



City of Boca Raton, FL

Comprehensive Annual Financial Report

for the Fiscal Year Ended September 30, 2020



Art in Public Places

Mizner Park Amphitheater Stage Doors Mural



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Boca Raton
Florida**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

September 30, 2019

Christopher P. Morill

Executive Director/CEO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

OF THE

CITY OF BOCA RATON, FLORIDA

FOR THE FISCAL YEAR ENDED

September 30, 2020



Prepared by the Financial Services Department

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ABOUT THE COVER:



Congratulations are due to Eduardo “EMO” Mendieta, the artist behind the mural that is currently adorning the stage doors of the Mizner Park Amphitheater in Boca Raton. Mendieta, along with 28 other muralists, answered the “Call to Artists” issued by the City Council in order to continue the City’s Art in Public Places Initiative.

The mural is the third installment since the initiative began in 2018. The first mural at the Gumbo Limbo Nature Center was painted by 6 artists after they were selected by the Art in Public Places Board. The Board received 47 applications for that project. The second project you will find in the multiple tunnels that connect Spanish River Park and Spanish River Beach, allowing a safe and visually aesthetic trek for the residents and visitors. Six artists were commissioned for that project as well after the Board received 20 applications.

Murals are not the only way the City celebrates art. Local artists can display their work whether it be paintings, sculptures, photographs, and so on by means of 7-week exhibitions at any one of the public libraries.

For more information about Mizner Park Amphitheater, its events, the mural, and Art in Public Places, please visit <https://myboca.us/826/Mizner-Park-Amphitheater> and <https://www.myboca.us/1930/Public-Art>.

PHOTO CREDIT:

Mark Witzen, City of Boca Raton

CITY OF BOCA RATON, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the fiscal year ended September 30, 2020

TABLE OF CONTENTS	<u>Page #</u>
INTRODUCTORY SECTION (Unaudited)	
Letter of Transmittal.....	i
List of Principal Officials.....	x
Organization Chart.....	xi
FINANCIAL SECTION	
Independent Auditors' Report	
Management’s Discussion and Analysis (Required Supplemental Information).....	1
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position.....	15
Statement of Activities.....	17
Fund Financial Statements:	
Balance Sheet – Governmental Funds.....	18
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position.....	20
Statement of Revenues, Expenditures, and Changes in Fund Balances, Governmental Funds.....	21
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	23
Statement of Net Position, Proprietary Funds.....	24
Statement of Revenues, Expenses and Changes in Net Position, Proprietary Funds.....	26
Statement of Cash Flows, Proprietary Funds.....	27
Statement of Fiduciary Net Position, Pension Trust Funds.....	29
Statement of Changes in Fiduciary Net Position, Pension Trust Funds.....	30
Notes to Financial Statements.....	31
Required Supplementary Information:	
Schedules of Changes in Net Pension Liability and Related Ratios and Schedules of Contributions.....	114
Schedule of Changes in Total OPEB Liability and Related Ratios, Other Post Employment Benefits.....	127
Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual, General Fund.....	128
Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual, Community Redevelopment Agency – Operating Fund.....	131
Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual, Beach and Park Operations Fund.....	132
Notes to Required Supplementary Information.....	133
Combining and Individual Fund Statements and Schedules (Supplementary Information):	
Major Governmental Funds:	
Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual, Five-Year Capital Improvement Fund.....	134
Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual, Infrastructure Surtax Fund.....	135
Non-Major Governmental Funds:	
Combining Balance Sheet.....	136
Combining Statement of Revenues, Expenditures and Changes in Fund Balances.....	137
Non-Major Special Revenue Funds:	
Combining Balance Sheet.....	138
Combining Statement of Revenues, Expenditures and Changes in Fund Balances.....	140
Community Development Block Grant Program Fund, Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual.....	142

TABLE OF CONTENTS

Page #

FINANCIAL SECTION (continued)

Housing Assistance Trust Fund, Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual.....	143
Law Enforcement Trust Fund, Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual.....	144
Transportation Fund, Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual.....	145
Ocean Breeze GBRBPD, Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual.....	146
Community Redevelopment Agency Mizner Park Revenue Fund, Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual.....	147
Economic Development Fund, Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual.....	148
Land Proceeds Fund, Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual.....	149
Grant Funds, Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual.....	150
Perpetual Care Fund, Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual.....	151
Non-Major Debt Service Fund:	
Combining Balance Sheet.....	152
Combining Statement of Revenues, Expenditures and Changes in Fund Balances.....	153
City Debt Service Fund, Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual.....	154
Non-Major Capital Projects Funds:	
Combining Balance Sheet.....	155
Combining Statement of Revenues, Expenditures and Changes in Fund Balances.....	157
Right-of-Way Acquisition Program Fund, Schedule of Revenues, Expenditures and Changes In Fund Balance, Budget and Actual.....	159
Park Land Dedication Fund, Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual.....	160
Downtown Land Dedication Fund, Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual.....	161
Downtown Infrastructure Fund, Schedule of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual.....	162
Non-Major Enterprise Funds:	
Combining Statement of Net Position.....	163
Combining Statement of Revenues, Expenses and Changes in Net Position.....	164
Combining Statement of Cash Flows.....	165
Internal Service Funds:	
Combining Statement of Net Position.....	167
Combining Statement of Revenues, Expenses and Changes in Net Position.....	168
Combining Statement of Cash Flows.....	169
Pension Trust Funds:	
Combining Statement of Fiduciary Net Position.....	171
Combining Statement of Changes in Fiduciary Net Position.....	172

TABLE OF CONTENTS

Page #

STATISTICAL SECTION (Unaudited)

Financial Trends

Net Position by Component - Last Ten Fiscal Years.....	173
Changes in Net Position - Last Ten Fiscal Years	175
Fund Balances of Governmental Funds - Last Ten Fiscal Years.....	177
Changes in Fund Balances of Governmental Funds - Last Ten Fiscal Years.....	179

Revenue Capacity

Assessed Value and Estimated Actual Value of Taxable Property - Last Ten Years.....	181
Property Tax Rates - All Direct and Overlapping Governments - Last Ten Fiscal Years.....	183
Principal Property Taxpayers.....	184
Property Tax Levies and Collections - Last Ten Fiscal Years.....	185

Debt Capacity

Ratios of Outstanding Debt by Type - Last Ten Fiscal Years.....	186
Ratios of General Bonded Debt Outstanding - Last Ten Fiscal Years.....	188
Direct and Overlapping Governmental Activities Debt.....	189
Pledged-Revenue Coverage for Water and Sewer Revenue Bonds - Last Ten Fiscal Years	190
Pledged-Revenue Coverage for Special Assessment Bonds - Last Ten Fiscal Years.....	191
Pledged-Revenue Coverage for Tax Increment Revenue Refunding Bonds - Last Ten Fiscal Years.....	192
Pledged-Revenue Coverage for All Non Ad Valorem Revenue Bonds and Loans Payable - Last Ten Fiscal Years.....	193

Demographic/Economic

Demographic and Economic Statistics - Last Ten Fiscal Years	194
Principal Employers	195
Full-Time Employees by Function - Last Ten Fiscal Years.....	196

Operating Information

Operating Indicators by Function/Program - Last Ten Fiscal Years	197
Capital Asset Statistics by Function/Program - Last Ten Fiscal Years.....	199

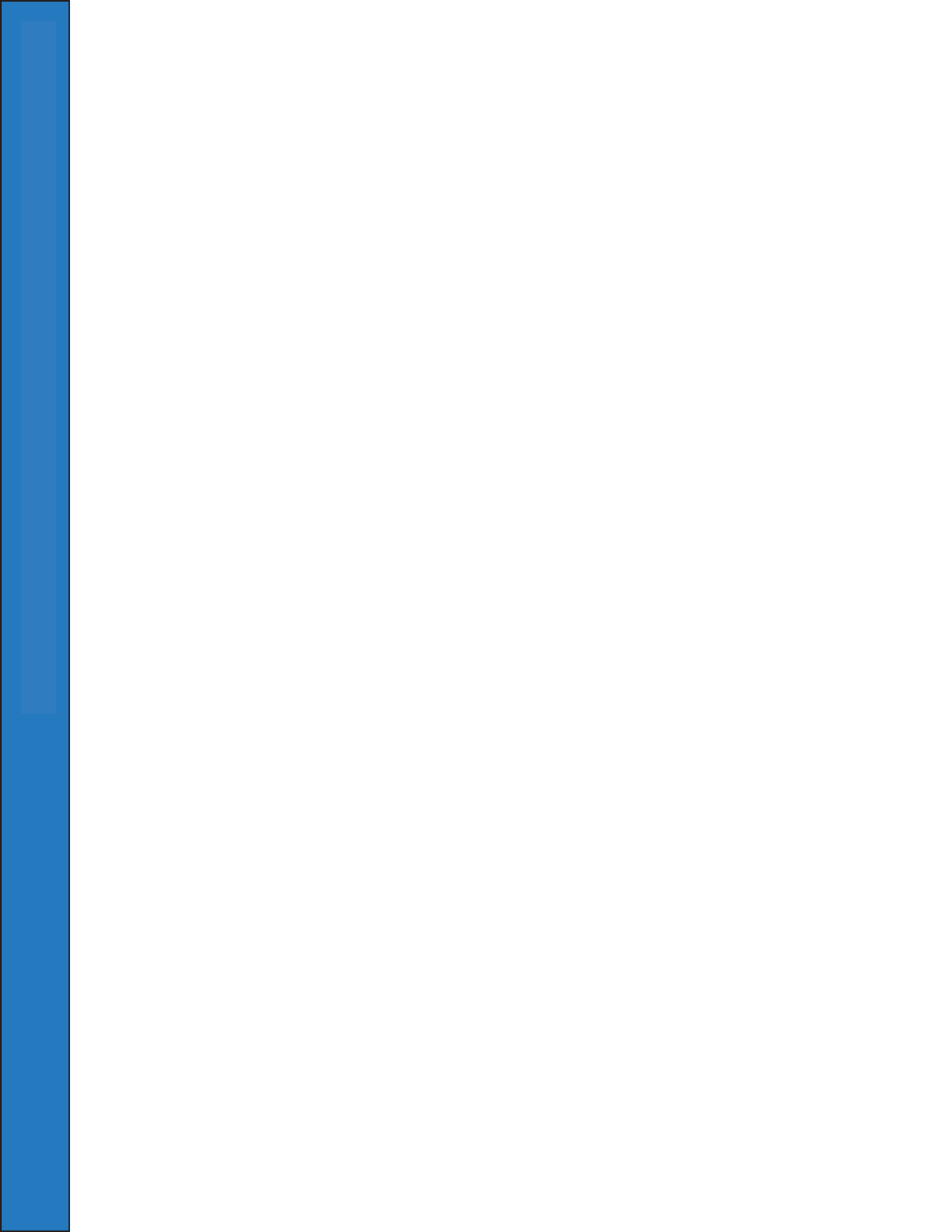
OTHER REPORTS AND SCHEDULES

Compliance Reports:

Report of Independent Certified Public Accountants 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.....	200
Independent Auditors' Report on Compliance for the Major Federal Program; Report on Internal Control over Compliance; And Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance.....	202
Schedule of Expenditures of Federal Awards	205
Note to Schedule of Expenditures of Federal Awards	206
Schedule of Findings and Questioned Costs.....	207
Management Letter in Accordance with the Rules of the Auditor General of the State of Florida.....	209
Independent Accountants' Report on Compliance Pursuant to Section 218.415 Florida Statutes.....	212



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March 29, 2021

To The Honorable Mayor,
Members of the City Council,
Citizens of the City of Boca Raton, Florida:

We are pleased to submit the Comprehensive Annual Financial Report of the City of Boca Raton, Florida (the City), for the fiscal year ended September 30, 2020.

This report provides the City Council, City staff, our citizens, our bondholders and other interested parties with detailed information concerning the financial condition and activities of the City government. State law requires that all general-purpose local governments annually publish a complete set of financial statements within nine months of the close of each fiscal year. The financial statements are presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards and government auditing standards by an independent auditing firm.

We believe that this report complies with these requirements and continues to present the City's strong tradition of full financial disclosure. This philosophy is reflected by the informative financial analysis provided by the City's Financial Services Department and the exhibits and statistical tables included herein.

The role of the financial report is to assist in making economic, social and political decisions and to assist in assessing accountability to the citizenry by:

- . Comparing actual financial results with the legally adopted budget, where appropriate;
- . Assessing financial condition and results of operations;
- . Assisting in determining compliance with finance related laws, rules and regulations;
and
- . Assisting in evaluating the efficiency and effectiveness of City operations

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the City.

We believe the data, as presented, is accurate in all material respects; that it is presented in a manner designed to present fairly the financial position and results of operations of the City; and that all disclosures necessary to enable the reader to gain an understanding of the City's financial activity have been included.

Marcum LLP, independent auditors, have issued unmodified opinions on the City of Boca Raton's financial statements for the fiscal year ended September 30, 2020. The independent auditors' report is located at the front of the financial section of this report.

The City's Financial Statements have been prepared using the reporting model in accordance with Governmental Accounting Standard Board (GASB) Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis (MD&A). MD&A immediately follows the independent auditors' report and provides a narrative introduction, overview and analysis of the basic financial statements. MD&A compliments the letter of transmittal and should be read in conjunction with it.

THE CITY OF BOCA RATON

Profile

Boca Raton is a full service City located on the south eastern coastline of Palm Beach County, Florida with a population of approximately 95,139.



The City derives its governmental authority from a charter granted by the Legislature of the State of Florida. In 1965, the Council-Manager form of government replaced the Commissioner- Manager system in Boca Raton. Four Council Members and a Mayor are elected at large on a non-partisan basis for three-year terms.

The City Council appoints the City Manager who is the Chief Administrative Officer of the City and directs the business of the City and its various departments. The City Council determines policy, adopts legislation, approves the City's budget, sets taxes and fees, and appoints the City Attorney and members of various boards and committees.

Services Provided

The City provides a full range of municipal services. The public safety program includes police, fire protection and rescue services; the City's extensive recreation program includes beaches, a pool, golf courses, libraries, tennis courts, neighborhood parks, and community centers; the Municipal Services Department provides essential traffic, facility and street maintenance, solid waste collection and storm water services as well as other technical assistance to the City; the Utility Services Department provides water and sewer services. The City's Development Services Department provides planning, zoning and building permit and inspection services and administers the City's Community Development Block Grants. The City also provides general administrative services.

Reporting Entity

This report includes all of the funds of the City. In addition to general government activities, the Community Redevelopment Agency (CRA) is included in the reporting entity. However, the Greater Boca Raton Beach and Park District, the Boca Raton Housing Authority and the Boca Raton Airport Authority do not meet the established criteria for inclusion in the reporting entity and, accordingly, are not included in this report.

Accounting and Internal Control

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

Single Audit

As a recipient of federal, state and county financial assistance, the City is also responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management.

The City is periodically required to undergo an annual single audit performed under the provisions of the U.S. Office of Management and Budget Compliance Supplement (Uniform Guidance) and the Rules of the Auditor General, State of Florida. The information related to the Single Audit, including the schedule of expenditure of federal awards and state projects, schedule of findings and questioned costs, and auditors' reports on the internal control over compliance and compliance with applicable laws and regulations are included in a separate report. This report disclosed no instances of material weaknesses in internal control over financial reporting and over compliance, or significant violations of applicable laws and regulations. The City was subject to an audit in accordance with the Uniform Guidance for the fiscal year ended September 30, 2020.

Budgetary Controls

In addition, the City maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City's governing body. In accordance with state laws the Approved Budget is posted on the City's website within 30 days of adoption. Activities of the General Fund, Special Revenue Funds, Debt Service Funds and Capital Project Funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the department (by fund) level. The City maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts lapse at year-end. However, encumbrances generally are re-appropriated as part of the following year's budget adoption. All expenditures for other than personnel services are controlled by a procurement system, which encumbers purchase orders against budgets prior to issuance to the vendors. Purchase orders are not issued until appropriations are made available.

Administrative budget transfers may occur upon approval of the City Manager as long as the department budget within a fund is not increased. Budget amendments are submitted quarterly to Council for their consideration and in accordance with state law are posted to the City's website within five days of adoption.

LOCAL ECONOMY

The City of Boca Raton provides a unique environment for business – a strong business environment, with economic resources and a well-educated and talented workforce, all within a community known for its high quality of life. Boca Raton is a rich blend of corporate and regional headquarters, small businesses, and innovative start-up companies. There are economic opportunities for all types of companies and businesses. Boca Raton has grown from a small agricultural and retirement community to a large regional employment center with one of the largest business concentrations in South Florida. In fact, Boca Raton is home to the largest single office complex in the state of Florida and more than half of the corporate headquarters in Palm Beach County call Boca Raton home. Boca Raton has easy access to road, rail, and air transportation. It is becoming a hub for technology, medical, financial, security and educational businesses, although many other business categories are represented in the City.

Boca Raton continues to face competition for new and existing national and regional corporate headquarters. The City continues to work with economic development agencies such as the State of Florida Department of Economic Opportunity, Palm Beach County, and the Palm Beach County Business Development Board to attract businesses to the City and to retain and promote the growth of existing businesses in the City. The City created and published multiple marketing pieces highlighting the economic development program and the benefits of Boca Raton. The marketing materials are available on the City's website at myboca.us.

The City continues to support and fund a strong Economic Development Incentive Program.



One of the primary components in the City's Economic Development Incentive Policy is to provide economic development incentives for companies seeking to relocate to the City or to expand their existing business within the City. Based on the criteria listed in the policy, including job creation and/or retention, capital investment and job salaries, the City can provide incentives through a number of different methods including providing the local match for state economic development programs, making grants and/or loans, and subsidizing rents and leases. It can also provide non-financial incentives such as expedited permitting. Through its Economic Development Incentive Policy, the City has committed \$5.8 million in long-term economic development incentives and has leveraged over

\$20 million in State and County incentives. This has resulted in a total of 10,956 jobs created or retained in the City.

In 2020, the city funded the City of Boca Raton Small Business Recovery Relief Grant Program. The Grant Program was designed to support local small retail, restaurant and retail service businesses that are located within the City and have experienced financial loss as a result of the COVID-19 public health emergency. The Grant Program provided eligible businesses (businesses that submitted an application and met the Grant Program criteria) were awarded one-time grants of up to \$5,000.



Major business centers within the City include the Boca Raton Innovation Campus (BRiC) which has 1.7 million square feet of corporate space; the Park at Broken Sound, formerly known as the Arvida Park of Commerce (APOC), which has over 5 million square feet of office space on its 700 acres; the Florida Atlantic University (FAU) Research Park, which is currently home to 20 companies; the Florida Atlantic University (FAU) Tech

Runway, which provides incubation and acceleration to start-up companies in its 28,000 square feet of collaborative space; and the Lynn University Social Impact Lab, which is an experiential learning space that provides social impact training, career preparation programs and networking opportunities with industry professionals.

Boca Raton remains a regional shopping and dining location and destination. The Town Center at Boca Raton recently completed its multimillion-dollar renovation. Town Center continues to expand its array of shopping and dining options and is considered the premier regional mall in South Florida. Other high-quality destination shopping and dining areas in the City include Boca Center, and the downtown areas of Mizner Park and Royal Palm Place.



The three schools of higher learning in the City - Florida Atlantic University (FAU), Lynn University and Palm Beach State College - all continue to have educational successes. Florida Atlantic University's Adams Center for Entrepreneurship has been ranked among the 2020 top



50 programs for entrepreneurship studies in both undergraduate and graduate programs by The Princeton Review. FAU is the only member of Florida's State University System to make both lists. The Adams Center counters traditional business programs, providing students with a unique academic experience by fostering revolutionary intellectual growth beyond conventional wisdom in the pursuit and creation of sustainable solutions to business and social problems. The center seeks to educate students for productive careers and citizenship by focusing on three program areas: cross-disciplinary academics, community outreach and venture creation from emerging technologies.

Lynn University's newest project, the Snyder Center for Health and Wellness, will raise the bar even higher. The \$5 million facility will provide state-of-the-art fitness spaces, multi-faceted health services and individual and group counseling support under one roof. Moreover, the nearly 20,000 square foot facility will create countless positive connections between the mind, body and spirit of both students and employees. Once completed, the facility will complement the nearby Christine E. Lynn University Center, the lively heart of the campus.

Additionally, almost all the public schools in the Boca Raton have received an "A" rating, the highest rating possible by the State of Florida, and there are a number of nationally known private schools operating within the City.

MAJOR INITIATIVES

For the Year

With goals and priorities of a financially sound City government, world class municipal services, vibrant and sustainable City and a strong partnership with community, the City continues to demonstrate its ability to be one of the most financially secure local governments in Florida. The COVID-19 pandemic created a new and complicated challenge for the City.

The City of Boca Raton Declared a State of Emergency on March 16, 2020 in response to the COVID19 pandemic. Prior to and since that time, the City has continued its efforts to mitigate and respond to the public health emergency. This response included efforts to protect the health and safety of the public as well as the employees responding to the emergency in line with State of Florida and Palm Beach County Executive Orders. While maintaining public safety and essential services, a significant effort has been made to follow and maintain the CDC guidelines by enhancing protocols for normal City operations, temporary facility closures, and postponing

or canceling events and activities that pose a threat to the public. The City of Boca Raton first responders have continued to maintain the Boca Raton level of service, while enhancing safety protocols to keep first responders safe.

As a response to the economic needs of the City businesses and residents the Mayor and City Council approved several economic stimulus programs which included a small and large business loan program and meal program. In addition, the City worked with Palm Beach County to administer CARES funding to residents in need of rental and utility payment assistance.

The City's taxable value is \$25.020 billion, making the City's taxable value the highest of any municipality in Palm Beach County and the fourth highest in the three South Florida counties behind Miami, Miami Beach and Ft. Lauderdale.

In 2017, Palm Beach County voters approved a one cent sales surtax to fund infrastructure improvements throughout the county for ten years. The City of Boca Raton received \$24.0 million for infrastructure projects through September 30, 2020. The first major project was completed in February 2020. The City celebrated the grand opening of the Hillsboro El Rio Park South on February 22, 2020. Development of Hillsboro El Rio Park South officially started in February 2019 after a renewed commitment was made to enhance activities along the City's waterfront park sites as a precursor to the development and review of the Waterfront Master Plan.



Located on the south side of SW 18th Street between Dixie Highway and the El Rio Canal, the 14-acre site is the newest city park. The project cost approximately \$7.8 million. The revitalized park features walking, jogging path with a fitness station, a playground, basketball court, pickleball courts, a sand volleyball court, tennis courts, picnic pavilions, a soft launch area for canoes, kayaks and paddle boards into the El Rio Canal, and parking and restroom facilities.

The reconstruction of Fire Station No. 6 was also included in the project list for infrastructure improvements. Fire Station No. 6 was originally designed and built at 1901 Clint Moore Road in 1986. The structure was approximately 5,168 square feet situated on 1.05 acres with easement constraints. The portfolio of fire stations in the City have been brought up to modern standards with the exception of this structure which lacks dormitory facilities, medical decontamination room, protective clothing storage, laundry room and an adequate fitness area. The apparatus bay cannot house a standard 4 door cab medical transport unit. The City has demolished the existing building and is constructing a new fire station within the same footprint. The City contracted with Currie Sowards Aguila Architects for design services. The station will be completed and occupied in 2021.



Additional projects the City has earmarked for these funds include street pavement projects, recreation park construction, and other relevant projects. Revenue and expenditures that are part of the Infrastructure Sales Tax initiative are reported in a separate fund in the City's financial statements. Expenditures are reviewed by a Citizens Oversight Committee. The Citizens Oversight Committee provides a report to City Council annually.



