability	(78,600)
Total OPEB liability, beginning	104,024
Total OPEB liability, ending	$ 25,424

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 4.87%, 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:

	1% Decrease	Current Discount Rate	1% Increase
	3.87%	4.87%	5.87%
Total OPEB liability	$ 26,485	$ 25,424	$ 24,445

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:

	1% Trend Decrease	Current Trend Rates	1% Trend Increase
	3.00% - 6.00%	4.00% - 7.00%	5.00% - 8.00%
Total OPEB liability	$ 23,985	$ 25,424	$ 27,131

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB - For the year ended September 30, 2023 the City recognized OPEB expense of $15,535. At September 30, 2023, 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	$ 42,169	$ 52,261
Changes of assumptions	15,530	18,904
Total	$ 57,699	$ 71,165

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
2024	$ (136)
2025	(136)
2026	(136)
2027	(136)
2028	(136)
Thereafter	(12,786)

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.

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 fiscal year ended September 30, 2023, the City had expenditures of approximately $11,012,410 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 were $7,913,615 for the fiscal year ended September 30, 2020, and annual increases are 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, 2023, the City paid costs of approximately $9,596,955 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, 2023, the City had encumbrances of $748,530, $2,606,429, $359,328 and $23,711 in the ARPA Fund, the Capital Projects Fund, the Capital Replacement Fund, and the Infrastructure 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 fiscal year ended September 30, 2023, 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, 2023, the General Fund reported fund balance committed to the stabilization agreement in the amount of $12,287,500.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF PARKLAND, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
REVENUES:				
Taxes				
Ad valorem taxes	$ 27,143,289	$ 27,143,289	$ 27,516,706	$ 373,417
Franchise taxes	2,715,000	2,715,000	3,738,163	1,023,163
Utility service taxes	4,245,000	4,245,000	5,199,870	954,870
Total taxes	34,103,289	34,103,289	36,454,739	2,351,450
Permits and fees				
Building permits	2,480,500	2,480,500	1,790,442	(690,058)
Other permits and fees	120,650	120,650	228,718	108,068
Local business tax	34,250	34,250	43,309	9,059
Total permits and fees	2,635,400	2,635,400	2,062,469	(572,931)
Intergovernmental revenues				
Half cent sales tax	2,500,000	2,500,000	2,974,916	474,916
State revenue sharing	860,000	860,000	1,544,630	684,630
Motor fuel tax	517,000	517,000	616,759	99,759
Alcoholic beverage license	2,500	2,500	6,176	3,676
Grants	31,000	31,000	59,120	28,120
Local shared revenues	820,900	820,900	1,398,649	577,749
Total intergovernmental revenues	4,731,400	4,731,400	6,600,250	1,868,850
Charges for services				
Ambulance transport fees	330,000	330,000	514,176	184,176
Summer camp fees	515,000	515,000	344,970	(170,030)
Fire assessments	3,650,000	3,650,000	3,799,486	149,486
Other charges for services	985,461	985,461	1,432,352	446,891
Total charges for services	5,480,461	5,480,461	6,090,984	610,523
Fines and forfeitures				
Court fines	30,000	30,000	56,148	26,148
Violations of local ordinances	70,000	70,000	73,122	3,122
Total fines and forfeitures	100,000	100,000	129,270	29,270
Miscellaneous revenues				
Interest income	151,000	151,000	2,402,489	2,251,489
Rents	196,000	196,000	238,299	42,299
Contributions	63,000	63,000	135,090	72,090
Other income	159,400	159,400	216,167	56,767
Total miscellaneous revenues	569,400	569,400	2,992,045	2,422,645
Total revenues	$ 47,619,950	$ 47,619,950	$ 54,329,757	$ 6,709,807

See notes to basic financial statements.

CITY OF PARKLAND, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
EXPENDITURES:				
General government				
City Commission	334,598	334,598	316,379	18,219
City Manager	943,557	943,557	909,721	33,836
Finance	684,402	684,402	658,596	25,806
Legal services	532,200	532,200	272,466	259,734
City Clerk	382,905	382,905	381,653	1,252
Personnel	470,650	470,650	437,043	33,607
Purchasing	336,191	336,191	328,929	7,262
Computer support	887,409	887,409	831,534	55,875
Communications and Marketing	554,025	554,025	473,487	80,538
Other general	765,100	11,116,497	461,208	10,655,289
Total general government	5,891,037	16,242,434	5,071,016	11,171,418
Public safety				
Police/crossings guards	11,595,727	11,595,727	11,305,293	290,434
Fire rescue	9,949,426	9,949,426	9,899,270	50,156
Code enforcement	17,900	17,900	11,862	6,038
Total public safety	21,563,053	21,563,053	21,216,425	346,628
Physical environment				
Public works	7,044,731	7,176,731	6,502,386	674,345
Development services				
Building	3,533,252	3,524,978	3,057,054	467,924
Planning and zoning	407,985	532,985	325,039	207,946
Environmental services	451,500	451,500	391,620	59,880
Total development services	4,392,737	4,509,463	3,773,713	735,750
Culture and recreation				
Parks and recreation	3,657,451	3,657,451	3,106,799	550,652
Library	765,091	765,091	635,399	129,692
Total culture and recreation	4,422,542	4,422,542	3,742,198	680,344
Debt Service				
Principal	1,998,500	1,998,500	1,999,024	(524)
Interest and fiscal charges	661,600	661,600	660,239	1,361
Total debt service	2,660,100	2,660,100	2,659,263	837
Capital outlay	115,700	25,355,647	25,327,447	28,200
Total expenditures	46,089,900	81,929,970	68,292,448	13,637,522
Excess (deficiency) of revenues over (under) expenditures	1,530,050	(34,310,020)	(13,962,691)	20,347,329
Other financing sources (uses)				
Insurance proceeds	-	-	18,048	18,048
Proceeds from sale of capital assets	-	-	44,050	44,050
Transfers in	532,950	10,532,950	10,247,950	(285,000)
Transfers out	(2,600,000)	(2,600,000)	(2,600,000)	-
Total other financing sources (uses)	(2,067,050)	7,932,950	7,710,048	(222,902)
Revenue over (under) expenditures and other financing sources (uses)	(537,000)	(26,377,070)	(6,252,643)	20,124,427
Fund balance appropriated	537,000	26,377,070	-	(26,377,070)
Net change in fund balance	-	-	(6,252,643)	(6,252,643)
Fund balance, beginning of year			58,089,962	
Fund balance, end of year			$ 51,837,319	

See notes to basic financial statements.