The City continues to move forward with several projects that involve the master planning of City facilities. The first is the Waterfront Master Plan, which provided an analysis of the use of the City's waterfront parks (those along the Intracoastal Waterway and the Atlantic Ocean) and recommendations for improvements and modifications that would facilitate better utilization of the parks. Wildflower Park and the adjacent Silver Palm Park will be redeveloped into one integrated waterfront park. Construction on this project kicked off in the fall of 2020. New amenities are expected to

include walkways, terraced steps/seating, an event lawn, interactive art/play/water features, and an event pavilion with a plaza.

In late 2018, the City of Boca Raton received a letter from the United States Army Corps of Engineers (USACE), a Division of the Department of the Army, indicating that the City's North Boca Raton Beach Project Area was eligible for Flood Control and Coastal Emergencies (FCCE) assistance due to the impacts caused by the passing of Hurricane Irma. The construction of the North Boca Raton Beach Renourishment Project replenished the beach sand lost from the passing of Hurricane Irma, as well as material that had naturally eroded away since the construction of the 2014 project. The project commenced in early March 2020 and was completed in April 2020. The project placed over 550,000 cubic yards of sand along a 1.45 mile project area. The construction costs associated with this project were 100% federally funded.



In the past year, the Boca Raton Community Redevelopment (CRA) has worked to continue the vision of Downtown Boca – where residents, visitors and businesses are engaged in a vibrant and thriving environment. A place where they can come early, stay late, and enjoy all activities, attractions and services the downtown has to offer – dining, shopping, living, culture, nightlife, business and recreation. For this year, that included creating COVID-19 safety related “Welcome Back Downtown Boca” Campaign with pavement markers, and promoting a “Downtown Boca To Go” program along with virtual walking tours and continuous updates on business openings and changes in support of Downtown Businesses.

The 2019-2020 fiscal year included numerous activities and achievements in furthering the goals of the CRA, driving engagement, supporting business and community placemaking. In addition, the CRA coordinated efforts with Municipal Services ensuring elements related to pedestrian safety and mid-block crosswalks were tested and implemented. The CRA and Municipal services also collaborated on decorative street lighting designs and enhancements for the Downtown that will be completed in the coming years. The second phase of the Wayfinding Signage Program, which included vehicular signs for significant downtown destinations was permitted by the County and Federal agencies. Installation of these in-ground wayfinding signs started during the fiscal year. Finally, the CRA was the recipient of the Florida Redevelopment Association's 2020 Roy F. Kenzie Award for Sanborn Square Community Engagement & Placemaking project. This project implemented a public engagement and placemaking program in Sanborn Square, which included a new bistro table and chair seating area, shade umbrellas, a corn hole game and enhanced festoon lighting; such efforts added to safety and security measures and activated a somewhat underutilized public space.

For the Future

The City recognizes that a successful downtown is a critical component for Boca Raton. To be successful, downtown Boca Raton must develop a sense of place, the public and private sector must work together with a common goal, public funds need to be wisely invested and new development should provide pedestrian connections to the overall downtown.

Through the recent economic downturn, Boca Raton has maintained its strong financial position through prudent long-term financial planning and fiscal actions to reduce or contain fixed costs.

For the 2020 fiscal year, the City approved a slight increase in operating tax rate of \$3.4793 per \$1,000. The City's 2020 debt service tax rate decreased 4.91% to \$0.1994 per \$1,000 based upon voter approved bond issues. The increase in the operating tax rate was completely offset by the decrease in debt service tax rate.

The Florida Legislature is again considering various proposals relating to local government financial transparency, building permits and related activities, impact fees, home rule, and various other proposals. Potential legislation could have a significant impact on a local government's ability to maintain and or improve services to residents. The City is carefully monitoring these initiatives and their future impact on the City's ability to function at its present level.

LONG RANGE FINANCIAL PLANNING

The City Council has adopted financial policies for operating, capital and debt management. Management has made every effort to comply with these policies and we believe that we are in compliance with the adopted policies. A long-range financial plan is presented to the City Council annually in the spring. However, this presentation was canceled last year due to Covid 19. This document forecasts the General Fund and several other fund operations for the next five years and is used to guide the development of the annual operating budget and to support the long-term goal of a financially sound city.

The Capital Improvements Program (CIP) is prepared and presented to the City Council as part of the annual budget process. The projects represent the City's plan for infrastructure improvement and major equipment acquisition for the next six years.

The approved CIP also includes funding for Wastewater Upgrades, Replacements and Expansion, Police Services Facilities, and Beach Restoration.

OTHER INFORMATION

Independent Audit

The City Charter, Article 3, Section II, requires an annual audit of the City's financial statements by independent accountants selected by the City Council. This requirement has been complied with and the independent auditors' report is included in the financial section of this report.

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 the City of Boca Raton, Florida for its comprehensive annual financial report for the fiscal year ended September

30, 2019. This was the 40th consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a governmental unit 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. We believe our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

Award for Distinguished Budget

The City received the GFOA Award for the Distinguished Budget Presentation for the City budget for the fiscal year ended September 30, 2020. It was the 38th consecutive year the City received the award for the document, which serves as the City's primary fiscal policy document.

ACKNOWLEDGEMENTS

The completion and issuance of this report could not have been accomplished without the dedicated efforts of the entire staff of the Financial Services Department. Special thanks must be given to Carlisha Jenkins, Cormac Conahan, Shari Mello, Kamilah Pinkston, Judy Fleurimond, Luciana Teixeira, and Jean-Michel Neault for their dedication in the creation and compilation of this document. Our appreciation is also extended to Stephanie Biagini, Shannon Estremera, Lynn Kunkel, Stephen Timberlake, Jerry Nickell, Ralph Ryan, George Brown, Michael Woika, Sharon McGuire, Jessica Del Vecchio, Nicole Gasparri, Leslie Harmon and Zachary Bihr for providing support in the preparation of this report. Credit must also be given to the City Council and City Management for their commitment to support sound fiscal management practices with an emphasis on long-term financial stability and sustainability.

We believe that this report clearly illustrates the strong financial posture of the City of Boca Raton and we wish to take this opportunity to thank you and the citizens of Boca Raton for the vital role you have historically played in enabling the City to achieve and maintain this high degree of fiscal responsibility.

Respectfully yours,

A handwritten signature in cursive script that reads "Linda C. Davidson".

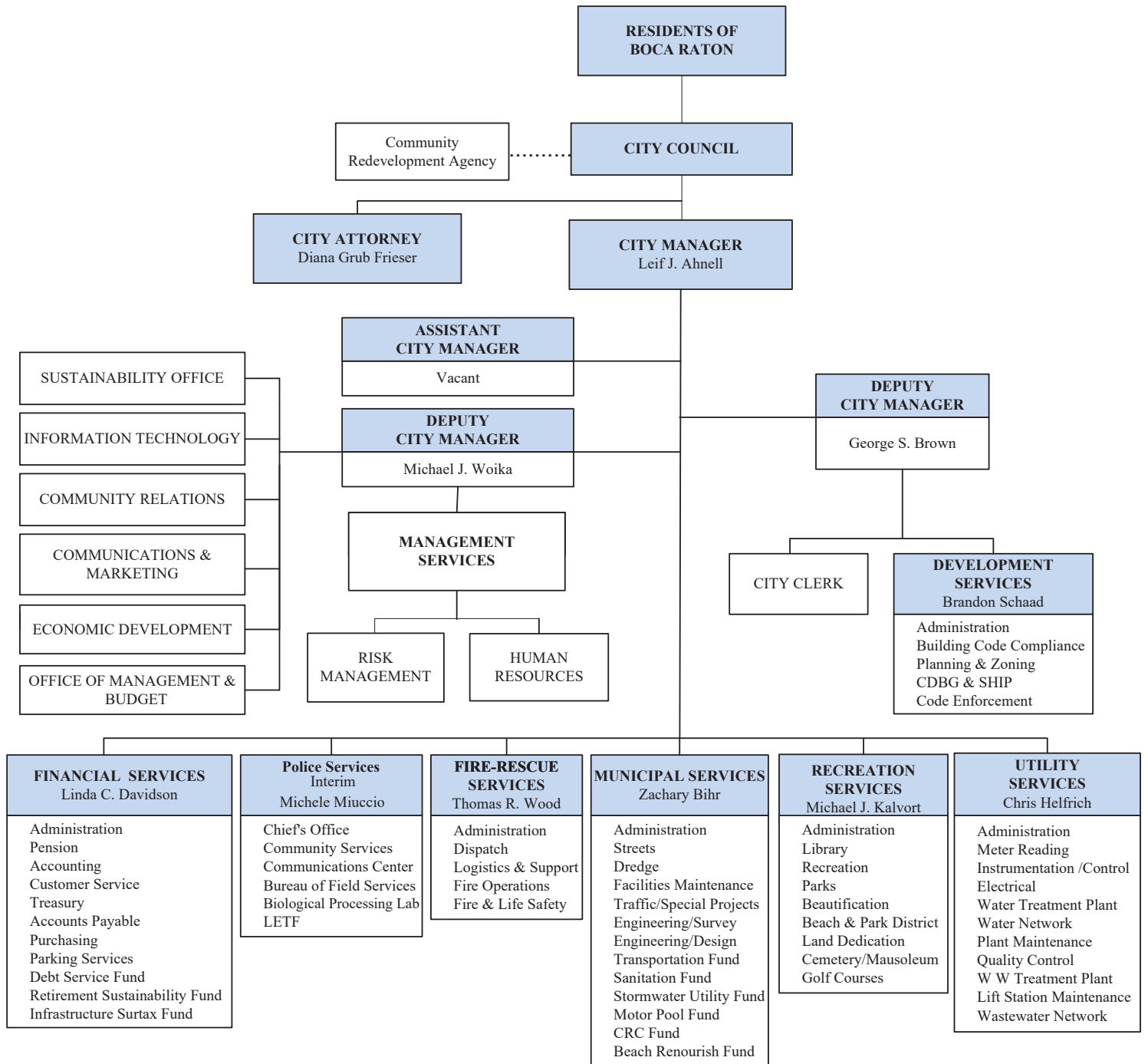
Linda C. Davidson, C.P.A., C.G.F.O.

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LIST OF PRINCIPAL OFFICIALS
September 30, 2020

Mayor	Scott Singer
Deputy Mayor	Jeremy Rodgers
Council Member	Andrea Levine O'Rourke
Council Member	Monica Mayotte
Council Member	Andy Thomson
City Manager	Leif J. Ahnell
Deputy City Manager	George S. Brown
Deputy City Manager	Michael J. Woika
City Attorney	Diana Grub Frieser
City Clerk	Susan S. Saxton
Development Services Director	Brandon Schaad
Financial Services Director	Linda C. Davidson
Fire/Rescue Services Chief	Thomas R. Wood
Recreation Services Director	Michael J. Kalvort
Police Services Chief	Michele Miuccio
Utility Services Director	Chris Helfrich
Municipal Services Director	Zachary Bihr
Office of Management and Budget Director	Sharon McGuire
Information Technology Director	Sandra Stevens
Human Resources Director	Danielle Olson

CITY OF BOCA RATON ORGANIZATIONAL STRUCTURE



INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor, City Council and City Manager
City of Boca Raton, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Boca Raton, Florida, (the City), as of and for the fiscal year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the Schedules of Changes in Net Pension Liability and Related Ratios, the Schedules of Employer Contributions, the Schedule of Changes in Total OPEB Liability and Related Ratios, the budgetary comparison schedules and related notes on pages 1-14 and 114-133 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 29, 2021 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Marcum LLP

West Palm Beach, FL
March 29, 2021

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Management's Discussion and Analysis (Unaudited)

The purpose of financial reporting, in general, is to provide the readers of the financial statements with information that will help them make decisions or draw conclusions about an entity. As management of the City of Boca Raton, 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, 2020. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

Financial Highlights

- The assets plus deferred outflows of resources of the City exceeded its liabilities plus deferred inflows of resources at the close of the most recent fiscal year by \$918.534 million (net position). Of this amount, \$177.244 million (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 \$318.368 thousand which was attributable to a decrease in general revenues in the governmental activities of \$8.878 million and an increase in operating revenues for the business-type activities of \$9.195 million, primarily in water and sewer operations.
- The City's business-type activities reported total net position of \$428.181 million, which is an increase of \$9.195 million, or 2.2%, in comparison to the prior year. Approximately 31.28% of the total or \$133.956 million is unrestricted and thus available for spending at the City's discretion.
- At the end of the current fiscal year, fund balance for the General Fund was \$72.401 million, or 40.77% of the general fund expenditures and other financing uses. Of this balance, \$344 thousand was non-spendable for inventories and an advance to the Golf Course Fund, \$170 thousand was restricted for the Army Corp of Engineers for an overflow site in the event of emergency dredging of the Intracoastal Waterway, \$9.230 million was restricted for Building Permits, \$18.729 million was committed for hurricane/disaster emergency and Right of Way Beautification, \$6.964 million was assigned for the subsequent years' budget and \$36.964 million was unassigned.
- As a result of decisions made by the United States Federal Reserve regarding target rates, interest rates decreased by a considerable margin this past fiscal year, resulting in a moderate decrease in interest earnings for the City. The City's blended average portfolio yield decreased from 2.25% in 2019 to 1.61% in 2020.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains required and other supplementary information in addition to the basic financial statements.

Government-Wide Financial Statements

The focus of the *government-wide financial statements* is on the overall financial position and activities of the City of Boca Raton. Reporting is similar to that of a private-sector business. The City's government-wide financial statements include the statement of net position and statement of activities. As described below, these statements do not include the City's fiduciary funds because resources of these funds cannot be used to finance the City's activities. However, the financial statements of fiduciary funds are included in the City's fund financial statements, because the City is financially accountable for those resources, even though they belong to other parties.

The *Statement of Net Position* presents financial and capital resources of the City. Assets and deferred outflows of resources; and liabilities and deferred inflows of resources are presented, with the net of these reported as net position. For example, the City reports buildings and infrastructure as assets, even though they are not available to pay the obligations incurred by the City. On the other hand, the City reports liabilities even though these liabilities might not be paid until several years into the future.

Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. Although the purpose of the City is not to accumulate net position, in general, as this amount increases it indicates that the financial position of the City is improving over time.

The *Statement of Activities* presents the revenues and expenses of the City. The items presented on the statement of activities are measured in a manner similar to the approach used in the private-sector in that revenues are recognized when earned and expenses are reported when incurred. Accordingly, revenues are reported even when they may not be collected for several months after the end of the accounting period and expenses are recorded even though they may not have used cash during the current period.

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, law enforcement, fire rescue, physical environment, transportation, community development and parks and recreation. The business-type activities include water and sewer utility, cemetery/mausoleum, golf course, stormwater utility, and sanitation.

The City's government-wide financial statements are presented on pages 15-17 of this report.

Fund Financial Statements

Unlike government-wide financial statements, the focus of fund financial statements is directed to specific activities of the City rather than the City as a whole. Except for the General Fund, separate funds are established to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary (pension) funds.

Governmental Funds

Governmental fund financial statements consist of a balance sheet and statement of revenues, expenditures, and change in fund balances. These statements are prepared on an accounting basis that is significantly different from that used to prepare the government-wide financial statements.

In general, these financial statements have a short-term emphasis and, for the most part, measure and account for cash and other assets that can easily be converted to cash. For example, amounts reported on the balance sheet include items such as cash and receivables collectible within a short period of time, but do not include capital assets such as land and buildings. Fund liabilities include amounts that are to be paid within a short period of time after the end of the fiscal year. Additionally, included on the balance sheet are the City's deferred inflows and deferred outflows of resources. The difference between a fund's total assets and deferred outflows and the fund's total liabilities and deferred inflows is labeled as the fund balance, and generally indicates the amount that can be used to finance the next fiscal year's activities. The operating statement for governmental funds reports only those revenues and expenditures that were collected or paid during the current period or very shortly after the end of the year.

For the most part, the balances and activities accounted for in governmental funds are also reported in the governmental activities columns of the government-wide financial statements. However, because a different accounting basis is used to prepare the fund financial statements and the government-wide financial statements, there are often significant differences between the totals presented. For this reason, there is an analysis after the balance sheet that reconciles the total fund balances to the amount of net position presented in the governmental activities column on the statement of net position. Also, there is an analysis after the statement of revenues, expenditures, and changes in fund balances that reconciles the total change in fund balances for all governmental funds to the change in net position as reported in the governmental activities column in the statement of activities.

The City maintains twenty-four individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statements of revenues, expenditures, and changes in fund balances for the major funds which are the General Fund, Community Redevelopment Agency Operating Fund, the Five Year Capital Improvement Fund and the Beach and Park Operations Fund. The City presents data from all other non-major governmental funds in a single column (non-major funds). 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's governmental fund financial statements are presented on pages 18-23.

Proprietary Funds

Proprietary fund financial statements consist of a statement of net position, a statement of revenues, expenses, and changes in net position and a statement of cash flows. These statements are prepared on an accounting basis that is similar to the basis used to prepare the government-wide financial statements. For financial reporting purposes, proprietary funds are grouped into Enterprise Funds and Internal Service Funds.

The City uses Enterprise Funds to account for business-type activities that charge fees to customers for the use of specific goods or services. These funds are used to report the same functions presented as business-type activities in the government-wide financial

statements. Internal Service funds are used to account for services provided and billed on an internal basis. The City uses Internal Service Funds to account for its fleet of vehicles, information technology systems and self-insurance/benefit 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 presents a separate column for the Water and Sewer Utility Fund since it is most significant to the City. The remaining four non-major enterprise funds are aggregated and reported in a single column. Internal Service Funds are aggregated and presented in a single column. A statement of cash flows is presented at the fund financial statement level for proprietary funds, but no equivalent statement is presented in the government-wide financial statements for either governmental activities or business-type activities.

The City's proprietary fund financial statements are presented on pages 24-28.

Fiduciary Funds

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. Fiduciary financial statements consist of a statement of fiduciary net position and a statement of changes in fiduciary net position.

The City's fiduciary fund financial statements are presented on pages 29-30.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 31-113.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City's progress in funding its obligation to provide pension benefits to its employees as well as other post employment benefits. This section also includes a comparison between the City's adopted and final budget and actual financial results. The City adopts an annual appropriated budget for its governmental funds. A budgetary comparison schedule has been provided for the general fund and for the major special revenue funds to demonstrate compliance with this budget.

Required supplementary information can be found on pages 114-133.

Combining and individual fund statements and schedules referred to earlier in connection with major and non-major governmental funds and proprietary funds are presented immediately following the required supplementary information and can be found on pages 134-172 of this report.

Government-Wide Financial Analysis

The following schedule is a summary of the fiscal 2020 Statement of Net Position found on pages 15-16 with comparative information for fiscal 2019.

CITY OF BOCA RATON, FLORIDA						
Net Position (in thousands)						
	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Current and other assets	\$ 329,970	\$ 329,847	\$ 199,017	\$ 194,181	\$ 528,987	\$ 524,028
Capital assets	379,682	379,464	263,935	257,146	643,617	636,610
Total assets	709,652	709,311	462,952	451,327	1,172,604	1,160,638
Deferred outflows	64,673	51,459	5,173	4,098	69,846	55,557
Current liabilities	21,938	24,750	13,186	9,377	35,124	34,127
Bonds and loans payable	47,997	57,440	14,595	18,162	62,592	75,602
Other non-current liabilities	201,648	164,950	10,121	6,983	211,769	171,933
Total liabilities	271,583	247,140	37,902	34,522	309,485	281,662
Deferred inflows	12,390	14,399	2,042	1,917	14,432	16,316
Net investment in capital assets	352,856	339,885	249,111	239,614	601,967	579,499
Restricted net position	94,209	109,664	45,114	59,222	139,323	168,886
Unrestricted net position	43,288	49,682	133,956	120,150	177,244	169,832
Total net position	\$ 490,353	\$ 499,231	\$ 428,181	\$ 418,986	\$ 918,534	\$ 918,217

The overall position of the City increased during the 2020 fiscal year. Changes in net position over time can be one of the best and most useful indicators of financial position. The net increase of \$318 thousand is attributable to a decrease in general revenues in the governmental activities of \$8.878 million and an increase in operating revenues for the business-type activities of \$9.195 million.

Deferred outflows increased by \$14.289 million mostly due to demographic gains and losses used in the calculation of the net pension liability for the retirement plans.

By far, the largest portion of the City's net position (66%) reflect its investment in capital assets (such as land, roads, parks, buildings, machinery and equipment) less any related outstanding debt and deferred outflows used to acquire those assets. Although the capital assets are shown net of 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 and pay for these liabilities. With a 2020 balance of \$601.968 million, net investment in capital assets increased by 4%, or \$22.469 million, from the 2019 balance of \$579.499 million. Acquisitions amounts were out paced by depreciation expenses, resulting in a slight net increase to the net investment in capital assets.

15% of the City's net position represents resources that are subject to external restrictions on how they may be used. The \$139.323 million ending balance in restricted net position reflects a net decrease of \$29.563 million less than the 2019 balance of \$168.886 million.

The remaining 19% of the City's net position is unrestricted and may be used to meet the City's on-going obligations to its citizens and creditors. The ending balance of \$177.244 million or \$7.412 million, a decrease from the 2019 balance of \$169.832 million. This decrease in unrestricted net position was the result of operations primarily in the governmental activities.

The following schedule is a summary of the fiscal year ended September 30, 2020 Statement of Activities found on page 17 with comparative information for the fiscal year ended September 30, 2019:

CITY OF BOCA RATON, FLORIDA						
Changes in Net Position (in thousands)						
	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Revenues:						
Program revenues:						
Charges for services	\$ 67,184	\$ 74,361	\$ 74,807	\$ 74,107	\$ 141,991	\$ 148,468
Operating grants & contributions	19,131	13,680			19,131	13,680
Capital grants & contributions	1,670	1,910	3,489	5,834	5,159	7,744
General revenues:						
Property taxes	88,550	84,781			88,550	84,781
Other taxes	64,365	65,386			64,365	65,386
Other	9,083	11,570	3,084	5,480	12,167	17,050
Total revenues	<u>249,983</u>	<u>251,688</u>	<u>81,380</u>	<u>85,421</u>	<u>331,363</u>	<u>337,109</u>
Expenses:						
General government	69,844	39,341			69,844	39,341
Law enforcement	54,068	49,727			54,068	49,727
Fire rescue	54,266	49,475			54,266	49,475
Physical environment	5,406	5,222			5,406	5,222
Transportation	14,215	31,725			14,215	31,725
Community development	15,876	13,517			15,876	13,517
Parks and recreation	43,243	46,220			43,243	46,220
Interest and fiscal charges	1,589	1,719			1,589	1,719
Water and sewer			57,576	53,646	57,576	53,646
Cemetery			1,028	652	1,028	652
Golf course			3,100	2,843	3,100	2,843
Stormwater utility			2,848	3,396	2,848	3,396
Sanitation			7,987	7,829	7,987	7,829
Total expenses	<u>258,507</u>	<u>236,946</u>	<u>72,539</u>	<u>68,366</u>	<u>331,046</u>	<u>305,312</u>
Increase in net position before transfers	(8,524)	14,742	8,841	17,055	317	31,797
Transfers	(354)	(593)	354	593	-	-
Increase in net position	<u>(8,878)</u>	<u>14,149</u>	<u>9,195</u>	<u>17,648</u>	<u>317</u>	<u>31,797</u>
Net position beginning	<u>499,231</u>	<u>485,082</u>	<u>418,986</u>	<u>401,338</u>	<u>918,217</u>	<u>886,420</u>
Net position end of year	<u>\$ 490,353</u>	<u>\$ 499,231</u>	<u>\$ 428,181</u>	<u>\$ 418,986</u>	<u>\$ 918,534</u>	<u>\$ 918,217</u>

Changes in net position:

Governmental activities decreased the City's net position by \$8.878 million, a decrease of \$23.027 million compared to fiscal year 2019. This decrease in change in net position is a result of the following:

- Property tax revenue increased by approximately \$3.769 million due to an increase in new construction and property tax values.
- Operating grants and contributions received by the City increased by approximately \$5.451 million and capital grants and contributions decreased by \$240 thousand relating to hurricane events.
- Charges for services decreased by \$7.177. This decrease is related to the closure of city facilities and cancellation of program activities and events related to COVID 19 pandemic.
- Other taxes decreased by \$1.021 million this decrease was primarily related to facility closures due to COVID-19.
- Expenses during 2020 increased by approximately \$21.561 million from 2019 primarily as a result of general government, law enforcement and community development activities.