CITY OF PARKLAND, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

BUDGETARY COMPARISON SCHEDULE - ARPA FUND

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Interest	$ -	$ -	$ 253,845	$ 253,845
Total revenues	-	-	253,845	253,845
EXPENDITURES:				
Capital outlay	5,013,963	6,217,323	455,830	5,761,493
Reserved for capital projects	10,614,169	614,169	-	614,169
Total expenditures	15,628,132	6,831,492	455,830	6,375,662
Excess (deficiency) of revenues over expenditures	(15,628,132)	(6,831,492)	(201,985)	6,629,507
OTHER FINANCING SOURCES (USES):				
Transfers out	-	(10,000,000)	(10,000,000)	-
Appropriation of prior year fund balance	15,628,132	16,831,492	-	(16,831,492)
Total other financing sources	15,628,132	6,831,492	(10,000,000)	(16,831,492)
Net change in fund balance	$ -	$ -	(10,201,985)	$ (10,201,985)
Fund balance, beginning of year			17,010,029	
Fund balance, end of year			$ 6,808,044	

See notes to basic financial statements.

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, ARPA Fund, Government Library Building Fund, Public Safety Improvement 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.

The City does not adopt an annual budget for the Law Enforcement Fund.

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, capital purchase 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:

General Fund	Revenues	Expenditures
Budgetary Basis	$ 54,329,757	$ 68,292,448
On-behalf payments for pension benefits	476,791	476,791
GAAP Basis	$ 54,806,548	$ 68,769,239

NOTE 2 – BUDGET RECONCILIATION (CONTINUED)

For the fiscal year ended September 30, 2023, expenditures exceeded appropriations in the following:

General Fund - Debt Service Pricipal from Principal	$	524

These unfavorable variances were caused by unbudgeted costs related to unforeseen circumstances and occurrences during the fiscal 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, 2023

Fiscal Year:	9/30/2023	9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018
Measurement Date:	9/30/2023	9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018
Total OPEB Liability:						
Service cost	$ 5,626	$ 7,044	$ 966	$ 2,328	$ 2,169	$ 7,560
Interest	4,745	2,938	1,571	510	425	1,383
Difference between expected and actual experience	(57,012)	-	56,224	28,825	(326)	(30,919)
Assumption changes	(11,365)	(10,184)	20,708	-	-	-
Benefit payments	(20,594)	(19,157)	-	-	-	-
Net change in Total OPEB Liability	(78,600)	(19,359)	79,469	31,663	2,268	(21,976)
Total OPEB liability-beginning	104,024	123,383	43,914	12,251	9,983	31,959
Total OPEB liability-ending	$ 25,424	$ 104,024	$ 123,383	$ 43,914	$ 12,251	$ 9,983
Covered payroll	$ 7,856,505	$ 6,849,798	$ 6,682,730	N/A	N/A	N/A
Total OPEB liability as a percentage of covered payroll	0.32%	1.52%	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 the become available.

Covered Employee Payroll was projected one year forward from the valuation date for the reporting period ending September 30, 2023.

Beginning of year results for the reporting period ending September 30, 2023 were developed by the prior actuary under the Alternative Measurement Method as described in GASB 75.

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, 2023:	4.87%
Fiscal Year Ending September 30, 2022:	4.77%
Fiscal Year Ending September 30, 2021:	2.43%

Benefit Payments. The plan sponsor did not provide actual net benefits paid by the Plan for the fiscal year ending on September 30, 2023. Expected net benefit payments produced by the valuation model for the same period are shown in the table above.

Note: There are no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the OPEB plan.

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.

CITY OF PARKLAND, FLORIDA
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023

	Special Revenue Funds					
	Government Library Building	Public Safety Improvement	Law Enforcement	Pine Tree Road	Parks Improvement	Total Nonmajor Governmental Funds
ASSETS						
Cash and cash equivalents	$ 3,268,473	$ 2,452,201	$ 11,191	$ 1,043,561	$ 78,270	$ 6,853,696
Accounts receivable - net	-	-	-	-	1,500,000	1,500,000
Investments	-	-	-	-	183,084	183,084
Total assets	$ 3,268,473	$ 2,452,201	$ 11,191	$ 1,043,561	$ 1,761,354	$ 8,536,780
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue	$ -	$ -	$ -	$ -	$ 1,500,000	$ 1,500,000
Total deferred inflows of resources	-	-	-	-	1,500,000	1,500,000
FUND BALANCES						
Restricted						
Park improvements	-	-	-	-	261,354	261,354
Public safety - fire	-	406,561	-	-	-	406,561
Public safety - police	-	2,045,640	-	-	-	2,045,640
Administrative building	2,305,013	-	-	-	-	2,305,013
Library	963,460	-	-	-	-	963,460
Police forfeiture	-	-	11,191	-	-	11,191
Assigned						
Capital projects	-	-	-	1,043,561	-	1,043,561
Unassigned	-	-	-	-	-	-
Total fund balances	3,268,473	2,452,201	11,191	1,043,561	261,354	7,036,780
Total liabilities, deferred inflows of resources, and fund balances	$ 3,268,473	$ 2,452,201	$ 11,191	$ 1,043,561	$ 1,761,354	$ 7,036,780

See notes to basic financial statements.

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, 2023

	Special Revenue Funds					
	Government Library Building	Public Safety Improvement	Law Enforcement	Pine Tree Road	Parks Improvement	Total Nonmajor Governmental Funds
REVENUES:						
Impact fees	$ 383,272	$ 270,498	$ -	$ -	$ 76,812	$ 730,582
Fines and forfeitures	-	-	337	-	-	337
Interest income	66,664	52,093	237	22,478	9,421	150,893
Total revenues	449,936	322,591	574	22,478	86,233	881,812
EXPENDITURES:	-	-	-	-	-	-
Excess (deficiency) of revenues over expenditures	449,936	322,591	574	22,478	86,233	881,812
OTHER FINANCING SOURCES (USES):						
Transfers out	(11,400)	(236,550)	-	-	-	(247,950)
Total other financing sources (uses)	(11,400)	(236,550)	-	-	-	(247,950)
Net change in fund balance	438,536	86,041	574	22,478	86,233	633,862
Fund balance, beginning of year	2,829,937	2,366,160	10,617	1,021,083	175,121	6,402,918
Fund balance, end of year	$ 3,268,473	$ 2,452,201	$ 11,191	$ 1,043,561	$ 261,354	$ 7,036,780

See notes to basic financial statements.

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, 2023

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Impact fees	$ -	$ -	$ 383,272	$ 383,272
Interest	-	-	66,664	66,664
Total revenues	-	-	449,936	449,936
EXPENDITURES:	-	-	-	-
Excess of expenditures under revenues	-	-	449,936	449,936
OTHER FINANCING SOURCES (USES):				
Transfers out	(11,400)	(11,400)	(11,400)	-
Appropriation of prior year fund balance	11,400	11,400	-	(11,400)
Total other financing sources	-	-	(11,400)	(11,400)
Net change in fund balance	$ -	$ -	438,536	$ 438,536
Fund balance, beginning of year			2,829,937	
Fund balance, end of year			$ 3,268,473	

See notes to basic financial statements.

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, 2023

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Impact fees	$ -	$ -	$ 270,498	$ 270,498
Interest	-	-	52,093	52,093
Total revenues	-	-	322,591	322,591
EXPENDITURES:	-	-	-	-
Excess of expenditures under revenues	-	-	322,591	322,591
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	-	-	(236,550)	(236,550)
Net change in fund balance	$ -	$ -	86,041	$ 86,041
Fund balance, beginning of year			2,366,160	
Fund balance, end of year			$ 2,452,201	

See notes to basic financial statements.

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, 2023

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Interest	$ -	$ -	$ 22,478	$ 22,478
Total revenues	-	-	22,478	22,478
EXPENDITURES:	-	-	-	-
Excess of expenditures under revenues	-	-	22,478	22,478
Net change in fund balance	$ -	$ -	22,478	$ 22,478
Fund balance, beginning of year			1,021,083	
Fund balance, end of year			$ 1,043,561	

See notes to basic financial statements.

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, 2023

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Charges for services	$ -	$ -	$ 76,812	$ 76,812
Interest	-	-	9,421	9,421
Total revenues	-	-	86,233	86,233
EXPENDITURES:	-	-	-	-
Excess of expenditures under revenues	-	-	86,233	86,233
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	-	-	-	-
Net change in fund balance	$ -	$ -	86,233	$ 86,233
Fund balance, beginning of year			175,121	
Fund balance, end of year			$ 261,354	

See notes to basic financial statements.

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, 2023

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Interest	$ -	$ -	$ 139,114	$ 139,114
Total revenues	-	-	139,114	139,114
EXPENDITURES:				
Capital outlay	1,979,200	3,254,753	2,190,004	1,064,749
Total expenditures	1,979,200	3,254,753	2,190,004	1,064,749
Excess of expenditures under revenues	(1,979,200)	(3,254,753)	(2,050,890)	1,203,863
OTHER FINANCING SOURCES (USES):				
Reserve for future capital projects	(120,800)	(120,800)	-	120,800
Transfers in	2,100,000	2,100,000	2,100,000	-
Appropriation of prior year fund balance	-	1,275,553	-	(1,275,553)
Total other financing sources	1,979,200	3,254,753	2,100,000	(1,154,753)
Net change in fund balance	$ -	$ -	49,110	$ 49,110
Fund balance, beginning of year			5,558,759	
Fund balance, end of year			$ 5,607,869	

See notes to basic financial statements.

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, 2023

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Grants and contributions	$ 200,000	$ 200,000	$ 250,075	$ 50,075
Interest	10,000	10,000	231,740	221,740
Miscellaneous income	5,000	5,000	-	(5,000)
Total revenues	215,000	215,000	481,815	266,815
EXPENDITURES:				
Debt services	-	-	-	-
Capital outlay	13,695,475	26,014,725	4,929,096	21,085,629
Total expenditures	13,695,475	26,014,725	4,929,096	21,085,629
Excess of expenditures under revenues	(13,480,475)	(25,799,725)	(4,447,281)	21,352,444
OTHER FINANCING SOURCES (USES):				
Appropriation of prior year fund balance	13,480,475	25,799,725	-	(25,799,725)
Total other financing sources	13,480,475	25,799,725	-	(25,799,725)
Net change in fund balance	$ -	$ -	(4,447,281)	$ (4,447,281)
Fund balance, beginning of year			23,125,532	
Fund balance, end of year			$ 18,678,251	

See notes to basic financial statements.

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 **58-61**
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 **62-65**
These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.

Debt Capacity **66-68**
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 **69-70**
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 **71-73**
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)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental activities:										
Net investment in capital assets	$ 31,478,364	$ 41,552,038	$ 48,976,994	$ 51,201,128	$ 52,661,539	$ 56,498,862	$ 64,596,577	$ 66,809,126	$ 70,741,227	$ 97,276,895
Restricted:										
Park Improvement	1,243,055	5,266,106	6,295,980	5,965,401	5,400,612	8,061,574	700,250	446,995	175,121	261,354
Law enforcement	32,239	33,208	34,286	67,042	67,547	57,931	59,897	10,409	10,617	11,191
Capital projects	6,574,539	8,000,934	9,506,569	11,504,054	12,003,472	11,749,632	10,561,917	30,145,020	28,191,617	15,863,610
Unrestricted	30,621,031	25,287,659	26,037,038	28,736,525	34,511,593	42,231,452	51,815,604	40,831,315	65,863,444	62,014,053
Total governmental activities net position	$ 69,949,228	$ 80,139,945	$ 90,850,867	$ 97,474,150	$ 104,644,763	$ 118,599,451	$ 127,734,245	$ 138,242,865	$ 164,982,026	$ 175,427,103

The City has no business-type activities.