The following is a table of the fiscal years 2020 and 2019 revenues by source for governmental activities.

**Governmental Activities
Revenues by Source
FY 2020 and 2019
(in millions of dollars)**

Revenues by Source	2020 Revenues	% of Revenues	2019 Revenues	% of Revenues
Property taxes	\$ 88.550	34	\$ 84.781	33
Other taxes	64.365	26	65.386	26
Charges for services	67.184	27	74.361	30
Operating grants & Contributions	19.131	8	13.680	5
Capital grants & Contributions	1.670	1	1.910	1
Other	9.083	4	11.570	5
Total Revenues	\$ 249.983	100	\$ 251.688	100

The following is a table of the fiscal years 2020 and 2019 expenses by source for governmental activities.

**Governmental Activities
Expenses by Source
FY 2020 and 2019
(in millions of dollars)**

Expenses by Source	2020 Expenses	% of Expenses	2019 Expenses	% of Expenses
General Government	\$ 69.844	27	\$ 39.341	17
Law Enforcement	54.068	21	49.727	21
Fire Rescue	54.266	21	49.475	21
Physical Environment	5.406	2	5.222	2
Transportation	14.215	5	31.725	13
Community Development	15.876	6	13.517	6
Parks & Recreation	43.243	16	46.220	19
Interest & Fiscal Charges	1.589	1	1.719	1
Total Expenses	\$ 258.507	100	\$ 236.946	100

Business-Type Activities

Net position for business-type activities at September 30, 2020 was \$428.181 million, a 2.19%, or \$9.195 million, increase from the 2019 balance of \$418.986 million.

The change in net position for the Water and Sewer Fund was \$7.620 million in 2020, a 55.98%, or \$9.692 million, decrease from the \$17.312 million reported in 2019.

The following tables show the revenues, expenses and net position for the business-type activities by source for the fiscal year ended September 30, 2020.

**Business-Type Activities
Revenues by Source
FY 2020 and 2019
(in millions of dollars)**

Fund	2020 Revenues	% of Revenues	2019 Revenues	% of Revenues
Water and sewer	\$ 65.196	80	\$ 70.959	83
Cemetery	0.329	1	0.987	1
Golf course	2.673	3	2.775	3
Stormwater	3.179	4	2.935	3
Sanitation	10.002	12	8.358	10
Total Revenues	\$ 81.380	100	\$ 86.014	100

**Business-Type Activities
Expenses by Source
FY 2020 and 2019
(in millions of dollars)**

Fund	2020 Actual Expenses	2020 % of Expenses	2019 Actual Expenses	2019 % of Expenses
Water and sewer	\$ 57.576	80	\$ 53.646	79
Cemetery	1.028	1	0.652	1
Golf course	3.100	4	2.843	4
Stormwater	2.848	4	3.396	5
Sanitation	7.987	11	7.829	11
Total Expenses	\$ 72.539	100	\$ 68.366	100

**Business-Type Activities
Net Position by Source
FY 2020 and FY 2019
(in millions of dollars)**

Fund	2020	2019
Water and sewer	\$ 390.962	\$ 383.342
Cemetery	1.155	1.500
Golf course	1.746	2.173
Stormwater	19.549	19.218
Sanitation	14.769	12.753
Total net position	\$ 428.181	\$ 418.986

Financial Analysis of the City of Boca Raton's Funds

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

Governmental Funds

The fund financial statements for the governmental funds are provided on pages 18-23. 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.

Major Fund Information (in thousands)

	General Fund	Community Redevelopment Agency Mizner Park Operating Fund	Five Year Capital Improvement Fund	Infrastructure Surtax Fund	Beach and Park Operations Fund
Fiscal Year 2020					
Revenues	\$ 186,329	\$ 16,454	\$ 9,424	\$ 6,860	\$ 16,486
Expenditures	(175,720)	(15,134)	(5,822)	(12,114)	(16,486)
Other financing sources (uses)	(1,852)	5,694	(2,756)	(3,199)	-
Increase (decrease) in fund balance	<u>\$ 8,757</u>	<u>\$ 7,014</u>	<u>\$ 846</u>	<u>\$ (8,453)</u>	<u>\$ -</u>
Fiscal Year 2019					
Revenues	\$ 180,382	\$ 1,672	\$ 10,909	\$ 7,202	\$ 19,096
Expenditures	(167,121)	(2,541)	(6,413)	(8,070)	18,921
Other financing sources (uses)	2,152	1,550	(3,257)	19,899	(175)
Increase (decrease) in fund balance	<u>\$ 15,412</u>	<u>\$ 681</u>	<u>\$ 1,239</u>	<u>\$ 19,031</u>	<u>\$ -</u>

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, the fund balance in the General Fund was \$72.401 million, of which \$36.964 million or 51.1% was unassigned fund balance. 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 general fund expenditures and other financing uses. Unassigned fund balance represents 20.8% of total general fund expenditures and other financing uses, while total fund balance represents 40.8% of that same amount.

The fund balance of the City's General Fund increased by \$8.757 million in 2020, which is \$6.655 million decrease in net position from the 2019 net position increase of \$15.412 million. This decrease was due primarily to declines in state shared revenues and program revenues due to COVID-19.

The fund balance of the City's Community Redevelopment Agency (CRA) Mizner Park Operating Fund increased by \$7.014 million in 2020, a \$6.334 million increase from the 2019 change in net position. Revenues increased by \$14.782 million while expenditures increased by \$12.592 million. Other financing uses increased by \$4.144 million due to the elimination of the Community Redevelopment Agency Mizner Park revenue fund and a transfer to the CRA operating fund.

The fund balance of the City's Five Year Capital Improvement Fund decreased by \$0.846 thousand, a \$393 thousand decrease from the 2019 change in net position primarily from increased spending on transportation and capital outlay projects.

The Beach and Park Operations Fund decreased contributions from an independent special district by \$1.766 million. This decrease relates to increases in the district's operating and capital costs; the City provides services to the special district through several interlocal agreements.

The fund balance for the Infrastructure Surtax Fund decreased by \$8.453 million a \$27.484 million decrease from the 2019 change in net position.

The fund balance in the other non-major governmental funds decreased by \$5.521 million, a \$2.411 million decrease from the 2019 change in net position.

The following table compares revenues by source for the governmental funds for fiscal years 2020 and 2019.

**Governmental Funds
Revenues by Source
FY 2020 and 2019
(in millions of dollars)**

Revenues by Source	2020 Revenues	2019 Revenues
Taxes	\$ 145.896	\$ 142.745
Permits & Licenses	14.938	16.632
Intergovernmental	46.945	44.054
Charges for services	32.819	35.741
Fines & forfeitures	1.218	1.616
Special assessments	1.531	1.548
Donations in lieu of land	1.641	1.787
Investment earnings	3.833	5.122
Miscellaneous	0.690	0.555
Total Revenues	\$ 249.511	\$ 249.800

The following table compares governmental expenditures by program for fiscal years 2020 and 2019.

Expenditures by Program	2020 Expenditures	2019 Expenditures
General government	\$ 30.099	\$ 29.450
Law enforcement	53.781	50.203
Fire rescue	54.102	50.792
Physical environment	5.400	5.206
Transportation	15.556	14.613
Community development	16.733	13.873
Parks and recreation	42.430	42.649
Capital outlay	12.786	10.910
Debt service	10.998	14.593
Total expenditures	\$ 241.885	\$ 232.289

Proprietary Funds

The table below summarizes both the operating income (loss) and the change in net position for each of the City's proprietary funds.

The current year operating income for the business-type activities was \$2.764

million as compared with \$5.939 million in the previous year. The current year change in net position was \$9.195 million as compared with \$17.647 million in the previous year. The primary reason for the \$3.175 million decrease in operating income was due to decreased water and sewer revenues. The primary reason for the \$8.453 million decrease in the change in net position was due to \$10.731 million reduction in capital contributions for water and sewer, cemetery and golf course and increase of \$2.278 million in stormwater utility and sanitation earnings.

The current year operating loss for the internal service funds was \$0.337 million as compared with \$2.376 million in the previous year. The current year change in net position was \$6.193 million as compared with \$8.100 million in the previous year. The primary reason for the \$2.039 million decrease in operating loss was due to operating costs exceeding operating revenues for information technology, and self insurance funds. The primary reason for the \$1.907 million decrease in the change in net position was due to a reduction in transfers.

Fund Name	PROPRIETARY FUNDS			
	Operating Income (Loss) in thousands		Change in Net Position in thousands	
	2020	2019	2020	2019
Water and sewer	\$ 1,773	\$ 7,009	\$ 7,620	\$ 17,312
Cemetery / mausoleum	(724)	(273)	(345)	335
Golf course	(602)	(270)	(427)	(68)
Stormwater utility	169	(743)	331	(460)
Sanitation	2,147	217	2,016	529
Total business-type activities	<u>\$ 2,764</u>	<u>\$ 5,940</u>	<u>\$ 9,195</u>	<u>\$ 17,648</u>
Fleet management	362	(301)	2,770	2,720
Information technology	(2,603)	(2,471)	338	3,181
Insurance programs	(930)	(2,407)	(414)	(1,540)
Retirement sustainability	2,835	2,804	3,499	3,740
Total internal service funds	<u>\$ (337)</u>	<u>\$ (2,375)</u>	<u>\$ 6,193</u>	<u>\$ 8,101</u>

The following table summarizes the operations of the Proprietary Funds for fiscal years 2020 and 2019.

Proprietary Funds (in millions)						
Fund Name	Operating Revenues		Operating Expenses		Non Operating Revenues (Expenses)	
	2020	2019	2020	2019	2020	2019
Water and Sewer	\$ 59.001	\$ 59.706	\$ 57.228	\$ 52.696	\$ 5.847	\$ 10.303
Cemetery/ Mausoleum	0.304	0.378	1.028	0.652	0.379	0.609
Golf course	2.499	2.573	3.100	2.843	0.175	0.202
Stormwater utility	3.017	2.653	2.848	3.396	0.163	0.282
Sanitation	10.134	8.046	7.987	7.829	(0.132)	0.312
Total business-type activities	\$ 74.955	\$ 73.356	\$ 72.191	\$ 67.416	\$ 6.431	\$ 11.708
Fleet management	\$ 5.657	\$ 4.862	\$ 5.295	\$ 5.163	\$ 2.408	\$ 3.021
Information technology	11.218	9.487	13.821	11.958	2.941	5.653
Insurance programs	21.147	18.536	22.077	20.944	0.516	0.867
Retirement sustainability	6.299	6.287	3.464	3.484	0.664	0.936
Total internal service funds	\$ 44.321	\$ 39.172	\$ 44.657	\$ 41.549	\$ 6.529	\$ 10.477

General Fund Budgetary Highlights

The difference between the original and final amended budget for 2020 was an increase of \$13.766 million funded from unassigned fund balance related to increased operating costs for general government, public safety, physical environment, transportation and parks and recreation.

The City generated a positive variance of approximately \$30.174 million between the final adopted budget and actual results of operations. Actual revenues were greater than final budgeted revenues by \$5.233 million due to the receipt of \$5.4 million Federal Grant for Hurricane Irma relief approved last year. Actual expenditures during the year were less than final budgeted expenditures by \$24.942 million. This positive variance is due primarily to actual operating costs being less than anticipated; general government of \$4.129 million, public safety of \$3.435 million, physical environment of \$1.333 million, transportation of \$13.054 million, including \$12 million in funding for a new Brightline train station and parks and recreation of \$2.991 million.

The original budget estimated that unassigned fund balance would decrease by \$7.650 million. The final budget anticipated that \$21.416 million would be drawn down from available unassigned fund balance. During the year however, expenditures in most areas were below the budgetary estimates while revenues were greater than the budgetary estimates, producing a positive budget variance of \$30.174 million.

The following table depicts the fiscal year 2020 original and amended budgets, actual balance, as well as the budget variance.

Budgetary Comparison	Original Budget	Amended Budget	Actual Balance	Budget Variance Positive/(Negative)
Revenues	\$ 181.118	\$ 181.118	\$ 186.350	\$ 5.233
Expenditures	188.768	202.534	177.592	24.942
Fund Balance	\$ (7.650)	\$ (21.416)	\$ 8.758	\$ 30.174

Capital Assets and Debt Administration

Capital Assets

As of year-end, the City had \$643.617 million invested in a variety of capital assets, as reflected in the following schedule. In 2020, there was a net decrease (additions less retirements and depreciation) of \$7.006 million.

CITY OF BOCA RATON, FLORIDA Capital Assets Net of Depreciation and Amortization (in thousands)						
	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Land	\$ 138,136	\$ 138,136	\$ 2,805	\$ 833	\$ 140,941	\$ 138,969
Utility Plant in Service			191,656	190,038	191,656	190,038
Buildings	46,987	48,498	384	442	47,371	48,940
Improvements other than Buildings	24,452	26,301	10,108	12,629	34,560	38,930
Equipment	20,149	21,297	35,403	35,252	55,552	56,549
Infrastructure	127,718	135,800			127,718	135,800
Construction in Progress	22,240	9,432	23,579	17,952	45,819	27,384
Total	\$ 379,682	\$ 379,464	\$ 263,935	\$ 257,146	\$ 643,617	\$ 636,610

Major capital asset events during the fiscal year included:

- Capital projects under construction increased by \$18.435 million.

Additional information can be found in Note 6 Capital Assets on pages 65-67.

Debt Administration

As of year-end, the City had \$61.980 million in debt (bonds, notes, etc.) outstanding compared to the \$74.680 million last year, a 17.0% decrease (considering debt issuance). Approximately 15% of the outstanding debt for fiscal year 2020 was backed by the full faith and credit of the government and the balance was secured by various revenue sources.

CITY OF BOCA RATON, FLORIDA Bonded Debt and Loans Payable (in thousands)						
	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
General Obligation Bonds	\$ 9,065	\$ 13,325			\$ 9,065	\$ 13,325
Revenue Bonds	33,820	37,585	\$ 14,595	\$ 18,065	48,415	55,650
Special Assessment Debt with Government Commitments	4,500	5,705			4,500	5,705
Totals	\$ 47,385	\$ 56,615	\$ 14,595	\$ 18,065	\$ 61,980	\$ 74,680

The debt position of the City is summarized below and is more fully explained in Note 9 Long-Term Debt on pages 70-74.

During fiscal year 2020, the City had the following debt activity:

- All decreases in the Governmental Activities for the general obligation bonds and special assessment, along with the Business-type Activities revenue bonds, were due to principal payments on the debt.

The City's General Obligation Bonds were rated AAA by all three credit rating agencies. Boca Raton was the first municipality in Florida to have been granted this credit rating by all three rating agencies. The Water and Sewer Utility Fund bonds are also rated AAA by Fitch Rating Services, Standard and Poor's and Moody's Investor Service. Under Florida Statutes, no debt limit margin is placed on local governments.

Economic Factors and Next Year's Budgets and Rates

The City Council canceled their annual Goal Setting Session in April 2020 due to the Global Pandemic. The City Council chose to extend the established goals and priorities from 2019 which included: a financially sound City government, top quality municipal services and a strong partnership with our stakeholders. These goals were used as a guide to prioritize funding for the Fiscal Year 2020-21 Approved Budget. The City expenditures have been strategically linked to the goals, objectives, core businesses, and existing obligations of the City.

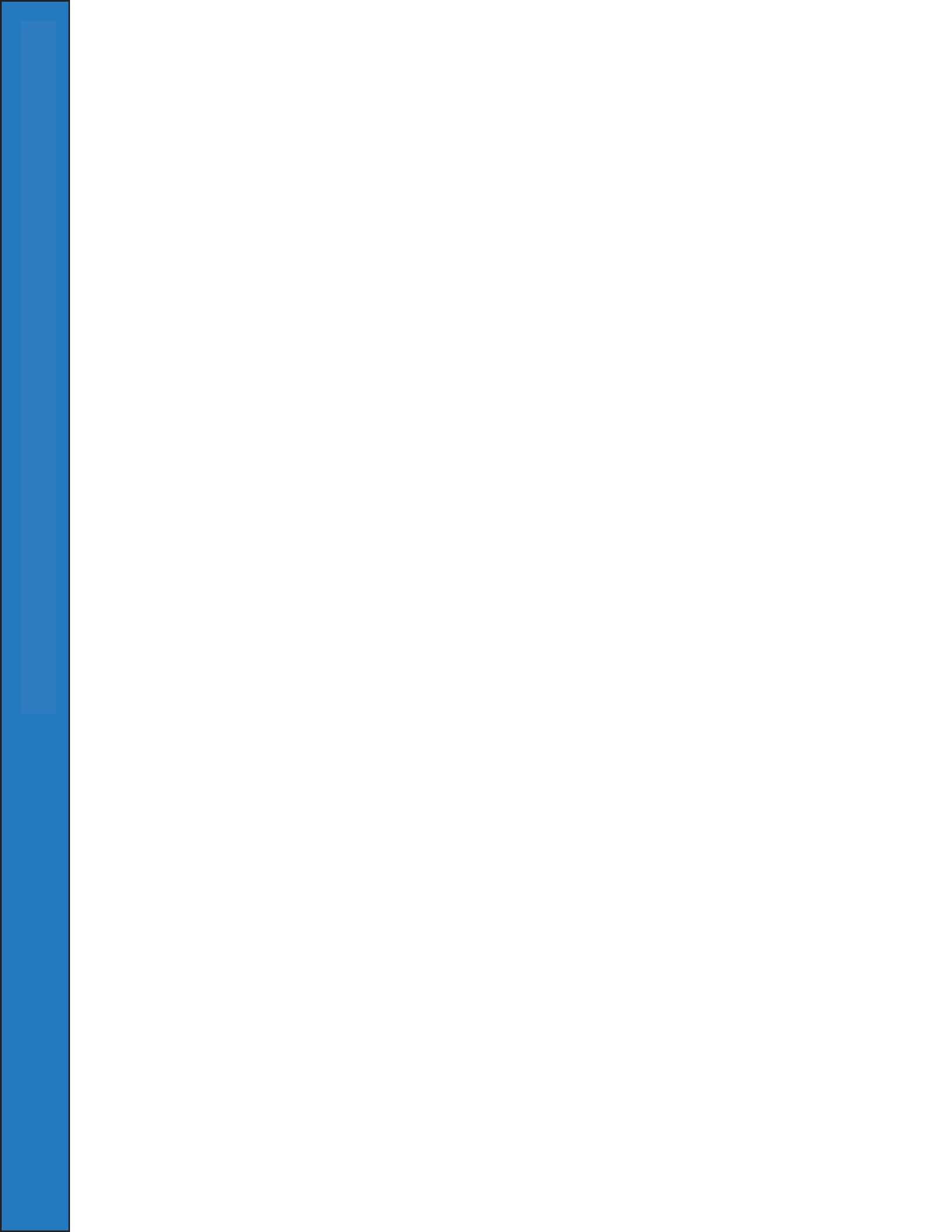
- For FY 2020-21 property values increased 4.71% in the City. The net increase is composed of a .03% increase from reassessments of existing properties and an increase of 0.91% from new construction (net of CRA Downtown values). This is the eighth consecutive increase in property values after four prior years of decline. The City increased slightly the operating property tax rate in 2020 but the debt service rate declined slightly which resulted in no change to the total millage rate. The operating millage rate for 2020 is 3.5704 and the debt service millage is 0.1082 for a total millage rate of 3.6786 mills per \$1,000 dollars of taxable value.
- Current projections indicate that General Fund revenues will grow at an estimated rate of 4-6% annually for the next several years while at the same time operating costs are projected to increase at 5-7% annually.
- The Florida Legislature is again considering various proposals relating to the local government financial transparency, building permits and related activities, the public procurement process and local government construction projects, home rule, and various other proposals. Potential legislation could have a significant impact on a local government's ability to maintain and or improve services to residents. The City is carefully monitoring these initiatives and their future impact on the City's ability to function at its' present level.

Contacting the City's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability. Additional Information is also available on the City's website at www.myboca.us. If you have any questions about this report or would like additional financial information, please contact:

City of Boca Raton
Financial Services Department, Room 160
201 W. Palmetto Park Road
Boca Raton, Florida 33432

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CITY OF BOCA RATON, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2020

	Primary Government		Total Primary Government
	Governmental Activities	Business-Type Activities	
Assets			
Cash and cash equivalents	\$ 126,386,625	\$ 60,706,986	\$ 187,093,611
Investments	144,502,528	61,472,945	205,975,473
Receivables, net	19,829,475	11,173,392	31,002,867
Due from other funds	114,945		114,945
Advances to other funds	320,000	(320,000)	
Due from other governmental units	11,018,138	250,521	11,268,659
Advance to other governmental units	300,000		300,000
Inventories	730,505	62,521	793,026
Other assets	200,619		200,619
Restricted:			
Cash and cash equivalents	7,531,951	26,575,362	34,107,313
Investments	2,556,435	38,341,784	40,898,219
Interest receivable on investments	17,011	106,773	123,784
Accounts receivable	27,632		27,632
Assessment receivable		569,389	569,389
Interest receivable on assessments		77,035	77,035
Notes receivable	16,435,000		16,435,000
Capital assets:			
Non-depreciable	160,375,443	26,384,018	186,759,461
Depreciable (net)	219,306,914	237,550,807	456,857,721
Total assets	<u>709,653,221</u>	<u>462,951,533</u>	<u>1,172,604,754</u>
Deferred outflows of resources			
Deferred amount on refunding	211,292	508,963	720,255
Deferred outflows for pensions	64,072,850	4,583,120	68,655,970
Deferred outflows for OPEB	388,590	80,509	469,099
Total deferred outflows of resources	<u>64,672,732</u>	<u>5,172,592</u>	<u>69,845,324</u>

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

CITY OF BOCA RATON, FLORIDA
STATEMENT OF NET POSITION (continued)
SEPTEMBER 30, 2020

	<u>Primary Government</u>		<u>Total Primary Government</u>
	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	
Liabilities			
Accounts payable and accrued liabilities	\$ 15,701,852	\$ 6,975,978	\$ 22,677,830
Accrued interest payable	369,291		369,291
Retainage payable	732,531	408,122	1,140,653
Due to other funds		114,945	114,945
Due to other governments	22,032		22,032
Performance bonds and escrow funds	4,249,995	1,000	4,250,995
Unearned revenue	862,768	21,212	883,980
Current liabilities payable from restricted assets:			
Current accounts payable		913,837	913,837
Customer deposits payable		4,236,794	4,236,794
Current retainage payable		329,957	329,957
Current accrued interest payable		183,672	183,672
Non-current liabilities			
Due within one year:			
Compensated absences	1,898,371	260,801	2,159,172
Bonds and loans	7,350,000	3,590,000	10,940,000
Estimated liability for self-insured losses	2,739,000		2,739,000
Due in more than one year:			
Compensated absences	17,085,334	2,347,203	19,432,537
Bonds and loans	40,646,570	11,005,000	51,651,570
Net pension liability	167,163,887	6,531,071	173,694,958
Total OPEB liability	4,741,027	982,247	5,723,274
Estimated liability for self-insured losses	8,020,000		8,020,000
Total liabilities	<u>271,582,658</u>	<u>37,901,839</u>	<u>309,484,497</u>
Deferred inflows of resources:			
Unavailable revenue	526,552		526,552
Deferred inflows for pensions	11,582,229	1,983,401	13,565,630
Deferred inflows for OPEB	280,876	58,191	339,067
Total deferred inflows of resources	<u>12,389,657</u>	<u>2,041,592</u>	<u>14,431,249</u>
Net Position			
Net investment in capital assets	352,857,109	249,110,709	601,967,818
Restricted for:			
Building permits	9,230,421		9,230,421
Community development	25,972,480		25,972,480
Debt service	2,150,134	1,526,076	3,676,210
Law enforcement	1,189,649		1,189,649
Transportation	9,895,909		9,895,909
Economic development	6,184,848		6,184,848
Infrastructure	19,296,622		19,296,622
Renewal and replacement		11,285,529	11,285,529
Operations and maintenance reserves		3,716,448	3,716,448
Capital projects and Utilities expansion	20,118,848	28,585,646	48,704,494
Other purposes	170,000		170,000
Unrestricted	43,287,618	133,956,286	177,243,904
Total net position	<u>\$ 490,353,638</u>	<u>\$ 428,180,694</u>	<u>\$ 918,534,332</u>

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

**CITY OF BOCA RATON, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

Functions/Programs	Program Revenues			Net (Expenses) Revenues and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-type Activities	Total
Primary Government:							
Governmental Activities:							
General government	\$ 69,843,840	\$ 28,305,481	\$ 5,511,496	\$ 311,758	\$ (35,715,105)	\$	\$ (35,715,105)
Law enforcement	54,067,843	1,499,963	480,550		(52,087,330)		(52,087,330)
Fire rescue	54,266,055	15,290,438	117,899		(38,857,718)		(38,857,718)
Physical environment	5,405,890	205,361	560,783		(4,639,746)		(4,639,746)
Transportation	14,215,402	90,440			(14,124,962)		(14,124,962)
Community development	15,875,942	1,332,182	12,460,526		(2,083,234)		(2,083,234)
Parks and recreation	43,243,325	20,462,200		1,357,949	(21,423,176)		(21,423,176)
Interest and fiscal charges	1,588,967				(1,588,967)		(1,588,967)
Total Governmental Activities	258,507,264	67,186,065	19,131,254	1,669,707	(170,520,238)		(170,520,238)
Business-type Activities:							
Water and sewer	57,575,787	58,864,056		3,318,549	\$	4,606,818	4,606,818
Cemetery	1,027,870	302,473			(725,397)		(725,397)
Golf course	3,100,403	2,489,517		170,522	(440,364)		(440,364)
Stormwater utility	2,848,019	3,016,870			168,851		168,851
Sanitation	7,986,695	10,133,893			2,147,198		2,147,198
Total Business-Type Activities	72,538,774	74,806,809		3,489,071	5,757,106		5,757,106
Total Primary Government	\$ 331,046,038	\$ 141,992,874	\$ 19,131,254	\$ 5,158,778	(170,520,238)	5,757,106	(164,763,132)
General revenues:							
Property tax					88,549,567		88,549,567
Utility tax					21,803,806		21,803,806
Franchise tax					12,881,638		12,881,638
Sales tax					7,040,257		7,040,257
Infrastructure surtax					6,471,212		6,471,212
Gas tax					2,017,931		2,017,931
Incremental property tax					14,150,342		14,150,342
State shared revenues, unrestricted					2,877,538		2,877,538
Investment earnings (loss)					5,657,675	3,119,368	8,777,043
Gain on disposal of capital asset					150,343	(183,114)	(32,771)
Miscellaneous					396,848	148,089	544,937
Transfers					(353,800)	353,800	
Total general revenues and transfers					161,643,357	3,438,143	165,081,500
Change in net position					(8,876,881)	9,195,249	318,368
Net position, beginning					499,230,519	418,985,445	918,215,964
Net position, ending					\$ 490,353,638	\$ 428,180,694	\$ 918,534,332

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

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**CITY OF BOCA RATON, FLORIDA
GOVERNMENTAL FUNDS
BALANCE SHEET
SEPTEMBER 30, 2020**

	<u>General</u>	<u>Community Redevelopment Agency Operating Fund</u>	<u>Five Year Capital Improvement Fund</u>
ASSETS			
Cash and cash equivalents	\$ 29,308,705	\$ 5,478,262	\$ 11,752,719
Investments	37,363,230	6,264,947	13,440,703
Receivables, net:			
Accounts receivable	4,185,039	14,115,691	45,046
Assessments			
Interest	372,965	37,650	86,056
Due from other funds	5,213,674		
Advance to other funds	320,000		
Due from other governmental units	3,744,895		152,707
Advance to other governmental units	300,000		
Inventories	23,904		
Restricted:			
Restricted cash and cash equivalents			
Investments			
Interest receivable on investments			
Restricted accounts receivable			
Total assets	<u>80,832,412</u>	<u>25,896,550</u>	<u>25,477,231</u>
DEFERRED OUTFLOWS OF RESOURCES			
Total deferred outflows of resources			
Total assets and deferred outflows of resources	<u>\$ 80,832,412</u>	<u>\$ 25,896,550</u>	<u>\$ 25,477,231</u>
LIABILITIES			
Accounts payable and accrued liabilities	\$ 4,834,425	\$ 251,687	\$ 706,304
Performance bonds and escrow funds	2,180,361	198,254	139,832
Due to other governmental units			
Due to other funds			
Unearned revenue	862,768		
Total liabilities	<u>7,877,554</u>	<u>449,941</u>	<u>846,136</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue	553,369	14,115,691	
Total deferred inflows of resources	<u>553,369</u>	<u>14,115,691</u>	
FUND BALANCES			
Non-spendable:			
Nonspendable inventories	23,904		
Nonspendable advance	320,000		
Perpetual care, cemetery and mausoleum			
Restricted for:			
Army Corp of Engineers	170,000		
Building permits	9,230,421		
Debt service			
Housing			
Infrastructure			
Law enforcement			
Transportation			
Downtown		11,327,851	
Economic development			
Land dedication			
Land proceeds			
Committed to:			
Hurricane/disaster emergency	18,590,000		
Parking		3,067	
Right of way beautification	139,144		
Right of way acquisition			
Assigned to:			
Capital projects			24,631,095
Subsequent year's budget	6,963,700		
Unassigned	36,964,320		
Total fund balances	<u>72,401,489</u>	<u>11,330,918</u>	<u>24,631,095</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 80,832,412</u>	<u>\$ 25,896,550</u>	<u>\$ 25,477,231</u>

<u>Infrastructure Surtax Fund</u>	<u>Beach and Park Operations Fund</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 6,996,808	\$ 200	\$ 22,247,852	\$ 75,784,546
8,001,727		21,568,325	86,638,932
	5,881	14,286	18,365,943
		141,638	141,638
22,926		133,305	652,902
			5,213,674
			320,000
1,093,448	5,523,027	395,590	10,909,667
			300,000
			23,904
5,296,573		2,235,378	7,531,951
		2,556,435	2,556,435
		17,011	17,011
		27,632	27,632
<u>21,411,482</u>	<u>5,529,108</u>	<u>49,337,452</u>	<u>208,484,235</u>
<u>\$ 21,411,482</u>	<u>\$ 5,529,108</u>	<u>\$ 49,337,452</u>	<u>\$ 208,484,235</u>
\$ 2,114,860	\$ 481,084	\$ 821,771	\$ 9,210,131
	15,918	1,715,630	4,249,995
		22,032	22,032
	5,032,106	66,623	5,098,729
			862,768
<u>2,114,860</u>	<u>5,529,108</u>	<u>2,626,056</u>	<u>19,443,655</u>
			14,669,060
			<u>14,669,060</u>
			23,904
			320,000
		4,120,300	4,120,300
			170,000
			9,230,421
		2,150,134	2,150,134
		528,938	528,938
19,296,622			19,296,622
		1,189,649	1,189,649
		9,895,909	9,895,909
		1,100,561	12,428,412
		6,184,848	6,184,848
		19,018,287	19,018,287
		48,805	48,805
			18,590,000
			3,067
			139,144
		2,473,965	2,473,965
			24,631,095
			6,963,700
			<u>36,964,320</u>
<u>19,296,622</u>		<u>46,711,396</u>	<u>174,371,520</u>
<u>\$ 21,411,482</u>	<u>\$ 5,529,108</u>	<u>\$ 49,337,452</u>	<u>\$ 208,484,235</u>

**CITY OF BOCA RATON, FLORIDA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2020**

Ending fund balance - governmental funds		\$ 174,371,520
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		
Governmental capital assets, excluding Internal Service Funds	\$ 723,478,751	
Less accumulated depreciation/amortization	(361,699,251)	
Net capital assets		361,779,500
Other long-term assets are not available to pay for current period expenditures and, therefore, are unavailable in the governmental funds.		
Note Receivable	16,435,000	
Accrued interest on note receivables	108,471	
Operating lease revenues	14,115,691	
Communication Service Tax revenues	26,817	30,685,979
Long term liabilities, including bonds and loans payable, are not due and payable in the current period and therefore are not reported in the governmental funds.		
Accrued interest payable on long-term debt	(369,291)	
Bonds and loans payable	(47,996,570)	
Deferred amount on refunding	211,292	
Compensated absences	(18,096,165)	
Supplemental SERP pension accrual	(4,445,394)	
Payroll Liability accrual	(865,812)	
Net pension liability	(164,385,932)	
Total OPEB liability	(4,485,714)	(240,433,586)
Total long-term liabilities		
Deferred outflows/inflows of resources related to pensions:		
Deferred outflows - pensions	62,209,878	
Deferred outflows - OPEB	367,663	
Deferred inflows - pensions	(10,831,728)	
Deferred inflows - OPEB	(265,751)	51,480,062
Internal service funds are used by management to charge the costs of fleet management, management information systems and insurance programs to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the same statement of net position.		
Assets and deferred outflows	129,828,643	
Liabilities and deferred outflows	(17,358,480)	112,470,163
Net position		
Net position of governmental activities		\$ 490,353,638

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

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

	<u>General</u>	<u>Community Redevelopment Agency Operating Fund</u>	<u>Five Year Capital Improvement Fund</u>
REVENUES			
Taxes	\$ 109,169,381	\$ 14,150,342	\$ 8,298,420
Licenses and permits	14,938,041		
Intergovernmental	30,401,468		356,010
Charges for services	28,652,952	2,089,696	
Fines and forfeitures	1,090,503		
Special assessments			
Donations in lieu of land	84,459		311,758
Investment earnings (loss)	1,519,556	213,610	457,841
Miscellaneous	472,987		
Total revenues	<u>186,329,347</u>	<u>16,453,648</u>	<u>9,424,029</u>
EXPENDITURES			
Current:			
General government	29,668,869		429,789
Law enforcement	52,894,703		763,804
Fire rescue	53,765,100		336,452
Physical environment	5,295,512		
Transportation	7,283,993		3,771,245
Community development		14,887,355	
Parks and recreation	25,995,458		94,406
Capital outlay	816,337	246,602	425,965
Debt service:			
Principal			
Interest			
Total expenditures	<u>175,719,972</u>	<u>15,133,957</u>	<u>5,821,661</u>
Excess (deficiency) of revenues over expenditures	<u>10,609,375</u>	<u>1,319,691</u>	<u>3,602,368</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	21,000	5,694,063	
Transfers out	<u>(1,872,500)</u>		<u>(2,757,500)</u>
Total other financing sources (uses)	<u>(1,851,500)</u>	<u>5,694,063</u>	<u>(2,757,500)</u>
Net change in fund balances	8,757,875	7,013,754	844,868
Fund balances - beginning	<u>63,643,614</u>	<u>4,317,164</u>	<u>23,786,227</u>
Fund balances - ending	<u>\$ 72,401,489</u>	<u>\$ 11,330,918</u>	<u>\$ 24,631,095</u>

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

Infrastructure Surtax Fund	Beach and Park Operations Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ 6,471,212		\$ 7,805,344	\$ 145,894,699
	\$ 14,539,299	1,648,348	14,938,041
	1,918,284	158,298	46,945,125
		127,857	32,819,230
		1,531,554	1,218,360
		1,244,790	1,531,554
389,104		1,252,971	1,641,007
	28,700	188,534	3,833,082
<u>6,860,316</u>	<u>16,486,283</u>	<u>13,957,696</u>	<u>249,511,319</u>
		703	30,099,361
		122,945	53,781,452
			54,101,552
		103,995	5,399,507
2,498,726		2,001,669	15,555,633
		1,845,525	16,732,880
	16,273,504	67,060	42,430,428
9,615,518	212,779	1,468,228	12,785,429
		9,230,000	9,230,000
		1,768,336	1,768,336
<u>12,114,244</u>	<u>16,486,283</u>	<u>16,608,461</u>	<u>241,884,578</u>
<u>(5,253,928)</u>		<u>(2,650,765)</u>	<u>7,626,741</u>
		6,244,932	11,959,995
<u>(3,199,000)</u>		<u>(9,114,795)</u>	<u>(16,943,795)</u>
<u>(3,199,000)</u>		<u>(2,869,863)</u>	<u>(4,983,800)</u>
(8,452,928)		(5,520,628)	2,642,941
<u>27,749,550</u>		<u>52,232,024</u>	<u>171,728,579</u>
<u>\$ 19,296,622</u>	<u>\$</u>	<u>\$ 46,711,396</u>	<u>\$ 174,371,520</u>

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

Net change in fund balances –total governmental funds	\$ 2,642,941
<p>Amounts reported for governmental activities in the statement of activities are different because: Governmental funds report capital outlays as expenditures, however, in the statement of activities the cost of those assets is depreciated over their estimated useful lives.</p>	
Expenditures for capital assets	\$ 12,583,537
Less current year depreciation/amortization	<u>(16,029,407)</u>
	(3,445,870)
<p>The net effect of the various miscellaneous transactions involving capital assets (i.e. sales, trade ins and donations) is to decrease net position.</p>	
	(15,522)
<p>Some revenues and expenses reported in the statement of activities are not reported in the governmental funds because they have no effect on current financial resources.</p>	
Operating lease revenues	(233,131)
Communications Service Tax revenues	(20,203)
Compensated absences	(1,511,005)
OPEB liability	(8,882)
Payroll liability	(865,812)
Supplemental SERP pension accrual	(2,430,456)
Net effect of accrued interest on long term debt (difference between amount that would have been accrued in prior year and current year accrual)	<u>72,923</u>
	(4,996,566)
<p>Pension contributions are reported as expenditures in the governmental funds and recorded as a net pension asset on the statement of net position.</p>	
	(32,738,262)
<p>Notes Receivable, principal payments</p>	
	(1,150,000)
<p>Accrued Interest on Notes Receivable</p>	
	(7,590)
<p>The issuance of long-term debt (e.g., bonds and loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.</p>	
<p>Debt retired:</p>	
Principal payments on bonds and loans	9,230,000
<p>The governmental funds report bond premiums, discounts and similar items as expenditures when debt is first issued, whereas those amounts are deferred and amortized in the statement of activities.</p>	
Amortization of deferred amount on refunding	(107,151)
Amortization of bond discount	(4,380)
Amortization of bond premium	<u>217,976</u>
	9,336,445
<p>Deferred outflows of resources reported on the statement of net position:</p>	
Change in deferred outflows - pensions	12,630,253
Change in deferred inflows - pensions	2,817,264
Change in deferred outflows - OPEB	49,367
Change in deferred inflows - OPEB	<u>(192,008)</u>
	15,304,876
<p>Internal service funds are used by management to charge costs of fleet management, management information systems and insurance programs to individual funds. The net revenue of the activities of the internal service funds is reported with governmental activities:</p>	
Net operating income of the internal service funds	(336,644)
<p>Impact of external transactions on the net position of governmental activities:</p>	
Investment income	1,832,183
Gain on disposal of capital assets	67,128
<p>Net transfers from governmental funds to internal service funds decrease the fund balances of the governmental funds, but have no effect on net position as reported on a government-wide basis.</p>	
	<u>4,630,000</u>
	<u>6,192,667</u>
Change in net position of governmental activities	<u>\$ (8,876,881)</u>

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

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**CITY OF BOCA RATON, FLORIDA
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
SEPTEMBER 30, 2020**

	Business - Type Activities - Enterprise Funds			Governmental Activities
	Water and Sewer	Nonmajor Enterprise Funds	Total	Internal Service Fund
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 53,822,244	\$ 6,884,742	\$ 60,706,986	\$ 50,602,079
Investments	53,602,200	7,870,745	61,472,945	57,863,596
Interest receivable on investments	413,673	54,344	468,017	355,265
Interest receivable on assessments	39,857		39,857	
Accounts receivable	8,254,712	2,098,079	10,352,791	313,727
Assessments receivable	312,727		312,727	
Due from other governmental units	3,163	247,358	250,521	
Inventories		62,521	62,521	706,601
Other assets				200,619
Total unrestricted current assets	116,448,576	17,217,789	133,666,365	110,041,887
Restricted assets:				
Cash and cash equivalents	26,575,362		26,575,362	
Investments	38,341,784		38,341,784	
Interest receivable on investments	106,773		106,773	
Interest receivable on assessments	77,035		77,035	
Assessments receivable	569,389		569,389	
Total restricted current assets	65,670,343		65,670,343	
Total current assets	182,118,919	17,217,789	199,336,708	110,041,887
Noncurrent assets:				
Capital assets:				
Land	245,873	2,559,477	2,805,350	
Construction in progress	23,472,704	105,964	23,578,668	4,855,026
Utility plant in service	422,226,141		422,226,141	
Buildings		2,259,661	2,259,661	1,270,000
Improvements other than buildings		19,745,317	19,745,317	
Equipment	59,401,963	16,757,823	76,159,786	36,529,192
Less accumulated depreciation	(264,453,700)	(18,386,398)	(282,840,098)	(24,751,361)
Total capital assets (net of accumulated depreciation/amortization)	240,892,981	23,041,844	263,934,825	17,902,857
Total noncurrent assets	240,892,981	23,041,844	263,934,825	17,902,857
Total assets	423,011,900	40,259,633	463,271,533	127,944,744
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charge on refunding	508,963		508,963	
Deferred outflows for pensions	3,506,335	1,076,785	4,583,120	1,862,972
Deferred outflows for OPEB	52,316	28,193	80,509	20,927
Total deferred outflows of resources	4,067,614	1,104,978	5,172,592	1,883,899

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

**CITY OF BOCA RATON, FLORIDA
PROPRIETARY FUNDS (continued)
STATEMENT OF NET POSITION
SEPTEMBER 30, 2020**

	Business - Type Activities - Enterprise Funds			Governmental Activities
	Water and Sewer	Nonmajor Enterprise Funds	Total	Internal Service Fund
LIABILITIES				
Due to other funds		114,945	114,945	
Accounts payable and accrued liabilities	\$ 6,501,772	\$ 474,206	\$ 6,975,978	\$ 1,913,046
Advances from other funds		320,000	320,000	
Compensated absences	173,774	87,027	260,801	88,753
Retainage payable	407,851	271	408,122	
Performance bonds and escrow funds		1,000	1,000	
Estimated liability for self-insurance losses				2,739,000
Unearned revenue		21,212	21,212	
Total unrestricted current liabilities	7,083,397	1,018,661	8,102,058	4,740,799
Current liabilities payable from restricted assets:				
Accounts payable and accrued liabilities	913,837		913,837	
Customer deposits payable	4,233,053	3,741	4,236,794	
Restricted retainage payable	329,957		329,957	
Revenue bonds payable, current portion	3,590,000		3,590,000	
Accrued interest payable	183,672		183,672	
Total current liabilities payable from restricted assets	9,250,519	3,741	9,254,260	
Total current liabilities	16,333,916	1,022,402	17,356,318	4,740,799
Non-current liabilities:				
Compensated absences	1,563,963	783,240	2,347,203	798,787
Net pension liability	5,040,587	1,490,484	6,531,071	2,777,955
Total OPEB liability	638,284	343,963	982,247	255,313
Revenue bonds payable	11,005,000		11,005,000	
Estimated liability for self-insurance				8,020,000
Total noncurrent liabilities	18,247,834	2,617,687	20,865,521	11,852,055
Total liabilities	34,581,750	3,640,089	38,221,839	16,592,854
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows for pensions	1,497,519	485,882	1,983,401	750,501
Deferred inflows for OPEB	37,815	20,376	58,191	15,125
Total deferred inflows of resources	1,535,334	506,258	2,041,592	765,626
NET POSITION				
Net investment in capital assets	226,069,136	23,041,573	249,110,709	17,902,857
Restricted for:				
Debt service	1,526,076		1,526,076	
Renewal and replacement	11,285,529		11,285,529	
Operations and maintenance reserves	3,716,448		3,716,448	
Capital projects and Utilities expansion	28,585,646		28,585,646	
Unrestricted	119,779,595	14,176,691	133,956,286	94,567,306
Total net position	\$ 390,962,430	\$ 37,218,264	\$ 428,180,694	\$ 112,470,163

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

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

	Business - Type Activities - Enterprise Funds			Governmental
	Water and Sewer	Nonmajor Enterprise Funds	Total	Internal Service Fund
OPERATING REVENUES				
Charges for sales and services		\$ 15,885,625	\$ 15,885,625	
Fleet management				\$ 5,656,857
Management information processing				11,217,913
Insurance premiums				21,146,680
Insurance premium tax				3,464,368
Retirement sustainability				2,835,000
Water sales	\$ 35,182,786		35,182,786	
Sewer service charges	21,700,320		21,700,320	
Other	2,118,175	67,992	2,186,167	
Total operating revenues	59,001,281	15,953,617	74,954,898	44,320,818
OPERATING EXPENSES				
Personnel services	14,267,342	7,115,482	21,382,824	8,430,442
Materials and supplies	4,484,528	521,324	5,005,852	2,806,129
General and administration	14,144,643		14,144,643	
Other services and charges	9,117,840	5,168,178	14,286,018	10,490,975
Insurance claims				15,590,234
Pension benefits				3,464,368
Depreciation/amortization of capital assets	15,213,757	2,158,017	17,371,774	3,875,314
Total operating expenses	57,228,110	14,963,001	72,191,111	44,657,462
Operating income (loss)	1,773,171	990,616	2,763,787	(336,644)
NONOPERATING REVENUES (EXPENSES)				
Investment earnings	2,876,430	242,938	3,119,368	1,832,183
Interest expense	(371,449)		(371,449)	
Gain (loss) on disposal of capital assets	23,772	(183,100)	(159,328)	67,128
Total nonoperating revenues (expenses)	2,528,753	59,838	2,588,591	1,899,311
Income before transfers and contributions	4,301,924	1,050,454	5,352,378	1,562,667
Transfers in		353,800	353,800	4,630,000
Capital contributions	3,318,549	170,522	3,489,071	
Change in net position	7,620,473	1,574,776	9,195,249	6,192,667
Net position, beginning	383,341,957	35,643,488	418,985,445	106,277,496
Net position, ending	\$ 390,962,430	\$ 37,218,264	\$ 428,180,694	\$ 112,470,163