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses:										
Governmental activities:										
General government	$ 3,154,084	$ 2,821,337	$ 3,119,581	$ 4,040,265	$ 4,258,265	$ 4,145,227	$ 4,419,822	$ 4,595,507	$ 4,636,460	$ 5,476,222
Public safety	11,663,587	12,230,519	13,111,805	14,033,730	14,778,705	16,914,796	18,795,900	19,379,415	20,212,190	21,978,014
Physical environment	3,264,799	3,212,767	3,630,027	4,333,530	4,733,130	3,682,115	6,116,720	6,693,488	7,515,120	3,777,383
Culture and recreation	2,832,387	4,714,246	10,075,787	3,202,154	3,736,757	5,331,399	3,742,989	4,329,173	4,698,629	10,210,024
Development services	3,429,707	3,063,435	2,958,094	3,334,913	3,537,070	4,249,444	3,148,286	3,395,669	3,711,322	5,551,379
Interest expense and other financing costs	580,248	516,288	473,745	362,811	252,950	343,535	307,059	288,086	697,318	660,239
Total governmental activities	24,924,812	26,558,592	33,369,039	29,307,403	31,296,877	34,666,516	36,530,776	38,681,338	41,471,039	47,653,261
Program revenues:										
Governmental activities:										
Charges for services:										
General government	1,027,458	871,283	789,136	972,295	820,239	691,115	573,633	622,608	862,435	797,510
Public safety	8,818,702	7,754,663	7,455,482	8,497,121	8,544,208	10,111,759	6,867,554	4,172,635	4,025,415	4,288,518
Physical environment	953,500	666,003	885,796	906,160	528,608	-	-	-	-	-
Culture and recreation	1,898,225	6,829,076	11,948,052	-	1,033,260	3,966,596	444,140	1,007,270	1,173,883	1,256,863
Development Services	89,310	95,918	96,120	72,940	31,790	224,758	152,862	5,961,887	4,505,360	2,702,216
Operating grants and contributions	262,946	281,578	301,867	296,265	310,732	-	1,937,710	1,662,989	1,667,781	2,097,831
Capital grants and contributions	325,567	121,854	200,000	200,000	-	-	1,412,837	506,718	17,114,169	1,500,000
Total governmental activities program revenues	13,375,708	16,620,375	21,676,453	10,944,781	11,268,837	14,994,228	11,388,736	13,934,107	29,349,043	12,642,938
Net expense/revenue:										
Governmental activities	(11,549,104)	(9,938,217)	(11,692,586)	(18,362,622)	(20,028,040)	(19,672,288)	(25,142,040)	(24,747,231)	(12,121,996)	(35,010,323)
Total governmental activities net expense	$ (11,549,104)	$ (9,938,217)	$ (11,692,586)	$ (18,362,622)	$ (20,028,040)	$ (19,672,288)	$ (25,142,040)	$ (24,747,231)	$ (12,121,996)	$ (35,010,323)
General revenues and other changes in net position:										
Governmental activities:										
Taxes:										
Ad valorem taxes	$ 12,224,931	$ 12,928,495	$ 14,637,301	$ 16,246,790	$ 17,702,458	$ 21,253,041	$ 22,641,111	$ 23,685,838	$ 25,063,485	$ 27,516,706
Franchise taxes	346,923	370,408	405,797	445,824	1,075,645	2,558,804	2,576,339	2,785,034	3,246,576	3,738,163
Utility service taxes	3,010,550	3,120,422	3,188,455	3,261,991	3,569,425	3,745,735	3,985,648	4,093,174	4,419,876	5,199,870
Intergovernmental (Unrestricted)	2,806,658	3,054,018	3,205,331	3,473,106	3,975,403	4,787,421	4,162,163	4,138,512	5,023,562	5,197,820
Interest income	34,928	37,565	69,391	133,246	292,623	486,196	696,875	119,169	466,430	3,195,237
Miscellaneous	421,679	618,026	897,233	367,901	583,099	469,519	307,489	434,124	641,228	607,604
Total governmental activities general revenues	18,845,669	20,128,934	22,403,508	23,928,858	27,198,653	33,300,716	34,369,625	35,255,851	38,861,157	45,455,400
Change in net position										
Governmental activities	7,296,565	10,190,717	10,710,922	5,566,236	7,170,613	13,628,428	9,227,585	10,508,620	26,739,161	10,445,077
Total primary government	$ 7,296,565	$ 10,190,717	$ 10,710,922	$ 5,566,236	$ 7,170,613	$ 13,628,428	$ 9,227,585	$ 10,508,620	$ 26,739,161	$ 10,445,077

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund:										
Nonspendable:										
Assessments Receivable	$ 5,495	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Interest Receivable	12,295	-	-	-	-	-	-	-	-	-
Prepaids	126,197	125,699	148,997	188,612	195,950	116,399	10,081	25,455	25,117	41,266
SBA - Fund B	-	-	-	-	-	-				
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	555	555
Country Point	4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575
Building Department	4,379,523	5,242,507	6,366,570	7,845,786	7,970,307	8,681,403	7,637,217	7,560,370	5,954,978	3,304,380
Committed to:										
Stabilization Agreement	5,112,499	6,737,500	7,144,000	6,956,500	7,285,060	8,021,786	9,970,750	10,627,500	11,585,500	12,287,500
Insurance Deductible	607,500	607,500	607,500	607,500	625,000	750,000	750,000	750,000	750,000	750,000
Capital Replacement Fund	-	-	-	-	-	-	-	-	-	-
Infrastructure Replacement Fund	-	-		-	-	-	-	-	-	-
Assigned:										
Subsequent year's budget	-	-	-	-	-	-	-	-	-	-
Unassigned	18,746,644	15,407,021	12,368,950	14,036,964	16,127,124	19,529,407	25,045,296	30,840,877	39,759,567	35,439,374
Total General Fund	$ 29,004,952	$ 28,135,026	$ 26,650,816	$ 29,650,161	$ 32,218,240	$ 37,113,794	$ 43,428,143	$ 49,819,001	$ 58,089,962	$ 51,837,319
All other governmental funds:										
Nonspendable:										
Prepaids	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
SBA - Fund B	-	-	-	-	-	-	-	-	-	-
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	1,026,404	1,484,427	1,868,189	2,257,800	2,387,034	1,288,595	1,213,032	1,983,205	2,829,937	3,268,473
Public Safety	216,409	309,436	372,580	472,036	606,709	707,645	755,272	1,989,937	2,366,160	2,452,201
Western Fire Station	927,941	940,302	874,968	904,170	1,015,160	1,047,727	932,135	6,250	6,250	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	1,243,055	5,266,106	6,295,980	5,965,401	5,400,612	8,061,574	700,250	446,995	175,121	261,354
Law enforcement	32,239	33,208	34,286	67,042	67,547	57,931	59,897	10,409	10,617	11,191
Assigned to:										
Capital projects	5,815,212	2,346,397	4,690,214	6,313,495	9,432,462	13,263,126	15,688,516	35,462,566	46,699,690	32,122,012
Total all other governmental funds	$ 9,270,723	$ 10,389,339	$ 14,145,680	$ 15,989,407	$ 18,918,987	$ 24,436,061	$ 19,358,565	$ 39,908,825	$ 52,097,238	$ 38,130,944

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues:										
Ad valorem taxes	$ 12,224,931	$ 12,928,495	$ 14,637,301	$ 16,246,790	$ 17,702,458	$ 21,253,041	$ 22,641,111	$ 23,685,838	$ 25,063,485	$ 27,516,706
Franchise fees	346,923	370,408	405,797	445,824	1,075,645	2,558,804	2,576,339	2,785,034	3,246,576	3,738,163
Utility service taxes	3,010,550	3,120,422	3,188,455	3,261,991	3,569,425	3,745,735	3,985,648	4,093,174	4,419,876	5,199,870
Licenses and permits	7,661,933	6,545,376	6,284,905	7,604,539	7,347,817	8,270,677	5,938,324	7,672,615	3,247,784	2,062,469
Intergovernmental revenues	3,161,394	3,202,974	3,707,198	3,969,371	4,054,875	4,787,422	6,099,873	4,138,512	5,000,064	5,180,897
Charges for services	4,782,814	8,981,019	14,278,572	3,487,679	3,331,818	6,526,856	1,963,669	3,702,283	7,272,120	6,821,566
Fines and forfeitures	275,590	619,068	536,382	348,126	206,395	196,694	165,478	389,645	72,012	129,607
Interest income	34,262	36,984	68,936	132,196	289,791	564,106	686,736	117,063	463,891	3,178,081
Miscellaneous revenues	510,776	943,982	971,960	433,120	912,936	669,270	524,398	425,254	631,233	589,556
Contributions	-	-	-	-	-	-	1,412,837	2,169,564	18,780,625	2,146,219
Total revenues	32,009,173	36,748,728	44,079,506	35,929,636	38,491,160	48,572,605	45,994,413	49,178,983	68,197,666	56,563,134
Expenditures:										
Current:										
General government	2,310,565	2,515,002	2,700,900	3,834,848	3,933,683	3,740,692	3,891,289	4,095,792	4,356,587	5,071,016
Public safety	11,471,581	11,996,487	12,800,102	13,668,460	14,449,274	16,549,096	18,076,247	18,866,702	19,892,120	21,693,216
Physical environment	3,205,260	3,204,609	3,630,027	4,333,530	4,733,130	5,327,036	4,910,781	5,230,690	5,427,098	6,502,386
Development services	1,660,370	2,193,531	2,090,599	2,423,084	2,536,533	2,705,674	3,102,241	3,375,445	3,604,856	3,773,713
Culture and recreation	1,705,994	1,860,107	2,121,556	1,953,093	2,196,981	2,441,734	2,486,354	2,657,578	2,971,918	3,742,198
Capital outlay	3,719,696	10,984,222	8,067,210	3,375,626	3,605,624	5,848,735	10,717,194	6,379,255	8,428,146	32,902,377
Contribution to other government	875,000	1,780,000	6,974,000	-	-	-	-	-	-	-
Debt service:										
Principal retirement	579,800	984,851	2,668,931	920,198	927,021	947,761	984,156	1,022,713	1,973,418	1,999,024
Interest and fiscal charges	450,562	516,288	521,396	371,269	364,021	343,535	307,059	268,086	697,318	660,239
Total expenditures	25,978,828	36,035,097	41,574,721	30,880,108	32,746,267	37,904,263	44,475,321	41,896,261	47,351,461	76,344,169
Excess of revenues over (under) expenditures	6,030,345	713,631	2,504,785	5,049,528	5,744,893	10,668,342	1,519,092	7,282,721	20,846,205	(19,781,035)
Other financing sources(uses):										
Proceeds from Long-Term Debt	-	-	-	-	-	-	-	20,000,000	-	-
Insurance proceeds	211,538	35,059	44,682	55,294	21,935	23,146	5,198	17,328	9,995	18,048
Proceeds from sale of capital assets	2,023	-	25,264	40,850	30,830	21,140	12,563	11,068	3,175	44,050
Transfers in	832,950	7,332,950	7,332,950	5,056,950	6,082,568	8,251,712	4,793,805	5,882,950	2,232,950	12,347,950
Transfers out	(1,135,550)	(7,832,950)	(7,635,550)	(5,359,550)	(6,382,568)	(8,551,712)	(5,093,805)	(6,232,950)	(2,632,950)	(12,847,950)
Total other financing sources (uses)	(89,039)	(464,941)	(232,654)	(206,456)	(247,235)	(255,714)	(282,239)	19,678,396	(386,830)	(437,902)
Net change in fund balances	$ 5,941,306	$ 248,690	$ 2,272,131	$ 4,843,072	$ 5,497,658	$ 10,412,628	$ 1,236,853	$ 26,961,117	$ 20,459,375	$ (20,218,937)
Debt service as a percentage of noncapital expenditures	4.60%	6.16%	9.56%	4.72%	4.44%	4.03%	3.82%	3.63%	6.86%	6.12%