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

**CITY OF BOCA RATON, FLORIDA
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

	Enterprise Funds			Governmental Activities
	Water and Sewer	Non-Major Enterprise Funds	Total	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ 60,159,877	\$ 15,353,345	\$ 75,513,222	\$ 44,279,203
Payments to suppliers	(21,703,657)	(5,838,379)	(27,542,036)	(17,131,736)
Payments to employees	(14,931,027)	(6,535,878)	(21,466,905)	(7,509,860)
Claims paid				(14,575,234)
Net cash provided by operating activities	<u>23,525,193</u>	<u>2,979,088</u>	<u>26,504,281</u>	<u>5,062,373</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers in		353,800	353,800	4,630,000
Net cash provided by noncapital financing activities		<u>353,800</u>	<u>353,800</u>	<u>4,630,000</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Capital Contributions	2,668,860	170,522	2,839,382	
Payment of bond principal	(3,423,112)		(3,423,112)	
Acquisition of capital assets	(20,999,841)	(2,759,786)	(23,759,627)	(7,590,819)
Interest paid	(428,669)		(428,669)	
Proceeds from sale of capital assets	23,772	41,970	65,742	102,793
Due to other funds		114,945	114,945	
Net cash used in capital and related financing activities	<u>(22,158,990)</u>	<u>(2,432,349)</u>	<u>(24,591,339)</u>	<u>(7,488,026)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	3,109,740	262,912	3,372,652	1,985,023
Sale of investments	140,241,448	11,353,393	151,594,841	87,112,500
Purchase of investments	(91,943,984)	(7,870,745)	(99,814,729)	(57,863,596)
Net cash used in investing activities	<u>51,407,204</u>	<u>3,745,560</u>	<u>55,152,764</u>	<u>31,233,927</u>
Net increase (decrease) in cash and cash equivalents	<u>52,773,407</u>	<u>4,646,099</u>	<u>57,419,506</u>	<u>33,438,274</u>
Cash and cash equivalents				
Beginning of year	<u>27,624,199</u>	<u>2,238,643</u>	<u>29,862,842</u>	<u>17,163,805</u>
End of year	<u>80,397,606</u>	<u>6,884,742</u>	<u>87,282,348</u>	<u>50,602,079</u>
Cash and cash equivalents, unrestricted	53,822,244	6,884,742	60,706,986	50,602,079
Cash and cash equivalents, restricted	26,575,362		26,575,362	
End of Year	<u>\$ 80,397,606</u>	<u>\$ 6,884,742</u>	<u>\$ 87,282,348</u>	<u>\$ 50,602,079</u>

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

(Continued)

CITY OF BOCA RATON, FLORIDA
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS (continued)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	<u>Enterprise Funds</u>			<u>Governmental Activities</u>
	<u>Water and Sewer</u>	<u>Non-Major Enterprise Funds</u>	<u>Total</u>	<u>Internal Service Funds</u>
RECONCILIATION OF OPERATING INCOME (LOSS)				
TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES				
Operating income (loss)	\$ 1,773,171	\$ 990,616	\$ 2,763,787	\$ (336,644)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	15,213,754	2,158,017	17,371,771	3,875,314
Change in assets, liabilities, deferred outflows & deferred inflows				
(Increase) decrease in accounts receivable	951,873	(467,318)	484,555	(42,815)
(Increase) decrease in assessments receivable	179,200		179,200	
(Increase) decrease in due from other governmental units	21,745	(133,534)	(111,789)	1,200
(Increase) decrease in inventories		(3,118)	(3,118)	(42,265)
(Increase) decrease in other assets		1,775	1,775	(200,619)
(Increase) decrease in deferred pension outflows	(888,885)	(306,438)	(1,195,323)	(641,084)
Increase (decrease) in accounts payable and accrued liabilities	3,535,358	(137,999)	3,397,359	(78,677)
Increase (decrease) in retainage payable	356,231	(9,375)	346,856	
Increase (decrease) in performance bonds and escrow funds				
Increase (decrease) in customer deposits payable	5,778	1,208	6,986	
Increase (decrease) in compensated absences	201,777	76,299	278,076	93,819
Increase (decrease) in total OPEB liability	7,029	13,823	20,852	(9,524)
Increase (decrease) in estimated liability for self-insurance losses				1,015,000
Increase (decrease) in unearned revenue		(628)	(628)	
Increase (decrease) in net pension liability	2,101,164	738,308	2,839,472	1,339,728
Increase (decrease) in deferred inflows for pensions	39,582	42,513	82,095	78,177
Increase (decrease) in deferred inflows for OPEB	27,416	14,939	42,355	10,763
Total adjustments	<u>21,752,022</u>	<u>1,988,472</u>	<u>23,740,494</u>	<u>5,399,017</u>
Net cash provided by operating activities	<u>\$ 23,525,193</u>	<u>\$ 2,979,088</u>	<u>\$ 26,504,281</u>	<u>\$ 5,062,373</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES				
Unrealized (loss) on investments	\$ -	\$ -	\$ -	\$ -
Noncash portion of capital contributions	649,689		649,689	

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

**CITY OF BOCA RATON, FLORIDA
PENSION TRUST FUNDS
STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2020**

ASSETS

Cash and cash equivalents	\$ 51,317,865
Investments:	
Common and preferred stock	223,798,675
U.S. government securities	25,661,379
Corporate bonds and debentures	65,383,667
Infrastructure	3,189,842
Commingled funds	134,936,020
Real estate	46,049,909
Private Equity	54,560,455
Multi Asset Class	46,001,336
Florida Municipal Pension Trust Fund	52,029,091
Total Investments	651,610,374
Receivables:	
Interest and dividends	509,716
Unsettled trades receivable	149,924
Total receivables	659,640
Other assets	19,049
Prepaid expenses	32,349
Total assets	703,639,277

LIABILITIES

Accounts payable and accrued liabilities	521,203
Unsettled trades payable	276,189
Total liabilities	797,392

NET POSITION RESTRICTED FOR PENSIONS \$ 702,841,885

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

**CITY OF BOCA RATON, FLORIDA
PENSION TRUST FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

ADDITIONS

Contributions:		
City	\$	18,615,037
State		3,464,368
Employee		7,736,555
Transfer from other pension trust funds		259,656
Total contributions		<u>30,075,616</u>
Investment income:		
Interest revenue		5,773,455
Dividends		9,469,666
Net appreciation in fair value of investments		33,886,296
Other investment income		2,806
Investment expense		<u>(3,837,713)</u>
Total investment income		<u>45,294,510</u>
Total additions		<u>75,370,126</u>

DEDUCTIONS

Benefits paid:		
Retirement		34,771,464
Disability		901,475
Death		1,911,944
Deferred retirement option plan		7,166,750
Termination refunds		235,654
Administrative expenses		463,533
Transfer to other pension trust funds		<u>259,656</u>
Total deductions		<u>45,710,476</u>

Net increase in net position 29,659,650

NET POSITION RESTRICTED FOR PENSIONS

Beginning of year		<u>673,182,235</u>
End of year	\$	<u>702,841,885</u>

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

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

INDEX

	<u>Page</u>
Note 1 The City of Boca Raton	32
Note 2 Summary of Significant Accounting Policies	32
Note 3 Deposits and Investments	43
Note 4 Receivables and Payables	63
Note 5 Encumbrances	65
Note 6 Capital Assets	65
Note 7 Deferred Outflows and Inflows	68
Note 8 Capital Contribution (System Development or Impact Fees)	69
Note 9 Long-Term Debt	70
Note 10 Employee Retirement Systems	75
Note 11 Other Post Employment Benefits (OPEB)	105
Note 12 Interfund Receivables, Payables, Transfers and Advances	109
Note 13 Self Insurance Programs	110
Note 14 Contingent Liabilities	111
Note 15 Boca Raton Community Redevelopment Agency	112
Note 16 Subsequent Events	113

CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

1. The City of Boca Raton

The City of Boca Raton, Florida (the City) was incorporated in 1925 and operates under a Charter granted by the Legislature of the State of Florida, Chapter 65-1264, Special Acts, Laws of Florida. The City is governed by an elected City Council (4 members) and an elected Mayor, and provides, under the administration of an appointed City Manager, the following services: public safety, recreation, sanitation, cemetery, streets and traffic engineering, planning and zoning, water and sewer services, and general administrative services.

2. Summary of Significant Accounting Policies

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 government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's governmental accounting policies are described below.

A. Reporting Entity

As required by various GASB Statements, the accompanying financial statements present the City and its component unit, an entity for which the City is considered to be financially accountable. The City is financially accountable if the City Council appoints a voting majority of an organization's governing body and the City is able to impose its will on that organization, or the City has a financial benefit/burden relationship or operational responsibility with the organization. Blended component units are, in substance, part of the City's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the City.

Blended Component Unit. The City Council of Boca Raton, Florida created the Boca Raton Community Redevelopment Agency (CRA) in 1980 as an independent special district by City Resolution No. 162-80. The CRA was established to prepare or have prepared a community redevelopment plan for areas within the City of Boca Raton, which are, determined to be slum or blighted areas, and to carry out the community redevelopment purposes of Part III, Chapter 163, of the Florida Statutes. As a tax increment district, the CRA receives operating revenues from tax increment assessments from three taxing jurisdictions within Palm Beach County. Funds are also provided by private contributions, fees collected, interest income, and the unexpended fund balance from the previous year. The funds of the CRA included within the reporting entity are the Community Redevelopment Agency Operating Fund (major special revenue fund) and the Community Redevelopment Agency Mizner Park Revenue Fund (nonmajor special revenue fund). During fiscal year 1989, the CRA entered into an interlocal agreement with the City. This agreement called for the City to make a secondary pledge of its excise tax revenues for the CRA's debt. On February 5, 1991, the City, by referendum, adopted a resolution declaring the City Council Members to constitute the Board of Commissioners

CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

of the CRA. Under Florida Statute 163.356, this made the CRA a dependent special district of the City. The CRA is reported as a blended component unit since its Board of Commissioners is the same as the governing body of the City and the City has the financial benefit/burden relationship and operational responsibility for the CRA relating to the secondary pledge of the City's excise (public service) taxes for the CRA's debt.

Discretely Presented Component Units. There are no discretely presented component units for the City. The Greater Boca Raton Beach and Park District, the Boca Raton Housing Authority and the Boca Raton Airport Authority have not met the established criteria for inclusion as component units and, therefore, are excluded from this report.

B. Government-Wide And Fund Financial Statements

The basic financial statements consist of the government-wide financial statements and fund financial statements. Both sets of statements distinguish between the governmental and business-type activities of the City.

Government-wide financial statements include a Statement of Net Position and a Statement of Activities. These statements report on the government as a whole and provide a consolidated financial picture of the government. As part of the consolidation process, inter-fund activities are eliminated to avoid distorted financial results. The amounts reported as internal balances represent the residual amounts due between governmental and business-type activities. Fiduciary trust funds of the government are also excluded from this presentation since these resources are not available for general government funding purposes.

The Statement of Net Position reports all financial and capital resources of the City's governmental and business-type activities. Governmental activities are those supported by taxes and intergovernmental revenues. Business-type activities rely to a significant extent on fees and charges for support. The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges for goods or services that are recovered directly from customers for services rendered and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

Since the governmental fund financial statements are presented on a different measurement focus and basis of accounting than the government-wide statements, a reconciliation is provided which briefly explains the adjustments necessary to reconcile

CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

the results of governmental fund accounting to the government-wide presentations.

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

C. Measurement Focus, Basis Of Accounting And Financial Statement Presentation

The government-wide financial statements, the proprietary fund financial statements and the fiduciary trust fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses reported when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

All governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the fiscal year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, public services taxes, franchise taxes and interest income associated with the current fiscal period are susceptible to accrual and are recorded as earned since they are measurable and available. In addition, revenue from Federal, State and local reimbursement type grants for which eligibility requirements have been met and which meet the availability criteria of twelve months have been accrued and recognized as revenues of the period. The City also considers funds due from the Greater Boca Raton Beach and Park District as available if received within a twelve-month period. Only the portion of special assessments receivable due within the current period is considered to be susceptible to accrual as revenue of the current period. Licenses and permits, charges for services and miscellaneous revenues are recorded as revenue when received in cash, because they are generally not measurable until actually received.

D. Major Funds and Basis of Presentation

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for using a

CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

separate set of self-balancing accounts, which comprise its assets and deferred outflows of resources, liabilities and deferred inflows of resources, fund equities, revenues and expenditures or expenses. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

Accounting principles generally accepted in the United States of America set forth minimum criteria (percentage of the assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined), for the determination of major funds. The non-major funds are presented in one column in the fund financial statements.

The City reports the following major governmental funds:

The **General Fund** is the primary operating fund of the City. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. Revenue is derived primarily from property taxes, utility taxes, state and federal distributions and other intergovernmental revenue. The general operating expenditures, fixed charges and capital outlay costs that are not paid through other funds are paid from the General Fund.

The **Community Redevelopment Agency Operating Fund** is used to account for tax increment revenues assessed on downtown properties and land lease revenues that are used to fund the downtown plan for the CRA operations and capital improvements that encourage development in the downtown.

The **Five-Year Capital Improvement Program Fund** is used to account for various building, park and street construction projects. Financing is being provided by general tax revenue, bond proceeds, excise tax and interest income.

The **Infrastructure Surtax Fund** is used to account for the bond proceeds and payment of designated infrastructure expenses as a result of the 1-cent sales surtax approved by Palm Beach County votes in November of 2016.

The **Beach and Park Operations Fund** is used to account for beach and park operations reimbursed through an interlocal agreement with the Greater Boca Raton Beach and Park Tax District. The Fund did not meet the minimum criteria for major fund determination during fiscal 2020. However, it will continue to be presented as a major fund for the purpose of consistency and to highlight the operations of the Fund.

The City reports the following major proprietary fund:

The **Water and Sewer Fund** accounts for the provision of water and sewer services to residents of the City and to some residents of Palm Beach County.

Additionally, the City reports the following fund types:

CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments of the City on a cost reimbursement basis. The City's Internal Service Fund operations include Fleet Management and Information Technology for direct services and Self-Insurance for the provision of employee health, workers' compensation and property and general liability insurance for the City. The City also has an Internal Service Fund for retirement sustainability to separate funding for certain receipts and expenditures for all of the City's defined benefit plans and accounts for reserves to reduce the financial burden, if any, of retiree defined benefit plan payments on future taxpayers.

Pension Trust Funds account for activities of the City's General Employees' Pension Plan, the Police and Firefighters' Retirement System and the Executive Employees' Retirement Plan that accumulate resources for pension benefits and disability benefit payments.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes and other charges between the City's water and sewer function and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues for the various functions concerned.

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. All revenues that are not program revenues are general revenues, and include *all* taxes, as well as grants, contributions and investment earnings that are not restricted to a particular program.

Proprietary funds distinguish *operating revenues* and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation and amortization on capital assets. All items not meeting this definition are reported as nonoperating revenues and expenses.

E. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Net Position or Equity

1. Deposits and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand and time deposits and short-term investments with original maturities of three months or less from the date of acquisition. State statutes authorize the City to invest in obligations of the U.S. Treasury, its agencies and instrumentalities, commercial paper, corporate bonds, repurchase agreements, State Treasurer's Investment Pool, investment pools governed

CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

by interlocal agreements, and the Florida Municipal Investment Trust.

The City maintains a cash and investment pool that is available for use by all funds. This pool has deposits and other investments with maturities generally less than one year. In addition, longer-term investments are also held by the investment pool. Pooled cash is classified as "Cash and Cash Equivalents" in the Statement of Net Position and pooled investments are combined with other separate investments and classified as "Investments."

Long-term investments are valued at fair value.

2. Receivables and Payables

During the course of its operations, the City has numerous transactions between funds to provide goods or render services. To the extent that certain transactions between funds were not paid for or received as of September 30, 2020, balances of interfund receivables and payables expected to be liquidated within one year have been recorded as due from and due to other funds. Balances of interfund receivables and payables not expected to be liquidated within one year are recorded as advances to and advances from other funds. Balances of advances to and from other funds are considered non-spendable fund balances of the respective funds since these balances are not available for appropriation.

All trade and other receivables are shown net of an allowance for uncollectibles. Long-term receivables are analyzed for their collectability based on the terms and conditions of the agreements. In addition to those receivables specifically identified as uncollectible, a general allowance is calculated based on the City's historical bad debt experience.

Water and wastewater charges to customers are based on actual water consumption. Consumption is determined on a bi-monthly cycle basis. The City recognizes revenue and a related receivable for the estimated unbilled consumption as of September 30th of each year.

3. Inventories

All inventories are valued at weighted average cost. Perpetual inventory records are maintained and adjusted annually to physical inventory amounts as of September 30th of each year. Inventory is reported using the consumption method whereby inventories are recorded as expenditures/expenses when used.

4. Restricted Assets

Certain proceeds of the City's enterprise fund revenue bonds, as well as certain resources set aside in accordance with bond covenants or local ordinances are classified as restricted assets on the fund level balance sheet. The "operations and maintenance reserve" is used to report resources set aside to subsidize potential deficiencies from the City's Water and Sewer Utility operations that could adversely affect debt service

CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

payments. The “renewal and replacement reserve” is used for the accumulation of resources to provide for replacement of existing system assets. The “debt service reserve” is used for the accumulation of resources needed to meet debt service requirements as they become due. Certain accounts receivable items in the Water and Sewer Fund are restricted to repay debt. Cash and investments of the City’s Perpetual Care Fund are restricted to providing perpetual care for the City’s cemetery and mausoleum. Additionally, cash and investments of the General Trust Fund are restricted as the funds are to be used only for specific purposes. All applicable assets in the enterprise funds and in the governmental funds have been restricted in amounts sufficient to meet restrictive purposes.

5. Capital Assets

Capital assets, which include property, plant, equipment, intangible and infrastructure assets (e.g., roads, bridges, lighting systems and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The City’s capitalization threshold for tangible capital assets is \$5,000 and for intangible assets, including software, is \$35,000. In addition, these assets must have an estimated life greater than one year. A \$35,000 threshold is maintained for additions to infrastructure capital assets. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. All infrastructure assets acquired subsequent to June 30, 1980 are reported. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Property, plant, equipment, intangible and infrastructure assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Asset Type</u>	<u>Life</u>
Building	40
Building improvements	10-50
Roads	40
Bridges	50
Other Infrastructure	10-75
Equipment	3-40
Intangible	5-20

6. Deferred Outflows of Resources

Deferred Outflows of Resources represents the expenses of net position applicable to future periods and will not be recognized as expenses until the future period to which it applies. The City currently reports the net deferred loss on refunding of debt, deferred outflows related to pension investment gains and losses, demographic gains and employer pension contributions made after the measurement date, which will be recognized in future fiscal years.

CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

7. Unearned Revenue

Unearned revenue is recorded for governmental fund for items that are measurable and available, but have not met the criteria for revenue recognition, such as unredeemed gift certificates. Local and business taxes are recorded as unearned revenue in the government-wide and the fund statements.

8. Liabilities – Performance Bonds, Escrow for Performance Bonds and Escrow Funds

Liabilities include amounts paid to the City by contractors as guarantees of performance. These amounts may be due back to the contractors.

9. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation, sick pay benefits and compensatory time. All vacation, sick pay and compensatory time is accrued when earned in the government-wide and proprietary fund financial statements. A liability for those amounts is reported in governmental funds only if they have matured, as a result of employee resignations or retirements.

10. Long-Term Obligations

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

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

For purposes of measuring the net pension liability and OPEB liability, information about the fiduciary net position of the City's three pension plans and additions to/deductions from the City's Pension Plans fiduciary net position have been determined on the same basis as they are reported by the Pension Plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

11. Deferred Inflows of Resources

Deferred Inflows of Resources represents the acquisition of net position applicable to future periods and will not be recognized as revenue until the future period to which it applies. Currently, the items in this category are Pension and Other Post Employment Benefits (OPEB) and unavailable revenues. The respective balances represent the difference between the expected and actual pension and OPEB expense. The Pension expense is amortized over the investment terms of the pension assets and the OPEB expenses are amortized over the average expected remaining lifetime of both active and inactive employees. Governmental funds also report unavailable revenue in this category.

12. Net Position

Net position is the result of assets and deferred outflows of resources, less liabilities and deferred inflows of resources. The net position of the government-wide and proprietary funds are categorized as net investment in capital assets, reduced by accumulated depreciation and any outstanding debt and related deferred outflows incurred to acquire, construct or improve those assets excluding unexpended bond proceeds, restricted or unrestricted. The first category represents net position related to property, plant, equipment and infrastructure.

When an expenditure is incurred for purposes for which both restricted and unrestricted net position is available, the City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned net position are available, the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the City Council has provided otherwise in its commitment or assignment actions by either an ordinance or resolution.

The restricted category represents the balance of assets restricted by requirements of revenue bonds and other externally imposed constraints or by legislation in excess of the related liabilities payable from restricted assets. Unrestricted net position consists of the net position not meeting the definition of either of the other two components.

13. Fund Balance

The City classifies fund balance in accordance with GASB Statement No. 54 "*Fund Balance Reporting and Governmental Fund Type Definitions.*" This Statement enhances the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. 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.

The City reports the following fund classifications:

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

Nonspendable fund balance. Nonspendable fund balances are amounts that cannot be spent because they are either not in spendable form such as inventory or legally or contractually required to be maintained intact such as a perpetual trust.

Restricted fund balance. Restricted fund balances are amounts that are constrained by the imposition externally by creditors, grantors, contributors, or laws or regulations of other governmental agencies or imposed by law through constitutional provisions or enabling legislation.

Committed fund balance. Those amounts that can only be used for specific purposes pursuant to constraints imposed by the City Council through an ordinance or resolution (which are equally binding as the highest decision-making authority) are classified as committed fund balances.

Assigned fund balance. Amounts that are constrained by the City's intent to be used for specific purposes but are neither restricted nor committed are classified as assigned fund balances. Assignments are recommended by the City Manager, based on the City Council direction during the annual budget process, and the City Council authorizes assignments by the adoption of a resolution.

Unassigned fund balance. Unassigned fund balance represents 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 City's policy is to maintain an adequate General Fund fund balance to provide liquidity in the event of an economic downturn or natural disaster. The City Council adopted a Fund Balance Policy by Resolution No. 137-2009 which is a financial standard to maintain a General Fund minimum unassigned fund balance of 10 percent of budgeted expenditures. The General Fund is the only fund that reports a positive unassigned fund balance amount. The other governmental funds may report negative unassigned fund balance if that fund's expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes. As part of the annual budget adoption process, which is accomplished through an ordinance, the City Council reviews the fund balance commitments. Any action to establish, modify or rescind fund balance classifications would be taken through the adoption of an ordinance approved by City Council.

F. Other Policies

1. Property Taxes

Calendar of Property Tax Events

- January 1, 2019 – Property taxes are based on assessed property value at this date as determined by the Palm Beach County Property Appraiser.
- June 27, 2019 –Property assessment roll and certificates of value by the Palm Beach County Property Appraiser are provided to the City.

CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

- July 23, 2019 – Proposed tax millage rate approved by the City Council and provided to the Palm Beach County Property Appraiser, who mails notices to the taxpayers.
- September 23, 2019 – Property tax millage rate ordinance approved by the City Council.
- October 1, 2019 – Beginning of fiscal year for which taxes are levied.
- April 1, 2020 – Unpaid property taxes become delinquent and become a lien.
- April 2, 2020 – The Palm Beach County Property Appraiser notifies the City of the taxable value on the final property tax assessment roll.
- June 1, 2020 – Tax certificates are sold by the Palm Beach County Tax Collector.

Property Tax Collection

Property tax collections are governed by Chapter 197, Florida Statutes. The Palm Beach County Tax Collector (Tax Collector) bills and collects all property taxes levied within the County. Discounts are allowed for early payment of 4% in November, 3% in December, 2% in January and 1% in February. If property taxes are not paid by April 1, the County adds a 3% penalty on real estate and a 1 ½% penalty on personal property.

The Tax Collector advertises and sells tax certificates on all real property for delinquent taxes. Certificates not sold revert back to the County. The Tax Collector must receive payment before the certificates are issued. Any person owning land on which a tax certificate has been sold may redeem the land by paying the Tax Collector the face amount of the tax certificate plus interest and other costs. The owner of a tax certificate may at any time after taxes have been delinquent (April 1), for two years, file an application for a tax deed sale. The County, as a certificate owner, may exercise similar procedures two years after taxes have been delinquent. Tax deeds are issued to the highest bidder for the property which is sold at public auction.

The Tax Collector remits current taxes collected through four distributions to the City in the first two months of the tax year and at least one distribution each month thereafter. The City recognizes property tax revenue in the period in which they are levied. The Tax Collector pays the City interest on monies held from date of collection to date of distribution. The City has no control over the investment program of the Tax Collector as this program is governed by State statutes.