CITY OF PARKLAND, FLORIDA

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

LAST TEN FISCAL YEARS

Year	Residential Property	Commercial Property	Industrial Property	Personal and Other Property	Total Taxable Assessed Value	Direct Tax Rate	Estimated Actual Value	Estimated Actual Value as a % of Net Assessed Value
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%
2022	6,340,774,060	104,102,910	1,464,290	134,640,270	6,580,981,530	4.2979	6,580,981,530	100%
2023	7,261,773,840	105,330,460	1,610,710	135,686,060	7,504,401,070	4.2979	7,504,401,070	100%

Source: Broward County Property Appraiser

CITY OF PARKLAND, FLORIDA

DIRECT AND OVERLAPPING PROPERTY TAX RATES

LAST TEN FISCAL YEARS

		Overlapping Rates						
Year	City Direct Rate	Broward County	Broward School District	Children's Service Council of Broward County	South Florida Water Management District	Florida Inland Navigation District	North Broward Hospital District	Total
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
2022	4.2979	5.6690	5.9510	0.4699	0.2301	0.0320	1.6029	18.2528
2023	4.2979	5.5492	6.4260	0.4500	0.2301	0.0288	1.4307	18.4127

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

Source: Broward County Property Appraiser

CITY OF PARKLAND, FLORIDA

PRINCIPAL PROPERTY TAXPAYERS

CURRENT YEAR AND NINE YEARS AGO

	Fiscal Year					
	2023			2014		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Keystone Bell Fund Cir APT	$ 124,555,800	1	3.50%			
9401 Aston Gardens LLC Senior Housing	45,309,700	2	1.27%			
Allegro at Parkland LLC	31,850,880	3	0.90%			
New Market-Parkland LLC	24,298,730	4	0.68%			
Lucky Star Holdings	22,489,690	5	0.63%			
BREM Parkland LP	18,163,440	6	0.51%			
Parkland School Property, LLC	12,276,240	7	0.35%			
Riverstone Plaza, LLC	9,796,420	8	0.28%			
Parkland Centerline LLC	7,486,020	9	0.21%			
Parkland Jewish Center	6,328,660	10	0.18%			
Florida Power & Light Co.				$ 17,975,300	1	4.18%
Toll Parkland GSC, LLC				12,583,810	2	0.34%
Barclay Millennium, LLC				11,376,300	3	1.70%
Lucky Star Holdings, LLC				8,384,960	4	1.62%
BREM Parkland, LP				7,725,000	5	0.92%
CSFB 2004-C3 Complex				6,160,000	6	0.52%
WCI Communities				6,133,270	7	0.35%
Toll FL V, LLC				5,296,380	8	0.34%
Kelly Tractor Co.				4,242,433	9	0.15%
Clublink Heron Bay, LLC				3,583,800	10	0.19%
Total	$ 302,555,580		8.51%	$ 83,461,253		10.31%

Source: Broward County Property Appraiser's Office

CITY OF PARKLAND, FLORIDA

PROPERTY TAX LEVIES AND COLLECTIONS

LAST TEN FISCAL YEARS

Fiscal Year	Taxes Levied	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
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%
2022	26,042,008	25,063,485	96.24%	347,881	25,411,365	97.58%
2023	28,558,881	27,519,706	96.36%	311,668	27,831,374	97.45%

Source: Broward County Property Appraiser

CITY OF PARKLAND, FLORIDA

RATIOS OF OUTSTANDING DEBT BY TYPE

LAST TEN FISCAL YEARS

Fiscal Year	Government Activities: Notes Payable	Government Activities: Revenue Bonds	Total Government	Percentage of Personal Income	Per Capita
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
2022	5,805,445	19,088,727	24,894,172	1.0845%	684.09
2023	4,701,775	18,193,373	22,895,148	0.9586%	612.74

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, 2023

Jurisdiction	Net Debt Outstanding		Percentage Applicable to Parkland	Amount Applicable to Parkland
Overlapping debt:				
Broward County	$ 194,539,130	(1)	1.61%	$ 3,127,862
Broward District Schools	1,998,631,891	(2)	1.61%	32,134,635
Subtotal overlapping debt	2,193,171,021			35,262,496
Direct debt:				
City of Parkland	22,895,148		100%	22,895,148
Subtotal direct debt	22,895,148			22,895,148
Total direct and overlapping debt	$ 2,216,066,169			$ 58,157,644

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

	Note Payable					
	Half-Cent	Utility				
Fiscal	Sales	Service	Debt Service			
Year	Tax	Tax	Principal		Interest	Coverage
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
2022	2,923,907	4,419,876	1,973,418		697,319	2.75
2023	2,974,916	5,199,870	1,999,024		660,239	3.07

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 Year	Population (3)	Personal Income (Thousands of Dollars)	Per Capita Personal Income (1)	Median Age (5)(2)	Unemployment Rate (4)
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%
2022	36,390	2,295,408	63,078	38.3	2.2%
2023	37,365	2,388,504	63,915	38.4	2.8%

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 2023

(4) State of Florida - LAUS

(5) Census Reporter - Parkland, FL

CITY OF PARKLAND, FLORIDA

PRINCIPAL EMPLOYERS

CURRENT YEAR AND NINE YEARS AGO

	2023			2014		
Employer	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Broward County Public School	690	1	*	565	1	*
Aston Gardens	179	2	*	190	2	*
City of Parkland	152	3	*	123	3	*
BJ's Wholesale Club	134	4	*	120	4	*
Publix Supermarket	114	5	*	86	5	*
Total	1,269			1,084		

* 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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
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	5.0	5.0	5.0	5.0	5.0	6.0	4.0	4.5	4.5	4.5
City Clerk	1.0	2.0	2.0	2.0	3.0	3.0	3.0	2.0	2.0	2.0
Communications and Marketing	-	-	-	-	-	-	3.0	3.0	3.0	3.0
Finance	5.0	5.0	5.0	6.0	6.0	6.0	5.0	5.0	5.0	5.0
Human Resources	2.0	2.5	3.0	5.5	4.0	5.0	3.0	3.0	3.0	3.0
Purchasing	-	-	-	-	-	2.0	2.0	2.0	2.0	2.0
Planning	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	2.25	2.0
Engineering	4.0	4.0	3.0	4.0	4.0	4.0	4.0	4.5	4.25	4.0
Information technology	2.0	3.0	3.0	3.0	3.0	3.0	3.0	4.0	4.0	4.0
Public safety*:										
Police protection	38.5	40.0	41.0	43.0	43.0	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	13.5	19.5	18.5	15.5	15.5	15.5	19.0	19.0	19.0	19.0
Crossing Guards	7.0	10.0	9.0	9.0	10.0	10.0	10.0	10.0	10.0	10.0
Physical environment:										
Public Works	40.0	42.5	48.0	49.0	48.5	48.5	52.5	52.5	52.5	52.0
Culture and recreations:										
Parks and recreation	5.0	5.0	6.0	11.0	14.0	14.0	15.0	15.0	15.0	15.0
Library	6.0	6.0	6.0	6.0	6.0	6.0	7.0	7.5	7.5	7.5
Total	168.0	183.5	188.5	198.0	201.0	205.0	212.5	214.0	215.0	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:	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General government:										
Building permits issued	12,627	12,890	11,756	11,991	8,223	9,841	8,830	17,061	16,237	13,819
Building inspections conducted	43,277	55,204	45,725	45,301	43,646	46,595	34,112	38,418	48,072	34,073
Business licenses issued	299	429	388	443	456	266	165	167	139	280
Residential certificates of occupancy	380	634	584	464	414	406	370	248	291	340
Police:										
Physical arrests	163	140	137	104	119	225	250	116	72	77
Parking violations	47	22	37	8	4	1	1	9	3	1
Traffic violations	6,720	5,595	11,748	6,961	4,310	4,939	6,500	2,175	2,012	3,180
Calls for service	9,460	15,378	17,723	21,201	16,141	18,287	13,154	16,812	18,339	20,244
Fire:										
Emergency response	1,119	1,227	1,190	1,111	1,283	1,319	1,325	1,245	1,817	1,844
Fire calls	38	33	27	18	30	22	23	21	17	28
Response time < 8 min.	93.0%	92.5%	92.6%	94.1%	91.4%	93.4%	95.5%	95.2%	94.6%	93.0%
Other public works:										
Potholes repaired	1,140	523	741	550	368	880	1,182	1,105	534	1,008
Engineering permits issued	50	40	48	52	28	22	31	47	73	24
Inspections performed	3,200	4,467	4,159	5,427	4,379	4,680	4,212	5,567	5,412	3,722
Parks and recreation:										
Pavilion reservations	184	280	224	258	261	261	194	92	347	358
Special events held	69	56	50	49	41	40	22	32	35	43
Camp participants	1,024	1,032	993	1,191	1,654	1,654	-	190	225	319
Library:										
Number of books owned	38,419	40,100	43,479	45,682	47,908	50,303	47,892	49,570	50,305	50,357
Number of programs offered	381	595	571	650	663	574	319	332	555	605
Number of books checked out	100,925	107,739	114,660	125,007	124,127	114,217	93,467	107,063	116,862	110,919
City Clerk:										
Research documents	72	86	102	110	191	149	200	322	220	324
Certification of notarization	162	76	71	144	72	80	60	29	60	67
Resolutions and ordinances	170	193	147	127	128	138	55	108	82	83
Finance:										
Checks/direct deposits issued	5,399	5,593	6,054	6,108	6,202	6,080	5,729	6,131	6,432	6,560
Purchase orders issued	176	194	233	180	212	200	336	432	503	459
Computer support	1,379	1,449	1,187	1,314	1,125	1,091	1,198	1,296	1,154	1,164
Planning and zoning:										
Number of planning petitions processed	45	59	65	47	26	28	33	20	20	14

Souce: City of Parkland, Quarterly Performance Measures

CITY OF PARKLAND, FLORIDA

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
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	18.2	18.2	18.2
Street lights	328	385	385	385	467	473	473	473	473	473
Traffic signals	3	4	4	6	6	6	6	6	6	6
Parks and recreation:										
Acreage	210	210	210	210	210	210	234	234	268	268
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	15	15	15	15	15	15	15	15	15
Basketball courts	7	7	9	9	9	9	9	9	9	9
Tennis courts	7	7	19	19	19	19	19	19	19	19
Baseball/softball fields	14	14	18	18	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 City of Parkland, Florida (the City), as of and for the fiscal year ended September 30, 2023, 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 27, 2024.

Report on 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 or significant deficiencies may exist that were not identified.

Report on 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
Hollywood, Florida
March 27, 2024

1930 Harrison St I Suite 101 I Hollywood, FL 33020
T: 954.922.8866 I F: 305.662.4266 I CFLGCPA.COM

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR THE MAJOR FEDERAL PROGRAM AND STATE PROJECT, AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND CHAPTER 10.550, RULES OF THE AUDITOR GENERAL

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

Report on Compliance for the Major Federal Program and State Project

Opinion on the Major Federal Program and State Project

We have audited the City of Parkland, Florida's (the City) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and the requirements described in the *Department of Financial Services' State Projects Compliance Supplement* that could have a direct and material effect on the City's major federal program and state project for the fiscal year ended September 30, 2023. The City's major federal program and state project are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the major federal program and state project for the fiscal year ended September 30, 2023.