Property Tax Limitation

The City is permitted by state statutes to levy taxes up to 10 mills of assessed value. The total millage rate levied by the City for the fiscal year ended September 30, 2020, was 3.6786. Current tax collections for the City were approximately 96.2% of the total tax levy.

2. 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 certain reported amounts of assets, liabilities, deferred inflows/outflows and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses

CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

during the reporting period. Actual results could differ from those estimates.

3. Encumbrances

Budgets in governmental funds are encumbered upon issuance of purchase orders, contracts or other forms of legal commitments. While appropriations lapse at the end of the fiscal year, the succeeding year's budget ordinance specifically provides for the re-appropriation of year-end encumbrances.

3. Deposits and Investments

General Authorization:

Cash and cash equivalents include cash on hand, amounts in demand and time deposits, and short-term investments with original maturity dates within three months of the date acquired by the City. All of the City's deposits are held in qualified public depositories pursuant to State of Florida Statutes, Chapter 280, *Florida Security for Public Deposits Act*. Under the Act, every qualified public depository shall deposit with the Treasurer eligible collateral of the depository to be held subject to his or her order. The Treasurer, by rule, shall establish minimum required collateral pledging levels. The pledging level may range from 25% to 200% of the average monthly balance of public deposits depending upon the depository's financial condition and establishment period. All collateral must be deposited with an approved financial institution. Any potential losses to public depositors are covered by applicable deposit insurance, sale of securities pledged as collateral and, if necessary, assessments against other qualified public depositories of the same type as the depository in default.

The City's investment practices are governed by Chapter 280 and 218, Florida Statutes, City Code of Ordinances, Section 20, the adopted investment policy, and various legal covenants related to outstanding bond issues. For all investments authorized by statute and policy, the City applies the "Prudent Man Rule" when developing investment strategies.

Types of Investments:

The City is authorized to invest in a wide range of securities that include certificates of deposit, money market funds, U.S. Treasury obligations, State and U.S. Government Agencies and Enterprises, State and Local Government Series, corporate bonds, the State Board of Administration investment pool, interlocal investment pools, the Florida Municipal Investment Trust, mutual funds, foreign obligations of the government of Israel (State of Israel), and repurchase agreements. The City uses only financial institutions qualified as public depositories by the State of Florida or "approved" security dealers to place its investments unless bond covenants specifically require other financial institutions to be used. In addition to the investments above, the Pension trust funds are authorized to invest in commercial paper, real estate; and domestic, international, convertible, commingled, common and preferred stock.

CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

The City participates in seven pooled investment funds, three of which behave as SEC-regulated money market funds under SEC Rule 2a7. Therefore, in accordance with GASB Statement 79 , *Certain External Investment Pools and Pool Participants*, which established criteria for an external investment pool for making the selection to qualify to measure its investments at amortized cost, these pools are exempt from the GASB 72, *Fair Value Measurement and Application* hierarchy disclosures and are reported at amortized cost. Detailed information for these pooled investment funds are as follows:

Florida PRIME

The State Board of Administration (SBA) administers the Florida PRIME pool which is governed by Chapter 19-7 of the Florida Administrative Code and Chapters 218 and 215 of the Florida Statutes. These rules provide guidance and establish the policies and general operating procedures for the administration of the Florida PRIME pool. Florida PRIME invests in a pool of investments whereby the City owns a share of the respective pool, not the underlying securities. The fair value of the position in the Florida PRIME pool is equal to the value of the pool shares.

The investments in the Florida PRIME are not insured by FDIC or any other governmental agency.

With regard to redemption gates, Chapter 218.409(8) (a), Florida Statutes, states, "The principal, and any part thereof, of each account constituting the trust fund is subject to payment at any time from the moneys in the trust fund. However, the Executive Director may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations of the trust fund, for 48 hours limit contributions to or withdrawals from the trust fund to ensure that the Board can invest moneys entrusted to it in exercising its fiduciary responsibility. Such action must be immediately disclosed to all participants, the Trustees, the Joint Legislative Auditing Committee, the Investment Advisory Council, and the Participant Local Government Advisory Council. The Trustees shall convene an emergency meeting as soon as practicable from the time the Executive Director has instituted such measures and review the necessity of those measures. If the Trustees are unable to convene an emergency meeting before the expiration of the 48-hour moratorium on contributions and withdrawals, the Executive Director may extend the moratorium until the Trustees are able to meet to review the necessity for the moratorium. If the Trustees agree with such measures, the Trustees shall vote to continue the measures for up to an additional 15 days. The Trustees must convene and vote to continue any such measures before the expiration of the time limit set, but in no case may the time limit set by the Trustees exceed 15 days."

With regard to liquidity fees, Florida Statute 218.409(4) provides authority for the SBA to impose penalties for early withdrawal, subject to disclosure in the enrollment materials of the amount and purpose of such fees. At present, no such disclosure has been made.

As of September 30, 2020, there were no redemption fees or maximum transaction

CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

amounts, or any other requirements that serve to limit a participant's daily access to 100 percent of their account value.

FLCLASS

The Florida Cooperative Liquid Assets Securities System Trust (FLCLASS) is a common law trust established, created, and authorized by an Interlocal Agreement by and among participating Florida public agencies. FLCLASS is an authorized investment pool under Section 218.415(16)(a), Florida Statutes, and was established for participating Florida agencies on April 1, 2015 under the Interlocal Agreement and commenced operations on July 15, 2015 (inception). FLCLASS is available for investment by any unit of local government within the State of Florida. The purpose of FLCLASS is to enable such units to cooperate in the investment of their available funds. FLCLASS operates like a money market mutual fund with each share valued at \$1.00.

FL PALM

Florida Public Assets for Liquidity Management Fund (FL PALM) is a common law trust organized under the authority of the Florida Interlocal Cooperation Act of 1969, as amended (Section 163.01 of the Florida Statutes) and Section 218.415 of the Florida Statutes. FL PALM was created on October 22, 2010 by contract among its participating governmental units and is governed by its trustees.

The Trust Agreement for FL PALM permits and provides for the creation of several specialized asset portfolios. The City participates in two of these portfolios known as the FL PALM Portfolio and the FL PALM Term Portfolio. The FL PALM Portfolio seeks to maintain a stable \$1.00 net asset value and reports at amortized cost. The FL PALM Term Portfolio seeks to assure the return of principal on the planned maturity date and there is a penalty for early withdrawal. The Term Portfolio is reported at Net Asset Value (NAV). The City had no active investments in the Term Portfolio as of September 30, 2020.

FL-FIT

The Florida Fixed Income Trust (FL-FIT) was created on April 28, 2010, under the laws of the State of Florida, to provide eligible units of local governments with an investment vehicle to pool their surplus funds and to reinvest such funds in one or more investment portfolios under the direction and daily supervision of an investment advisor. The Trust began operations on July 1, 2010. The City participates in the FL FIT Cash Pool, one of four portfolios offered by the Trust. The FL-FIT Cash Pool does not meet the criteria required to be exempted from fair value leveling and is measured and reported at Net Asset Value (NAV).

FMIVT

The City additionally participates in two pooled investment funds administered by the Florida League of Cities which do not meet the criteria required to be exempted from fair value leveling. These funds are referred to collectively as follows:

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

The Florida Municipal Investment Trust (FMIVT) 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 direction and daily supervision of an investment advisor. The Florida League of Cities serves as the administrator, investment manager and secretary-treasurer of the Trust.

a. City of Boca Raton

At September 30, 2020, the City of Boca Raton had the following cash, cash equivalents and investments:

Portfolio/Investments	Value	Average Maturity	Credit Rating	Rating Agency	Percent Distribution
Cash Deposits	\$ 56,297,498				12.04%
Florida PRIME	102,449,845	48 days	AAAm	S&P	21.89%
FLCLASS	22,792,514	51 days	AAAm	S&P	4.87%
FL PALM Portfolio	39,661,067	46 days	AAAm	S&P	8.47%
Total Cash & Cash Equivalents	221,200,924				
FMIVT 0-2 Year High Quality Government Fund	37,074,523	0.70 years	AAAf/S1	Fitch, S&P	7.92%
FMIVT 1-3 Year High Quality Bond Fund	37,058,798	1.60 years	AAAf/S2	Fitch, S&P	7.92%
FMIVT Intermediate High Quality Bond Fund	37,072,161	3.40 years	AAAf/S3	Fitch, S&P	7.92%
FL-FIT Cash Pool	52,300,345	100 days	AAAf/S1	S&P	11.17%
U.S. Government Securities:					
U.S. Government Agencies:					
Federal National Mortgage Association	10,263,300	1.51 years	AA+	S&P	2.19%
Certificates of Deposit	40,972,000	1 year	Not rated		8.75%
Corporate Obligations:					
Bonds	5,038,249	4.16 years	A-	S&P	1.08%
Bonds	1,000,229	36 days	A	S&P	0.21%
Bonds	9,159,719	3.15 years	A+	S&P	1.96%
Bonds	5,867,528	1.24 years	AA-	S&P	1.25%
Bonds	4,134,720	1.80 years	AA	S&P	0.88%
Bonds	2,110,640	2.40 years	AA+	S&P	0.45%
Municipal Obligations:					
Bonds	877,888	1.84 years	AA+	S&P	0.19%
Bonds	945,332	1.34 years	AAA	S&P	0.20%
International Investments:					
Foreign Bond	2,998,260	0.50 years	AA-	S&P	0.64%
Total Investments	246,873,692				
Total Cash and Investments	\$ 468,074,616				100.00%

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants.

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

Fair Value Hierarchy

The investments are measured and reported at fair value and classified according to the following hierarchy:

Level 1 – Investments reflect unadjusted quoted prices in active markets for identical assets.

Level 2 – Investments reflect prices that are based on inputs that are either directly or indirectly observable for an asset (including quoted prices for similar assets), which may include inputs in markets that are not considered to be active.

Level 3 – Investments reflect prices based upon unobservable inputs.

The investment pricing transparency determines the category within the hierarchy and should not be observed as the investment risk. The custodian bank's (primary external pricing vendors) quoted prices were used to determine level classification based on the fair value hierarchy.

At September 30, 2020, the investments by fair value level are:

Investment Type	As of 9/30/2020	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
FMIvT 0-2 Year High Quality Government Fund	\$ 37,074,523	\$ -	\$ 37,074,523	\$ -
FMIvT 1-3 Year High Quality Bond Fund	37,058,798	-	37,058,798	-
FMIvT Intermediate High Quality Bond Fund	37,072,161	-	37,072,161	-
U.S. Government Agencies:				
Federal National Mortgage Association	10,263,300	-	10,263,300	-
Corporate Bonds	27,311,085	-	27,311,085	-
Municipal Bonds	1,823,220	-	1,823,220	-
International Investments:				
Foreign Bond	2,998,260	-	2,998,260	-
Total Investments at Fair Value	153,601,347	\$ -	\$ 153,601,347	\$ -

Investment at the net asset value (NAV)	As of 9/30/2020	Redemption Frequency	Days Notice Before Redemption
FL-FIT Cash Pool	52,300,345	Daily	Same Day
Total Investments measured at NAV	52,300,345		
Certificates of Deposit (exempt)	40,972,000		
Total Investments	\$ 246,873,692		

FMIvT 0-2 Year High Quality Government Fund

This fund invests mainly in US government and agency securities and asset-backed

CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

securities. The underlying securities have observable level 1 quoted pricing inputs or observable level 2 significant other observable 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 prices or market-corroborated inputs, the net asset value of the portfolio is not publicly quoted. (Level 2 inputs).

FMIvT 1-3 Year High Quality Bond Fund

This fund invests mainly in US government and agency securities and asset-backed securities. The underlying securities have observable level 1 quoted pricing inputs or observable level 2 significant other observable 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 prices or market-corroborated inputs, the net asset value of the portfolio is not publicly quoted. (Level 2 inputs).

FMIvT Intermediate High Quality Bond Fund

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

U.S. Government Securities

The City's investment policy allows investments in U.S. Treasury, but there were no U.S. Treasury Notes in the City's investment portfolio at September 30, 2020.

U.S. Government Agencies

Security prices were obtained from a pricing service, Interactive Data Corporation (IDC). The underlying securities have observable level 1 quoted pricing inputs or observable level 2 significant other observable pricing inputs.

Corporate Bonds

Security prices were obtained from a pricing service, Interactive Data Corporation (IDC). The underlying securities have observable level 1 quoted pricing inputs or observable level 2 significant other observable pricing inputs.

Municipal Bonds

Security prices were obtained from a pricing service, Interactive Data Corporation (IDC). The underlying securities have observable level 1 quoted pricing inputs or observable level

CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

2 significant other observable pricing inputs.

International Investments

The City's investment policy allows investments in obligations of the government of Israel (State of Israel) and the single foreign obligation that is in the City's investment portfolio at September 30, 2020 is an Israel Jubilee Bond. The security prices were valued using a matrix pricing technique. Matrix pricing is used to value securities based on broker/dealer quotes (Level 2 inputs).

Violations:

There were no violations of the legal or contractual provisions for deposits and investments.

Interest Rate Risk

Interest rate risk exists when there is a possibility that changes in interest rates could adversely affect an investment's fair value. The City's investment policy limits investments to those having a maturity, at the time of purchase, of less than five years. There were no investments in the City's portfolio that exceeded this maximum maturity at September 30, 2020.

Credit Risk

Credit risk exists when there is a possibility the issuer or other counter-party to an investment may be unable to fulfill its obligations. The City's investment policy allows investments in U.S. Government sponsored agencies and enterprises, corporate notes, municipal notes, the Florida PRIME investment pool, interlocal investment pools, and the Florida Municipal Investment Trust. The ratings of the investments held at year end are shown above. All are rated within the policy guidelines.

Concentration of Credit Risk

In addition to describing the credit risk of investments in the portfolio, governmental entities need to disclose the concentration of any single investment type or holding per single issuer. The percentage allocation of each cash investment type in the portfolio is shown in the preceding table. The City's investment policy allows investment concentrations in various percentages for different types of investments. Governmental Accounting Standards Board (GASB) Statement No. 40 requires disclosures when the percent is 5% or more of total investments position in any one issuer. As of September 30, 2020, the City had more than 5% invested with Florida PRIME, FL PALM, FMIVT, FL-FIT, and First Horizon National Bank. The percentage concentrations of investments from each issuer are shown above, except for certificates of deposit issued by First Horizon National Bank, which make up 6.41% of total cash & investments.

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

Custodial Risk

The City’s investment policy requires that all securities, with the exception of certificates of deposit, be held with a third party custodian. Security transactions between a broker/dealer and the custodian involving the purchase or sale of securities by transfer of money or securities are made on a “delivery vs. payment” basis to ensure that the custodian will have the security or money, as appropriate, in hand at the conclusion of the transaction. As of September 30, 2020, the City’s investment portfolio was held with a third-party custodian.

b. Executive Employees’ Retirement Plan

At September 30, 2020, the Executive Employee’s Retirement Plan (EERP) invested in securities and fixed income investments listed as follows:

Executive Employees’ Retirement Plan Portfolio/Investments	Value	Weighted Average Maturity	Credit Rating	Rating Agency	Percent Distribution
Cash and short-term investments	\$ 261,452				0.50%
FMIvT Core Plus Fixed Income Fund	4,967,602	5.82 years	Not rated		9.50%
FMIvT Broad Market High Quality Bond Fund	4,706,149	6.60 years	AAf/S4	Fitch	9.00%
FMIvT Large Cap Diversified Value Portfolio	21,386,832		Not rated		40.90%
FMIvT Diversified Small Cap Equity Portfolio	6,588,608		Not rated		12.60%
FMIvT International Equity Portfolio	9,882,913		Not rated		18.90%
FMIvT Core Real Estate	4,496,987		Not rated		8.60%
Total Investments	52,029,091				99.50%
Total Cash and Investments	\$ 52,290,543				100.00%

Fair Value Hierarchy

The investments are measured and reported at fair value and classified according to the following hierarchy:

Level 1 – Investments reflect unadjusted quoted prices in active markets for identical assets.

Level 2 – Investments reflect prices that are based on inputs that are either directly or indirectly observable for an asset (including quoted prices for similar assets), which may include inputs in markets that are not considered to be active.

Level 3 – Investments reflect prices based upon unobservable inputs.

The investment pricing transparency determines the category within the hierarchy and should not be observed as the investment risk. The custodian bank’s (primary external

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

pricing vendors) quoted prices were used to determine level classification based on the fair value hierarchy.

At September 30, 2020, the investments by fair value level are:

Executive Employees' Retirement Plan	Investment by fair value level	9/30/2020	Fair Value Measurements Using		
			Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
	FMIvT Broad Market High Quality Bond Fund	\$ 4,706,149	\$ -	\$ 4,706,149	\$ -
	FMIvT Diversified Large Cap Equity Portfolio	21,386,832	-	21,386,832	-
	FMIvT Diversified Small to Mid Cap Equity Portfolio	6,588,608	-	6,588,608	-
	FMIvT International Equity Portfolio	9,882,913	-	9,882,913	-
	Total Investments at Fair Value	42,564,502	\$ -	\$ 42,564,502	\$ -

Investment at the net asset value (NAV)*		Redemption Frequency	Redemption Notice Period
FMIvT Core Real Estate	4,496,987	Quarterly	5 business days prior to valuation
FMIvT Core Plus Fixed Income	4,967,602	Monthly	
Total Investments measured at NAV	9,464,589		
Total Investments	\$ 52,029,091		

* As required by GAAP, certain investments that are measured at net asset value have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the total investment line item in the Statement of Fiduciary Net Position.

FMIvT Broad Market High Quality Bond Fund

This fund invests mainly in US government and agency securities, asset-backed securities and corporate bonds and notes. The underlying securities have observable Level 1 quoted pricing inputs or observable Level 2 significant other observable pricing inputs. Most of the security prices were obtained from a pricing service, Interactive Data Corporation (IDC). While the underlying asset values are based on quoted prices or market-corroborated inputs, the net asset value of the portfolio is not publicly quoted. Value is based on market-corroborated data. (Level 2 inputs).

FMIvT 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 traded. 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. Value is based on market-corroborated data. (Level 2 inputs).

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

FMIVT Diversified Small to Mid Cap Equity Portfolio

This portfolio invests mainly in domestic stocks. The majority of the underlying securities have observable Level 1 quoted pricing 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. Value is based on market-corroborated data. (Level 2 inputs).

FMIVT International Equity Portfolio

This portfolio invests in a single underlying fund, the Investec International Dynamic Equity Fund, LLC (Investec Fund), shares of which are not publicly quoted. The Investec Fund invests in stocks sold on U.S. and international exchanges, all of which have observable Level 1 quoted pricing inputs. The value of the portfolio's shares of the Intech Fund investment are determined based on the net asset value provided by the Investec Fund, which was calculated in accordance with generally accepted accounting principles. Value is based on market-corroborated data. (Level 2 inputs).

FMIVT Core Real Estate Fund

This portfolio invests in a single underlying fund, the Morgan Stanley Prime Property Fund (Morgan Stanley Fund), shares of which are not publicly quoted. The Morgan Stanley Fund invests in core real estate in the U.S. The value of the Morgan Stanley Fund investments was determined based on quarterly real estate appraisals, which were calculated in accordance with generally accepted accounting principles. Value is based on unobservable inputs (Level 3 inputs). This fund is reported at NAV as a practical expedient. There are no unfunded commitment requirements.

FMIVT Core Plus Fixed Income Fund

This fund invests in two underlying funds, the Franklin Templeton Global Multi-Sector Plus Fund, LP and the Pioneer Institutional Multi-Sector Fixed Income Portfolio, LLC. Shares of these funds are not publicly quoted. These underlying funds invest in a variety of financial instruments, including equity investments, asset-backed securities, debt securities, swaps, forward exchange contracts, credit-linked notes, escrow accounts, litigation trusts for both U.S. and foreign companies and governments. Value is based on unobservable inputs. (Level 3 inputs). This fund is reported at NAV as a practical expedient. There are no unfunded commitment requirements.

Interest Rate Risk

Interest rate risk exists when there is a possibility that changes in interest rates could adversely affect an investment's fair value. The EERP has a maximum maturity at purchase of 180 days with a total average maturity, at any point in time, for all repurchase agreements held of not greater than 60 days. Bankers' Acceptances maximum maturity

CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

shall not exceed 270 days from the time of purchase. Nonnegotiable certificates of deposit shall not exceed 2 years. No investments held in the portfolio exceed these limits.

Credit Risk

The EERP allows investments in Commercial Paper with A1/P1 or a comparable rating as provided by two of the top nationally recognized statistical rating organizations; and that the corporation's long-term debt, if any, is rated at least A1/A+ by a nationally recognized statistical rating organization or, if backed by a letter of credit (LOC), the long-term debt of the LOC provider must be rated at least AA (or comparable rating) by at least two of the nationally recognized statistical rating agencies publishing ratings for financial institutions. Banker's Acceptances issued with the U.S. by institutions with a long-term debt rating of at least AA or short term debt rating of P1 (or comparable rating) as provided by one nationally recognized statistical rating organization.

Nonnegotiable Certificates of Deposit must be rated at least A1/P1 (or comparable rating) and a long-term rating of a least A (or comparable rating) as provided by two of the top nationally recognized rating agencies. Guaranteed Investment Contracts must be rated in the highest category by AM Best Rating System or a comparable nationally recognized statistical rating organization. All investments held at September 30, 2020 in the portfolio met these requirements.

Concentration of Credit Risk

The EERP allows no more than \$5 million in certificates of deposit with any one depository at one time. Corporate fixed income securities are limited to no more than 3% of any one corporation at the time of purchase. No more than \$10 million in investment agreements with other financial institutions may be entered into with any one financial institution. Governmental Accounting Standards Board (GASB) Statement No. 40 requires disclosures when the percent is 5% or more of fiduciary net position in any one issuer. As of September 30, 2020, all investments were within the allowable limits.

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

c. General Employees' Pension Plan

At September 30, 2020 the General Employees' Pension Plan's (the Plan) portfolio consisted of the following securities and fixed income investments:

General Employees' Pension Plan Portfolio/Investments	Value	Weighted Average Maturity	Credit Rating	Rating Agency	Percent Distribution
Cash deposits	\$ 29,345,489				12.55%
Short-term investments	15,339,189				6.56%
Total Cash and Short-Term Investments	<u>44,684,678</u>				<u>19.12%</u>
U.S. Government Securities:					
U.S. Treasury Securities:					
U.S. Treasury bonds	8,728,108	5.35 years		Moody's	3.73%
U.S. Government Sponsored Agencies:					
Mortgage Backed Securities:					
Federal National Mortgage Association	103,205	13.65 years	Aaa	Moody's	0.04%
Government National Mortgage Association	8,068		Aaa	Moody's	0.00%
Federal Home Loan Mortgage Corporation	94,048		Aaa	Moody's	0.04%
Corporate Bonds & Debentures:					
Corporate Obligations:					
Bonds	1,999,680	3.60 years	Aa	Moody's	0.86%
Bonds	10,463,176		A	Moody's	4.48%
Bonds	274,275		Baa	Moody's	0.12%
Government issued commercial mortgage-backed securities	-				0.00%
Stock and Convertible Securities:					
Common stock	90,519,571				38.73%
Convertible preferred stock	2,038,647				0.87%
Corporate convertible bonds	11,939,252				5.11%
Preferred stock	151,454				0.06%
Global infrastructure fund	3,189,842				1.36%
Real Estate Funds:					
Real estate direct investment partnership	15,235,501				6.52%
Real estate investment trust	6,877,759				2.94%
Commingled Funds:					
International equity fund	27,988,081				11.97%
Domestic equity fund	9,442,541				4.04%
Total Investments	<u>189,053,208</u>				<u>80.88%</u>
Total Cash and Investments	<u>\$ 233,737,886</u>				<u>100.00%</u>

Government agency and treasury securities are not rated but have an implied Aaa rating from Moody's Investor Service and Fitch and an implied Aa+ rating from Standard & Poor's.

CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

Fair Value Hierarchy

The investments are measured and reported at fair value and classified according to the following hierarchy:

Level 1 – Investments reflect unadjusted quoted prices in active markets for identical assets.

Level 2 – Investments reflect prices that are based on inputs that are either directly or indirectly observable for an asset (including quoted prices for similar assets), which may include inputs in markets that are not considered to be active.

Level 3 – Investments reflect prices based upon unobservable inputs.

The investment pricing transparency determines the category within the hierarchy and should not be observed as the investment risk. The custodian bank's (primary external pricing vendors) quoted prices were used to determine level classification based on the fair value hierarchy.

Equity securities traded on national or international exchanges are valued at the last reported sales price or current exchange rates (Level 1). This includes common stock, mutual fund equities and Real Estate Investment Trusts (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, municipal bonds and corporate obligations, including asset backed securities.

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

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

At September 30, 2020, the investments by fair value level are:

General Employees' Pension Plan	Fair Value Measurements Using			
	9/30/2020	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investment by fair value level				
Debt securities:				
Corporate bonds and debentures	\$ 12,737,131	\$ -	\$ 12,737,131	\$ -
U.S. government securities	8,933,429	-	8,933,429	-
Total Debt Securities	21,670,560	-	21,670,560	-
Stock and convertible securities:				
Common stock	87,348,436	38,302,836	49,045,600	-
Convertible preferred stock	2,038,647	1,998,789	39,858	-
Preferred stock	151,454	-	151,454	-
Commingled funds	37,430,622	-	37,430,622	-
Corporate convertible bonds	11,939,252	-	11,939,252	-
Real estate investment trust	6,877,759	6,877,759	-	-
Total Stock and Convertible Securities	145,786,170	47,179,384	98,606,786	-
Total investments at fair value	167,456,730	\$ 47,179,384	\$ 120,277,346	-

Investment measured at the net asset value (NAV)*		Redemption Frequency	Redemption Notice Period	Unfunded Commitments
Global Infrastructure (1)	3,171,135	Daily	T+1	-
Infrastructure (2)	3,189,842	Daily	T+1	-
Real estate direct investment partnership (3)	15,235,501	Quarterly	45 Days	-
Total investments measured at NAV	21,596,478			-
Total investments	\$ 189,053,208			\$ -

* As required by GAAP, certain investments that are measured at net asset value have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the total investment line item in the Statement of Fiduciary Net Position.

(1) *Global Infrastructure*: This portfolio seeks to achieve positive returns by investing in a select universe of "Preferred Infrastructure" companies. The companies have the potential to achieve lower volatility returns that exceed inflation which allow the portfolio to reach high diversification opportunities. The portfolio may then compliment other real assets, private equity infrastructure, and global equity allocations..

(2) *Infrastructure fund*: This partnership (MLP) invests primarily in master limited partnerships as well as domestic common stocks or similar equity securities of high quality, financially secure companies listed on principal exchanges.

(3) *Real estate direct investment partnership*: This fund enters into real estate partnerships with various joint venture partners that provide management, leasing and construction-related services to the properties in which the Fund has a limited ownership partner interest.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect fair value of an investment in debt securities. Generally, the longer the time to maturity, the greater the exposure to interest-rate risk. The established performance objectives require investment maturities to provide sufficient liquidity to pay obligations as they become due. Treasury inflation indexed securities are limited to ten year maturities. The weighted average maturity in years for each investment type at September 30, 2020, is included in

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

the preceding table.

Credit Risk

Credit risk is the risk that a debt issuer will not fulfill its obligations. The Plan utilizes portfolio diversification in order to limit investments to the highest rated securities as rated by nationally recognized rating agencies. The investment policy limits credit risk by requiring fixed income securities to have a minimum rating by two of the three major credit rating agencies. The minimum rating for corporate bonds is Baa2 (Moody's) or BBB (Standard & Poor's/Fitch). The minimum rating for short-term commercial paper/bankers acceptances is P-1 (Moody's), A-1 (Standard & Poor's) or F-1 (Fitch) with the issuer having a minimum long-term debt rating of A. The minimum rating for commercial mortgage-backed and asset-backed securities is Aaa (Moody's/Standard & Poor's) or AAA (Fitch). Further, the investment policy does not permit private mortgages or tax-exempt bonds. At September 30, 2020, the portfolio met the credit rating limitations of the investment policy as presented in the preceding table.

Concentration of Credit Risk

Concentration of credit risk is defined as the risk of loss attributed to the magnitude of an investment in a single issuer. The Plan utilizes limitations on securities of a single issuer to manage this risk. The investment policy requires that corporate bond issues cannot represent more than 2% of the total bond portfolio. The policy further requires that corporate bond issues rated below A3/A- (Moody's/Standard & Poor's) cannot represent more than 20% of the total bond portfolio. Governmental Accounting Standards Board (GASB) Statement No. 40 requires disclosures when the percent is 5% or more of fiduciary net position in any one issuer. At September 30, 2020, the portfolio met the corporate single issuer and quality ratings limitations of the policy.

Custodial Credit Risk

Custodial credit risk is defined as the risk that the plan may not recover cash and investments held by another party in the event of financial failure. Custodial credit risk is limited since investments are held in independent custodial safekeeping accounts or commingled funds.

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. The investment policy does not permit general obligations issued by a foreign government and is therefore, not exposed to foreign currency risk.

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

d. Police and Firefighter's Retirement System

At September 30, 2020, the Police and Firefighter's Retirement System invested in the following securities and fixed income investments:

Police and Firefighters' Retirement System Portfolio/Investments	Value	Weighted Avg Maturity	Credit Rating	Rating Agency	Percent Distribution
Cash and Short-Term Investments					
Cash Deposits	\$ 3,097,680				0.74%
Short-term Investments	<u>3,274,055</u>				<u>0.79%</u>
Total Cash and Short-Term Investments	<u>6,371,735</u>				<u>1.53%</u>
Common Stock	<u>131,089,003</u>				<u>31.44%</u>
U.S. Government Securities					
U.S. Treasury Securities:					
U.S. Treasury notes	920,363			Moody's	0.22%
U.S. Treasury bonds	<u>2,165,282</u>			Moody's	<u>0.52%</u>
Total U.S. Treasury Securities	<u>3,085,645</u>	24.73 years			<u>0.74%</u>
Mortgage-backed Securities:					
Federal National Mortgage Association Government National Mortgage Association	6,842,573		Aaa	Moody's	1.64%
Federal Home Loan Mortgage Corporation	<u>1,975,764</u>		Aaa	Moody's	<u>0.47%</u>
Total Mortgage-backed Securities	<u>4,823,968</u>	26.15 years	Aaa	Moody's	<u>1.16%</u>
Total U.S. Government Securities	<u>13,642,305</u>				<u>3.27%</u>
	<u>16,727,950</u>				<u>4.01%</u>

continued

CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

Police and Firefighter's Retirement System securities and fixed income investments (continued)

Police and Firefighters' Retirement System (continued)	Portfolio/Investments	Fair Value	Weighted Avg Maturity	Credit Rating	Percent Distribution
Corporate Bonds & Debentures:					
Corporate Obligations:					
Bonds		47,062		Aaa	Moody's 0.01%
Bonds		1,210,046		Aa	Moody's 0.29%
Bonds		28,863,045		A	Moody's 6.92%
Bonds		8,914,183		Baa	Moody's 2.14%
Bonds		148,877		Ba	Moody's 0.04%
Bonds		<u>196,068</u>		Not rated	<u>0.05%</u>
Total Corporate Obligations		<u>39,379,281</u>	17.10 years		<u>9.45%</u>
Commercial Mortgage Backed Securities (CMBS):		<u>425,148</u>	25.85 years	Aaa	Moody's 0.10%
Asset Backed Securities:					
ABS		856,956		Aaa	Moody's 0.21%
ABS		<u>45,899</u>		Not rated	<u>0.01%</u>
Total Asset Backed Securities		<u>902,855</u>	4.18 years		<u>0.22%</u>
Total Corporate Bonds and Debentures		<u>40,707,284</u>			<u>9.76%</u>
Commingled Funds:					
Mutual funds		8,803,392		Not rated	2.11%
Long/Short equity fund of funds		24,724,125			5.93%
International equity funds		58,791,268			14.10%
High yield fixed income/debt		<u>5,186,613</u>			<u>1.24%</u>
Total Commingled Funds		<u>97,505,398</u>			<u>23.39%</u>
Real Estate		<u>23,936,649</u>			<u>5.74%</u>
Private Equity		<u>54,560,455</u>			<u>13.09%</u>
Multi Asset Class		<u>46,001,336</u>			<u>11.03%</u>
Total Investments		<u>410,528,075</u>			<u>64.62%</u>
Total Cash and Investments		<u>\$ 416,899,810</u>			<u>100.00%</u>

Government agency and treasury securities are not rated but have an implied Aaa rating from Moody's Investor Service and Fitch and an implied AA+ rating from Standard & Poor's.

Fair Value Hierarchy

The investments are measured and reported at fair value and classified according to the following hierarchy:

Level 1 – Investments reflect unadjusted quoted prices in active markets for identical assets.

CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

Level 2 – Investments reflect prices that are based on inputs that are either directly or indirectly observable for an asset (including quoted prices for similar assets), which may include inputs in markets that are not considered to be active.

Level 3 – Investments reflect prices based upon unobservable inputs. The investment pricing transparency determines the category within the hierarchy and should not be observed as the investment risk. The custodian bank's (primary external pricing vendors) quoted prices were used to determine level classification based on the fair value hierarchy.

Equity securities traded on national or international exchanges are valued at the last reported sales price or current exchange rates (Level 1). This includes common stock, 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, municipal bonds and corporate obligations, including asset backed securities.

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

CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

At September 30, 2020, the investments by fair value level are:

System Investment by fair value level	9/30/2020	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Common stock	\$ 109,397,461	\$ 109,397,461	-	\$ -
US government securities	16,727,950	-	\$ 16,727,950	-
Corporate bonds and debentures	19,059,977	-	19,059,977	-
Commingled funds	67,594,660	67,594,660	-	-
Total investments at fair value	212,780,048	\$ 176,992,121	\$ 35,787,927	\$ -

Investment at the net asset value (NAV)*		Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Blended Debt fund (1)	21,691,542	\$ -	Monthly	5 days
Corporate bonds and debentures (2)	21,647,307	-	Quarterly	90 days
Commingled Funds				
Commingled small cap equity fund (3)	24,724,125	-	Quarterly	65 days
High yield fixed income/debt (4)	5,186,613	-	N/A	N/A
Total commingled funds	29,910,738	-		
Private equity (5)	54,560,455	52,593,858		
Multi asset class (6)	46,001,336	-		
Real estate direct investment partnership				
Real estate fund (7)	15,473,393	-	Quarterly	45 days
Private real estate fund (8)	8,463,256	1,747,882	N/A	N/A
Total real estate direct investment partnership	23,936,649	1,747,882		
Total investments measured at NAV	197,748,027	54,341,740		
Total investments	\$ 410,528,075	\$ 54,341,740		

* As required by GAAP, certain investments that are measured at net asset value have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the total investment line item in the Statement of Fiduciary Net Position.

(1) *Blended Debt fund*: This investment consists of warrants, rights and other derivatives instruments. These instruments are used opportunistically to gain exposure to certain stocks when purchasing the underlying physical security is either difficult or too expensive. They are used sparingly, and rarely consist of more than a few percent of the portfolio's total assets. The overall portfolio is highly liquid, and redeemable with daily liquidity, and five days' notice.

(2) *Corporate bonds and debenture*: These are financial assets which are issued by the borrowing company, for a price which is equal to, less than, or more than, its face value, but are not one and the same.

(3) *Commingled small cap equity fund*: This fund consists of assets from several accounts that are blended together. Investors in commingled fund investments benefit from economies of scale, which allow for lower trading costs per dollar of investment, diversification, and professional money management.

(4) *High yield fixed income/debt*: These securities are a composite of yield bonds that are a higher paying bond with a lower credit rating than investment grade corporate bonds, Treasury bonds and municipal bonds. Because of the higher risk of default, these bonds pay a higher yield than investment grade bonds.

(5) *Private equity*: This is equity that share representing ownership of an interest in an entity that is not publicly listed or traded.

(6) *Multi asset class*: This is a combination of asset classes such as cash, equity or bonds, used as an investment. It contains more than one asset class, creating a group, or portfolio of assets.

(7) *Real estate fund*: This fund enters into real estate partnerships with various joint venture partners that provide management, leasing and construction-related services to the properties in which the Fund has an ownership interest. The fund is valued at net asset value.

(8) *Private real estate fund*: The portfolio consists primarily of direct investments in privately negotiated real estate transactions. The portfolio is valued quarterly at net asset value.

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect fair value of an investment in debt securities. Generally, the longer the time to maturity, the greater the exposure to interest-rate risk. The established performance objectives require investment maturities to match anticipated cash flow requirements in order to pay obligations when due. The weighted average maturity as of September 30, 2020, in years, for each investment type is included in the preceding table.

Credit Risk

Credit risk is the risk that a debt issuer will not fulfill its obligations. The Plan utilizes portfolio diversification in order to limit investments to the highest rated securities as rated by nationally recognized rating agencies. The investment policy limits credit risk by requiring fixed income securities to maintain a weighted average credit quality rating of A or better. The policy further limits high yield fixed income securities to 3% of the portfolio. The investment policy does not permit private placement bonds, except for Rule 144A securities of U.S. issuers which are limited to 10% percent of the portfolio. At September 30, 2020, for those where ratings are available, the portfolio met the credit rating limitations of the policy.

Concentration of Credit Risk

Concentration of credit risk is defined as the risk of loss attributed to the magnitude of an investment in a single issuer. The Plan utilizes limitations on securities of a single issuer to manage this risk. Governmental Accounting Standards Board (GASB) Statement No. 40 requires disclosures when the percent is more than 5% of the fair value of the portfolio. At September 30, 2020, the portfolio met the corporate single issuer and quality ratings limitation of the policy.

Custodial Credit Risk

Custodial credit risk is defined as the risk that the plan may not recover cash and investments held by another party in the event of financial failure. Custodial credit risk is limited since investments are held in independent custodial safekeeping accounts or commingled funds in the name of the Plan.

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. The investment policy permits a maximum of 10% of the fair value of the fixed income portfolio to be invested in Yankee securities (foreign issuers of U.S. dollar-denominated debt). At September 30, 2020, 3.32% of the fair value of the fixed income portfolio was invested in Yankee securities, which met the limitations of the policy. The Plan is not subject to foreign currency risk.

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

e. Risks and Uncertainties – Pension Trust Funds

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

Contributions to the Plans are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

4. Receivables and Payables

Notes Receivable

On February 2, 2018, the City entered into an interlocal agreement with the Greater Boca Raton Beach and Park District to provide funding to the District for the acquisition of real property (Ocean Breeze Property) for the development of a public golf course. The District will reimburse the City for all associated costs, including all principal and interest payments, legal, and other fees related to the 15-year \$19.1 million bonds issued on February 23, 2018. The Note is secured by the City's pledge of its non ad valorem revenues. The City holds title to the property for as long as the Note remains outstanding. Upon full reimbursement by the District to the City, the City shall convey to the District the title and interest in the Ocean Breeze property, known as the Boca Raton National Golf Course.

Accounts Receivable

Accounts receivable as of the fiscal year-end for the City's individual major and non-major funds, and internal service funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

Governmental	General	Community Redevelopment Agency Operating Fund	Five Year Capital Improvement	Infrastructure Surtax Fund	Greater Boca Raton Beach & Park District	Other Governmental	Internal Services	Total
Receivables:								
	\$							
Accounts, net	4,185,039		\$ 45,046		\$ 5,881	\$ 41,918	\$ 313,727	\$ 4,591,611
Assessments						141,638		141,638
Lease revenues		\$ 14,115,691						14,115,691
Interest on investments	372,965	37,650	86,056	\$ 22,926		150,316	355,265	1,025,178
Net governmental receivables	\$ 4,558,004	\$ 14,153,341	\$ 131,102	\$ 22,926	\$ 5,881	\$ 333,872	\$ 668,992	\$ 19,874,118

Receivables for the City's business-type activities, including individual major funds and allowances for uncollectible accounts are as follows:

Business-type	Water & Sewer	Other Enterprise	Total
Receivables:			
Accounts, net	\$ 8,254,712	\$ 2,098,079	\$ 10,352,791
Assessments	882,116		882,116
Interest on assessments	116,892		116,892
Interest on investments	520,446	54,344	574,790
Net business-type receivables	\$ 9,774,166	\$ 2,152,423	\$ 11,926,589

Accounts Payable

Accounts payable and accrued liabilities as of fiscal year-end for the City's individual major and non-major funds, and internal service funds in the aggregate, are as follows:

Governmental Payables	General	Community Redevelopment Agency Operating Fund	Five Year Capital Improvement	Infrastructure Surtax Fund	Beach and Park Operations	Other Governmental	Internal Services	Total
Payables:								
Vendors	\$ 1,030,090	\$ 228,971	\$ 706,304	\$ 2,114,860	\$ 160,170	\$ 799,139	\$ 1,875,613	\$ 6,915,147
Salaries and benefits	3,804,335	22,716			320,914	22,632	37,433	4,208,030
Governmental payables	\$ 4,834,425	\$ 251,687	\$ 706,304	\$ 2,114,860	\$ 481,084	\$ 821,771	\$ 1,913,046	\$ 11,123,177

Accounts payable and accrued liabilities for the City's business-type activities, including individual major funds, are as follows:

Business-type	Water & Sewer	Other Enterprise	Total
Payables			
Vendors	\$ 5,868,961	\$ 233,099	\$ 6,102,060
Salaries and benefits	632,811	241,107	873,918
Business-type payables	\$ 6,501,772	\$ 474,206	\$ 6,975,978

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

5. Encumbrances

Purchase orders are issued throughout the fiscal year to encumber budgets in the governmental funds. Significant encumbrances from fiscal year 2020 that were re-appropriated on October 1, 2020 were:

Major funds:	
General Fund	\$ 13,218,264
Five Year Capital Improvement Fund	2,969,885
Infrastructure	<u>4,911,321</u>
Total Major funds	21,099,470
Non-Major Governmental Funds	<u>5,834,318</u>
Total Encumbrances	<u><u>\$ 26,933,788</u></u>

6. Capital Assets

The following is a summary of capital asset activity for the fiscal year ended September 30, 2020:

Governmental activities:	Beginning Balance	Additions	Transfers	Deletions	Ending Balance
Capital assets not being depreciated/amortized:					
Land	\$ 138,135,702				\$ 138,135,702
Construction in progress	9,432,349	\$ 15,603,590		\$ 2,796,197	22,239,742
Total capital assets not being depreciated/amortized	<u>147,568,051</u>	<u>15,603,590</u>	-	<u>2,796,197</u>	<u>160,375,444</u>
Capital assets being depreciated/amortized:					
Buildings	92,638,685	1,311,445			93,950,130
Improvements other than buildings	61,681,420	383,665		18,050	62,047,035
Equipment	70,216,521	4,796,963		2,079,251	72,934,233
Infrastructure	<u>375,911,114</u>	<u>915,013</u>			<u>376,826,127</u>
Total capital assets being depreciated/amortized	<u>600,447,740</u>	<u>7,407,086</u>	-	<u>2,097,301</u>	<u>605,757,525</u>
Less accumulated depreciation/amortization for:					
Buildings	44,141,179	2,821,636			46,962,815
Improvements other than buildings	35,380,000	2,232,893		18,049	37,594,844
Equipment	48,919,627	5,853,433		1,987,942	52,785,118
Infrastructure	<u>240,111,076</u>	<u>8,996,759</u>			<u>249,107,835</u>
Total accumulated depreciation/amortization	<u>368,551,882</u>	<u>19,904,721</u>	-	<u>2,005,991</u>	<u>386,450,612</u>
Total capital assets being depreciated/amortized, net	<u>231,895,858</u>	<u>(12,497,635)</u>	-	<u>91,310</u>	<u>219,306,913</u>
Governmental activities capital assets, net	<u><u>\$ 379,463,909</u></u>	<u><u>\$ 3,105,955</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 2,887,507</u></u>	<u><u>\$ 379,682,357</u></u>

CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

Business-type activities:	Beginning Balance	Additions	Transfers	Deletions	Ending Balance
Water and sewer					
Capital assets not being depreciated/amortized:					
Land	\$ 245,873				\$ 245,873
Construction in progress	17,943,420	\$ 18,717,016	\$ -	\$ 13,187,732	\$ 23,472,704
Total capital assets not being depreciated/amortized	18,189,293	18,717,016	-	13,187,732	23,718,577
Capital assets being depreciated/amortized:					
Utility plant in service	408,394,938	13,831,203			422,226,141
Equipment	57,237,182	2,265,602		100,821	59,401,963
Total capital assets being depreciated/amortized	465,632,120	16,096,805	-	100,821	481,628,104
Less accumulated depreciation/amortization for:					
Utility plant in service	218,357,045	12,212,901		-	230,569,946
Equipment	30,983,719	3,000,856	-	100,821	33,883,754
Total accumulated depreciation/amortization	249,340,764	15,213,757	-	100,821	264,453,700
Total capital assets being depreciated/amortized, net	216,291,356	883,048	-	-	217,174,404
Total water and sewer capital assets, net	\$ 234,480,649	\$ 19,600,064	\$ -	\$ 13,187,732	\$ 240,892,981

Non-major funds, business-type activities	Beginning Balance	Additions	Transfers	Deletions	Ending Balance
Capital assets not being depreciated:					
Land	\$ 586,735	-	\$ 1,972,742		\$ 2,559,477
Construction in progress	8,599	\$ 97,365		\$ -	105,964
Total capital assets not being depreciated	595,334	97,365	1,972,742	-	2,665,441
Capital assets being depreciated:					
Buildings	2,259,661				2,259,661
Improvements other than buildings	21,610,219	107,840	(1,972,742)	-	19,745,317
Equipment	15,437,369	2,645,973	-	1,325,519	16,757,823
Total capital assets being depreciated	39,307,249	2,753,813	(1,972,742)	1,325,519	38,762,801
Less accumulated depreciation for:					
Buildings	1,817,717	58,477	-		1,876,194
Improvements other than buildings	8,981,194	656,138	-	-	9,637,332
Equipment	6,438,526	1,443,402	-	1,009,056	6,872,872
Total accumulated depreciation	17,237,437	2,158,017	-	1,009,056	18,386,398
Total capital assets being depreciated, net	22,069,812	595,796	(1,972,742)	316,463	20,376,403
Total non-major funds, capital assets, net	22,665,146	693,161	-	316,463	23,041,844
Total business-type activities, capital assets, net	\$ 257,145,795	\$ 20,247,330	\$ -	\$ 13,504,196	\$ 263,934,825

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

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

	Depr & Amort Expense
Governmental activities:	
General government	\$ 523,506
Law enforcement	1,472,952
Fire rescue	1,452,711
Physical environment	54,493
Transportation, including depreciation of general infrastructure assets	10,125,920
Community development	144,353
Parks and recreation	2,255,472
Sub Total	<u>16,029,407</u>
Depreciation and amortization of the capital assets held by the government's Internal Service Funds are charged to the various functions based on their usage of the assets	<u>3,875,314</u>
Total depreciation/amortization expense, governmental activities	<u>\$ 19,904,721</u>
Business-type activities:	
Water and sewer depreciation	\$ 15,040,164
Water and sewer amortization	173,593
Total water and sewer	<u>15,213,757</u>
Cemetery	62,182
Golf course	73,682
Stormwater utility	767,248
Sanitation	1,254,905
Total depreciation and amortization expense, business-type activities	<u>17,371,774</u>
Total government wide depreciation and amortization expense	<u>\$ 37,276,495</u>

Construction and Purchase Commitments:

The City has active construction projects as of September 30, 2020. The projects include infrastructure projects and various water, wastewater and drainage projects. In addition, the City has outstanding purchase commitments for engineering and design services. At fiscal year-end, the City's significant commitments with contractors are as follows:

Project	Spent to- date	Remaining Commitment
Infrastructure projects	\$ 94,774,945	\$ 11,472,661
Water, wastewater and drainage projects	117,923,421	29,857,459
Total	<u>\$ 212,698,366</u>	<u>\$ 41,330,120</u>

The infrastructure projects were financed through revenue bonds. The water and sewer improvements are financed through revenue bonds from system revenues. All other commitments are financed from existing City resources.