Basis for Opinion on the Major Federal Program and State Project

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, Rules of the Auditor General of the State of Florida. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's federal programs and state projects.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of it's major federal program and state project as a whole.

1930 Harrison St I Suite 101 I Hollywood, FL 33020
T: 954.922.8866 I F: 305.662.4266 I CFLGCPA.COM

Auditors' Responsibilities for the Audit of Compliance (Continued)

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.550, Rules of the Auditor General, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, and Chapter 10.550, Rules of the Auditor General of the State of Florida, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and Chapter 10.550, Rules of the Auditor General. Accordingly, this report is not suitable for any other purpose.

Caballero Fierman Llerena & Garcia, LLP

Caballero Fierman Llerena & Garcia, LLP
Hollywood, Florida
March 27, 2024

1930 Harrison St **I** Suite 101 **I** Hollywood, FL 33020
T: 954.922.8866 **I F:** 305.662.4266 **I CFLGCPA.COM**

CITY OF PARKLAND, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

Federal Grantor, Pass-through Grantor, Program or Cluster Title	*Federal Assistance Listing Number*	*Contract/Grant Number*	*Expenditures*
U.S. Department of Treasury:			
Passed-through the State of Florida, Division of Emergency Management			
Coronavirus State and Local Fiscal Recovery Funds (CSLFRF)	21.027	Y5260	$ 10,603,449
Total U.S. Department of Treasury			**10,603,449**
Department of Housing and Urban Development:			
Passed-through Broward County Housing Finance and Community Redevelopment Division			
Community Development Block Grant	14.218	CDBG48YR	34,120
Total U.S. Department of Treasury			**34,120**
Total Expenditures of Federal Awards			**$ 10,637,569**

CITY OF PARKLAND, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

State Grantor, Pass-through Grantor, Program or Cluster Title	*CSFA Number*	*Contract/Grant Number*	*Expenditures*
Florida Department of Environmental Protection:			
Florida Communities Trust (Florida Forever Funded Grant Program)	37.078	F2105	$ 1,500,000
Florida Recreation Development Assistance Program	37.017	A1001	200,000
Total Florida Department of Environmental Protection			**1,700,000**
Total Expenditures of State Financial Assistance			**$ 1,700,000**
Total Expenditures of Federal Awards and State Financial Assistance			**$ 12,337,569**

CITY OF PARKLAND, FLORIDA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL
AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards and state financial assistance (the Schedule) includes the federal and state grant activity of the City of Parkland, Florida, (the City) for the fiscal year ended September 30, 2023. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and Chapter 10.550, Rules of the Auditor General of the State of Florida. Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in financial position, or cashflows of the Organization.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenses reported in the Schedule are reported on the modified accrual basis of accounting. Such expenses are recognized following the cost principles contained in the Uniform Guidance, and Chapter 10.550, Rules of the Auditor General of the State of Florida wherein certain types of expenses are not allowable or are limited as a reimbursement. Pass-through entity names are presented where available.

NOTE 3 – INDIRECT COST RATE

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

CITY OF PARKLAND, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued:	*Unmodified*	
Internal control over financial reporting:		
Material weakness(es) identified?	____ Yes	X No
Significant deficiencies identified?	____ Yes	X None reported
Noncompliance material to financial statements noted?	____ Yes	X No

Federal Awards

Internal control over major federal awards:		
Material weakness(es) identified?	____ Yes	X No
Significant deficiencies identified?	____ Yes	X None reported
Type of auditors' report issued on compliance for major federal programs:	*Unmodified*	
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	____ Yes	X No

Identification of major federal programs:

Federal Assistance Listing No.	Federal Program or Cluster
21.027	Coronavirus State and Local Fiscal Recovery Funds (CSLFRF)

State Financial Assistance

Internal control over major federal awards:		
Material weakness(es) identified?	____ Yes	X No
Significant deficiencies identified?	____ Yes	X None reported
Type of auditors' report issued on compliance for major federal programs:	*Unmodified*	
Any audit findings disclosed that are required to be reported in accordance with Chapter 10.550, Rules of the Auditor General?	____ Yes	X No

Identification of major federal programs:

CSFA Number	Federal Program or Cluster
37.078	Florida Communities Trust (Florida Forever Funded Grant Program)

Dollar threshold used to distinguish between Type A and Type B programs:	Federal	$750,000
	State	$510,000
Auditee qualified as low risk auditee?	____ Yes	X No

CITY OF PARKLAND, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

SECTION II – FINANCIAL STATEMENT FINDINGS

None.

SECTION III – FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None.

SECTION IV – STATE FINANCIAL ASSISTANCE FINDINGS AND QUESTIONED COSTS

None.

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, 2023, and have issued our report thereon dated March 27, 2024. 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; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards* (Uniform Guidance); and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards;* and Independent Auditors' Report on Compliance for the Major Federal Program and State Project and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountants' Report 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 27, 2024, 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.

1930 Harrison St I Suite 101 I Hollywood, FL 33020
T: 954.922.8866 I F: 305.662.4266 I CFLGCPA.COM

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
Hollywood, Florida
March 27, 2024

1930 Harrison St **I** Suite 101 **I** Hollywood, FL 33020
T: 954.922.8866 **I F:** 305.662.4266 **I CFLGCPA.COM**

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE PURSUANT TO 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, 2022 to September 30, 2023. 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, 2022 to September 30, 2023.

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
Hollywood, Florida
March 27, 2024

1930 Harrison St I Suite 101 I Hollywood, FL 33020
T: 954.922.8866 I F: 305.662.4266 I CFLGCPA.COM

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 8 day of March, 2024.

NOTARY PUBLIC
Print Name Sonia A. Vargas

Personally known ✓ or produced identification _____

Type of identification produced:

My Commission Expires:

SONIA A. VARGAS
MY COMMISSION # HH245505
EXPIRES: March 31, 2026