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

7. Deferred Outflows and Inflows

Deferred outflows and inflows as of the fiscal year-end as presented on the City's fund-level and government-wide statements in the aggregate, are as follows:

Deferred Outflows:	Fund-Level Statements	Government-Wide Statements
Deferred charge on refunding of bonds	\$ 508,963	\$ 720,255
Deferred outflows for pensions	6,446,092	68,655,970
Deferred outflows for OPEB	101,436	469,099
Total deferred outflows	\$ 7,056,491	\$ 69,845,324

Deferred Inflows:	Fund-Level Statements	Government-Wide Statements
Unavailable revenue	\$ 14,669,060	
Deferred inflows for pensions	2,733,902	\$ 13,565,630
Deferred inflows for OPEB	73,316	339,067
Total deferred inflows	\$ 17,476,278	\$ 13,904,697

CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

8. Capital Contribution (System Development or Impact Fees)

Capital contributions are fees designed to recover the cost of providing capacity for new customers. The fees represent a major source of financing for the Water and Sewer System (System) and will provide a significant portion of the debt service coverage for the 2008 Revenue Bonds. A Florida State Supreme Court decision outlined the basic requirements of an equitable System Development Charge structure. These requirements are as follows:

- System development charges must reflect a pro rata share of the cost of new capacity.
- System development charges revenue may be applied only to capital projects expressly designed to expand System capacity.
- Anticipated system development charge revenues may not exceed the costs to be incurred by the municipality in expanding capacity to accommodate new users of the System.

The City's system development charge structure, implemented in 1980, was designed to comply with this decision. Compliance is achieved in the following manner:

- The Consulting Engineers have reviewed the proposed Capital Improvement Program and identified the expansion portions of the program directed as providing capacity for growth.
- The debt service associated with the cost of providing for this growth will be met through system development charges from new customers and the capital recovery portion of the rates paid by new customers.
- System development charge revenues will be utilized solely for meeting construction costs or annual debt service or for early retirement of debt specifically designated for System expansion.

A computerized model has been developed to verify the validity of this approach. It is the City's intent to utilize this model to make necessary adjustments in the system development charge schedule from time to time to ensure that compliance with fee objectives is maintained.

The City has classified system development charges as capital contributions (non-operating revenue) as the fees are revenues which are incidental to the Water and Sewer Enterprise Fund's primary service activities which are provision of potable water and processing of wastewater.

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

9. Long Term Debt

A. General Obligation Bonds

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the City as a whole and not its individual funds. In each year that debt is outstanding, an ad valorem tax is levied equal to principal and interest due. No reserves are maintained. These bonds generally are issued as 20-year serial bonds.

B. Special Assessment Bonds

The City issues special assessment debt to finance capital improvements in the Downtown District where both principal and interest are payable from pledged funds, which consist of special assessment proceeds on the benefitted property owners in the Downtown District. In the event that the pledged funds are insufficient to make the debt service payments, the City has committed to make an annual appropriation of available non-ad valorem revenues to make up any deficiencies.

On September 9, 2019 the City Council adopted Resolution No. 106-2019, which equalized and adopted the special assessment roll for the Downtown Special Assessment and established the special assessment amounts due January 1, 2020. During the fiscal year, the City assessed \$1,520,355 and collected \$1,490,863 which was 98.06% of the assessment levied.

C. Governmental Activities Non Ad Valorem Revenue Bonds

The City issues bonds where the City pledges revenues from non-ad valorem revenues.

D. Governmental Activities Infrastructure Surtax Revenue Bonds

The City issues a bond pledging the additional infrastructure sales surtax revenues.

E. Enterprise Funds Revenue Bonds and Defeasance of Debt

The City issues bonds where the City pledges income derived from the operations of the water and sewer system and a system development charge of the water and sewer system to pay debt service.

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

F. Outstanding Bonds and Loans Payable

Governmental activities bonds and loans outstanding at September 30, 2020 consist of the following:

Governmental activities	Purpose of Issue	Amount Issued	Amount Outstanding	Interest Rate	Maximum Annual Debt Service
General Obligation Bonds:					
Series 2010	Improvement	\$ 9,225,000	\$ 5,495,000	3.00 – 4.00%	\$ 670,700
Series 2011 Refunding	Improvement	9,525,000	2,270,000	2.00 – 5.00%	1,223,500
Series 2011 Refunding	Improvement	6,060,000	1,300,000	2.00 – 3.00%	679,800
Series 2014 Refunding	Refunding	12,560,000	-	1.52%	-
		<u>37,370,000</u>	<u>9,065,000</u>		
Special Assessment Bonds:					
Series 2009, Refunding	Refunding	11,205,000	2,180,000	2.00 – 4.25%	1,162,388
Series 2010	Improvement	3,705,000	2,320,000	2.00 – 4.125%	286,769
		<u>14,910,000</u>	<u>4,500,000</u>		
Revenue Bond:					
Series 2018	Long Term Advance	19,100,000	16,435,000	2.64%	1,617,788
Series 2018	Improvement	20,000,000	17,385,000	2.92%	3,203,064
		<u>39,100,000</u>	<u>33,820,000</u>		
Total for Governmental Activities		<u>\$ 91,380,000</u>	<u>\$ 47,385,000</u>		

Business-type activities bonds outstanding at September 30, 2020 consist of the following:

Business-type activities	Purpose of Issue	Amount Issued	Amount Outstanding	Interest Rate	Maximum Annual Debt Service
Utility system revenue bonds:					
Series 2008	Refunding	\$ 40,040,000	\$ 2,155,000	3.00 – 5.00%	\$ 2,198,100
Series 2015	Refunding	15,555,000	12,440,000	2.26%	1,703,225
Total for Business-type Activities		<u>\$ 55,595,000</u>	<u>\$ 14,595,000</u>		

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

Long-term bonds and loans payable activity for the fiscal year ended September 30, 2020 was as follows:

Governmental activities	Beginning Balance	Additions	Reductions	Ending Balances	Due Within One Year
Bonds and notes payable:					
General obligation bonds	\$ 13,325,000		\$ 4,260,000	\$ 9,065,000	\$ 2,215,000
Special assessment bonds	5,705,000		1,205,000	4,500,000	1,260,000
Revenue bonds	37,585,000		3,765,000	33,820,000	3,875,000
Net premium on bonds	825,166		213,596	611,570	
Total governmental bonds and loans payable, net	\$ 57,440,166		\$ 9,443,596	\$ 47,996,570	\$ 7,350,000
Business-type activities	Beginning Balance	Additions	Reductions	Ending Balances	Due Within One Year
<i>Water and Sewer:</i>					
Revenue bonds	\$ 18,065,000		\$ 3,470,000	\$ 14,595,000	\$ 3,590,000
Net premium on bonds	96,833		96,833		
Total business-type bonds and loans payable, net	\$ 18,161,833		\$ 3,566,833	\$ 14,595,000	\$ 3,590,000

Other long-term liability activity for the fiscal year ended September 30, 2020 was as follows:

Governmental activities	Beginning Balance	Additions	Reductions	Ending Balances	Due Within One Year
Governmental activities:					
Compensated absences	\$ 17,378,881	\$ 1,618,263	\$ 13,439	\$ 18,983,705	\$ 1,898,371
Estimated liability for self-insurance losses	9,786,000	8,020,000	9,786,000	8,020,000	2,739,000
Total governmental activities, long-term liabilities	\$ 27,164,881	\$ 9,638,263	\$ 9,799,439	\$ 27,003,705	\$ 4,637,371
Business-type activities	Beginning Balance	Additions	Reductions	Ending Balances	Due Within One Year
<i>Water and Sewer:</i>					
Compensated absences - Water and Sewer	\$ 1,535,961	\$ 201,777		\$ 1,737,738	\$ 173,774
Compensated absences - other business type activities	793,967	118,414	42,115	870,266	87,027
Total business-type activities, long-term liabilities	\$ 2,329,928	\$ 320,191	\$ 42,115	\$ 2,608,004	\$ 260,801

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

Summary of Annual Debt Service Requirements:

Fiscal Year Ending September 30,	Governmental Activities				Business-type Activities			
	General Obligation Bonds		Special Assessment and Revenue Bonds		Revenue Bonds		Revenue Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2021	\$ 2,215,000	\$ 356,200	\$ 1,260,000	\$ 179,438	\$ 3,875,000	\$ 941,526	\$ 3,590,000	\$ 308,028
2022	2,305,000	262,900	1,320,000	128,681	3,985,000	831,680	1,470,000	232,102
2023	505,000	165,700	210,000	74,119	4,100,000	718,720	1,500,000	198,541
2024	520,000	150,550	220,000	66,769	4,215,000	602,486	1,535,000	164,246
2025	535,000	134,950	225,000	58,794	4,330,000	482,972	1,570,000	129,159
2026-2030	2,985,000	352,125	1,265,000	156,731	13,315,000	1,196,840	4,930,000	168,709
Total	\$ 9,065,000	\$ 1,422,425	\$ 4,500,000	\$ 664,532	\$ 33,820,000	\$ 4,774,224	\$ 14,595,000	\$ 1,200,785

G. Compensated Absences

Accumulated compensated absences and other post employment benefit obligations are recorded in the government-wide and proprietary financial statements when earned. For governmental activities, compensated absences and other post employment benefits are primarily liquidated by the General Fund when paid.

H. Water and Sewer System Bond Covenants

The Water and Sewer System (the System) bond ordinances provide for two separate revenue flows to meet the needs of the System operations, reserves and debt service. System Development Charges (impact fees) are deposited into separate accounts. An annual calculation determines the portion of the charge to be transferred to the debt service fund. Impact fees are restricted to payment of debt service related to the construction of new plant capacity. Impact fees may not be used for operations (see Note 8).

First, operating revenue of the System is used to meet the operations and maintenance requirements. Next, revenue is used to pay any portion of the bond interest, principal and reserve requirements not paid from impact fees. Next, an amount not less than 5% of the prior year's revenue is transferred to the System's renewal and replacement fund until the balance in the fund totals 1% of gross book value of assets of the System. Revenue is then used to fund an operation and maintenance reserve fund, which is maintained at a level equal to 1/12 of the operating budget. Remaining monies can be used for any legal City purpose.

At September 30, 2020, all reserves including the bond reserve account were fully funded. The rate structure is calculated annually to assure adequate coverage of all requirements.

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

J. Pledged Revenues

The City issues bonds that are served by a pledge of specific revenues. Total pledged revenues to repay the principal and interest of those bonds as of September 30, 2020 are as follows:

Source of Revenue Pledged	Governmental Activities		Business-type Activities
	Special Assessment	Infrastructure Surtax	Water & Sewer Revenues
Current revenue pledged	\$ 1,531,554	\$ 6,860,316	\$ 20,141,968
Current debt service	1,431,688	3,206,300	3,894,564
Total future revenues pledged	5,164,532	19,204,160	15,795,785
Description of debt	Special Assessment Refunding & Improvement Bonds, Series 2009-2010 (Visions 90 Projects)	Capital Improvement Surtax Bonds, issued 2018	Water and Sewer Utility Revenue Bonds, issued 2009 & 2015
Purpose of debt	Series 2009, to refund Special Assessment Bonds, Series 2001; Series 2010, to finance certain improvements within the Downtown District	Infrastructure	Construction and Refunding
Term of commitment	2010-2030	2018-2026	2009-2020
Percentage of debt service to pledged revenues (current year)	93%	47%	19%

Additional information related to pledge revenue debt coverage is provided in the Debt Capacity of the Statistical Section.

K. Defeasance of Debt

The City defeased certain general obligation and revenue bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments of the old bonds. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the City's general purpose financial statements. At September 30, 2020, \$10,680,000 of bonds outstanding is considered defeased.

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

10. Employee Retirement Systems

The City of Boca Raton sponsors three defined benefit plans – General Employees’ Pension Plan, Police and Firefighters’ Retirement System and the Executive Employees’ Retirement Plan. The General Employees’ Pension Plan, the Police and Firefighters’ Retirement System and the Executive Employees’ Retirement Plan each issue a publicly available audited GAAP financial report that includes financial statements and required supplementary information. The information reported below is a brief summary of information reported in more detail in the independently published financial statements for each pension plan. Copies of these reports are available at City Hall in the Financial Services Department, Room 160, located at 201 West Palmetto Park Road, Boca Raton, FL 33432.

The pension plans’ financial statements are prepared using the accrual basis of accounting. Contributions from members are recognized in the period the City makes payroll deductions from participants. City contributions to each Plan are recognized when due as determined actuarially and are remitted on a monthly basis along with the members’ contributions. The City has made a formal commitment to provide the contributions to the pension plans. Benefit payments and refunds to members are recognized when due and payable in accordance with the terms of each plan.

Current Membership of Pension Plans:

Current membership, at September 30, 2020 in the General Employees’ Pension Plan, Police and Firefighters’ Retirement System and Executive Employees’ Retirement Plan, is comprised of the following:

	General Employees' Pension Plan	Police and Firefighters' Retirement System	Executive Employees' Retirement Plan
Inactive plan members/beneficiaries currently receiving benefits	575	338	42
Inactive plan members entitled to, but not yet receiving, benefits	53	13	14
Active plan members	611	383	48
Total	1,239	734	104

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

The following summarizes the pension related amounts for the City as of the indicated measurement date.

	Measurement Date	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense/ (Income)
General Employees' Pension Plan	9/30/19	\$ 15,639,430	\$ 12,885,946	\$ 6,808,732	\$ 5,920,274
Police and Firefighters' Retirement System	9/30/19	142,757,355	47,916,786	5,194,525	13,006,363
Executive Employees' Retirement Plan	9/30/19	14,354,137	7,457,267	1,540,825	713,853
Florida Retirement System Plan	6/30/20	891,269	372,161	17,380	229,739
Retiree Health Insurance Subsidy Program	6/30/20	52,767	23,810	4,168	8,804
Total		\$ 173,694,958	\$ 68,655,970	\$ 13,565,630	\$ 19,879,033

General Employees' Pension Plan:

General Information about the Pension Plan:

Plan Description:

The General Employees' Pension Plan (GE Plan) is a single-employer defined benefit plan administered by a Board of Trustees (the Board) that covers all regular full-time City employees except police, fire, and executive management employees. The Board consists of eight trustees, each serving a term of three years. Four of the trustees are Plan members who are elected by members of the Plan and the other four trustees are appointed by City Council. The GE Plan was established by Ordinance No.1806, adopted April 17, 1973, by City Council. The GE Plan is also governed by Chapter 112, Florida Statutes. The Plan issued a publicly available financial report that includes financial statements and required supplementary information for the retirement system. The report may be obtained online at <https://myboca.us/> or by writing to:

General Employees' Pension Plan
Boca Raton City Hall, Suite 230
201 West Palmetto Park Road
Boca Raton, Florida 33432

The GE Plan is divided into three levels of benefit- Plan A, Plan B and Plan C. Employees hired prior to October 1, 1987 are enrolled in GE Plan A. Employees hired from October 1, 1987 to October 31, 2007 or transferred from GE Plan A are enrolled in GE Plan B. Employees hired on or after November 1, 2007, or who elect to transfer from GE Plan A or B, may enroll in GE Plan C or the City's defined contribution plan. On an ongoing basis, all assets accumulated for the payment of

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

benefits may legally be used to pay benefits to members or beneficiaries of GE Plan A, B and C.

Benefits Provided:

Retirement benefits are calculated by multiplying the member's earnings averaged over five years times the member's years of continuous service times a multiplier determined by their plan level.

Members become eligible for unreduced benefits upon the attainment of age 65, without regard to service, age 55 with the completion of 20 years of continuous service, or age 53 with the completion of 30 years of continuous service. GE Plan A and B participants utilize a 3.00% multiplier and GE Plan C participants utilize a 1.75% multiplier.

Members become eligible for a Rule 68 retirement benefit when age plus service equals 68 and requires a minimum age of 50 and minimum continuous service of 15 years. For the Rule of 68 retirement option, GE Plan A participants utilize a 2.5% multiplier. GE Plan B and C participants utilize a 1.50% multiplier.

Members qualify for alternate unreduced early retirement upon the attainment of age 55 and minimum continuous service of 15 years. GE Plan A and B participants utilize a 2% multiplier. GE Plan C participants utilize a 1.75% multiplier.

Members qualify for early retirement benefits upon attaining age 50 with 20 years of continuous service. If a participant terminates employment after having attained the early retirement date, they have the following two available options: 1) The benefits can be deferred until the member's normal retirement date, in which case the benefit will be calculated the same as normal retirement, or 2) The member may take a reduced benefit, which may start any time prior to the normal retirement date. The reduction factor is 5% for each year early retirement precedes the normal retirement age 55.

Active employees who become disabled receive 60% (50% of earnings for disabilities incurred away from work) of the monthly earnings in effect at the time of disability, reduced by workers' compensation or any public disability benefits to which the member is entitled. Disability benefits are paid until the earlier of death, recovery, or the end of the maximum benefit period. The maximum benefit period is until age 65 if the member became disabled prior to attainment of age 60 or for 60 months if the member became disabled after the attainment of age 60.

If an employee dies while an active member or on disability, the benefit is equal to 3.5 times the member's annual earnings as of the date of death or the date the

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

member became disabled. The beneficiary receives an initial lump sum followed by monthly payments until the designated amount is paid in full. Interest, at a rate equal to the yield of the five-year U.S. Treasury Note on the first day of the fiscal year, is approved annually by the Board of Trustees and is credited on the unpaid balance.

If a member meets the minimum service requirement of 10 years of continuous service at the time employment terminates, the benefit will be paid when the member turns 65 or later attains the age requirement for unreduced benefits provided the service requirement for unreduced benefits was met prior to termination. A member may elect to take an immediate reduced benefit, when eligible, calculated in the same manner as for early retirement.

If termination occurs after the completion of 10 years of continuous service, the full accrued retirement benefit is payable at the normal retirement date. If termination occurs prior to the completion of 10 years of continuous service, the member's contributions will be refunded with interest credited at 3% per year, compounded annually.

The Deferred Retirement Option Plan (DROP) is available to all GE Plan members who are still actively employed and have attained the age of 55 with at least 20 years of continuous service, age 53 with at least 30 years of continuous service, or a reduced benefit at age 50 with 20 years of continuous service. Upon electing to participate in the DROP, members are considered to have retired for pension purposes of the GE Plan but continue to remain in active employment with the City. The member's pension benefit is calculated as if they actually retired on the date of DROP participation, using continuous service, average monthly earnings, and the current multiplier as of that date. Instead of paying the benefit to the member, a DROP account is established and the benefit is deposited in the account each month; these deposits continue to accumulate interest during the remainder of the member's employment with the City. City and employee contributions cease when a member elects to participate in the DROP. Maximum duration of participation is five years. If a member continues to remain in employment more than the maximum period, no further deposits will be made to the member's account and investment earnings will cease to be posted. Upon termination of employment, members shall receive their normal retirement benefits and may elect to receive their funds from the DROP account in a lump sum distribution or roll their account balance into a qualified instrument. When participating in the DROP, participants are no longer eligible for disability or preretirement death benefits from the GE Plan. If a participant dies prior to the DROP balance being paid in full, the beneficiary shall have the same rights to which the participant was entitled. At September 30, 2020, there were 64 DROP participants with a total balance of \$7,244,461. These amounts are included in the total investment balance

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

presented on the Pension Trust Funds Statement of Fiduciary Net Position.

There are no automatic annual cost-of-living adjustments for members in the Plan. However, under Section 12-03, City Code of Ordinance, provides for a biennial review of retirement and disability benefits. In 2019, Ordinance No. 5496 was passed by City Council, providing for a one-time lump sum payment equal to 2.0% of the annual retirement benefit to members who began receiving benefits on or after October 1, 2006 and on or before September 30, 2011. Members receiving benefits before October 1, 2006, received an increase of 4.0% to said monthly benefit payment effective October 1, 2019.

GE Plan Contributions:

GE Plan A and B members are required to contribute 9.65% of their annual earnings while GE Plan C members are required to contribute 6% of their annual earnings. Member contributions are established in accordance with the applicable collective bargaining agreement. Annual earnings include basic wages and longevity pay but exclude overtime, bonuses and any other extra compensation. Annual earnings does not include payments made to a member for any portion of a cost of living adjustment and/or merit increase, which exceeds the maximum of the employee's respective salary range. Employer contributions for the fiscal year ended September 30, 2020 determined using the actuarial valuation dated October 1, 2018 were 5.26% of covered payroll for GE Plan A, B and C members. The City is required to contribute the remaining amounts necessary to finance the benefits through periodic contributions of actuarially determined amounts.

City's Net Pension Liability Regarding the GE Plan:

The City's liability for the net pension liability was measured as of September 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions.

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

Inflation	2.6%
Salary increases	3.0%
Investment rate of return	7.80%

Mortality rates were based on the Florida Retirement System (FRS) mortality

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

assumptions. FRS uses the RP-2000 Generational table Scale BB with 100% White Collar for healthy females and 50/50 White Collar/Blue Collar for healthy males, the RP-2000 100% Disabled Females set forward two years, no projection scale for disabled females, and the 100% Disabled Male setback four years, no projection for disabled males.

The long-term expected rate of return on the GE plan investments is 7.80%. The GE plan's policy regarding the allocation of investments is established by the GE Plan Board of Trustees. The long-term expected rate of return of each pension plan asset class is based upon the historical average or mean returns. This historical data reveals a tendency for the returns of various asset classes to fall within a range, but the expected returns are based upon the average returns during these past periods. In order to determine the real rates of return, it is necessary to subtract the expected inflation rate from the nominal investment return. The long-term expected rate of return for the GE plan was calculated by weighing the expected future rates of return of each asset class by the corresponding target allocation percentages.

Best estimates of real rates of return for each major asset class included in the GE plan's target asset allocation as of September 30, 2019 are summarized as follows:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	8.4%
International equity	3.4
Convertibles	9.4
MLPs	6.8
Infrastructure	6.3
Fixed Income	3.0
REITs	8.8
Real estate	4.9
Cash	0.7

The discount rate used to measure the total pension liability was 7.80 percent. The projection of cash flows was used to determine the discount rate assumed the GE Plan member contributions will be made at the current contribution rate and that contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the GE Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current GE Plan members. Therefore, the long-term expected rate of return on GE Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

Changes in Net Pension Liability:

Component	General Employees' Pension Plan Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balance at September 30, 2018	\$ 235,558,997	\$ 227,846,632	\$ 7,712,365
Changes for the year:			
Service cost	3,565,692	-	3,565,692
Interest	18,235,699	-	18,235,699
Assumption changes	1,078,853	-	1,078,853
Plan changes	1,183,234	-	1,183,234
Differences between expected and actual experience	(3,967,222)	-	(3,967,222)
Contributions - employer	-	2,240,997	(2,240,997)
Contributions - employee	-	2,468,106	(2,468,106)
Net investment income	-	7,574,765	(7,574,765)
Benefit payments, including refunds of employee contributions	(15,855,886)	(15,855,886)	-
Transfers			
Administrative Expenses	-	(114,677)	114,677
Net changes	<u>4,240,370</u>	<u>(3,686,695)</u>	<u>7,927,065</u>
Balance at September 30, 2019	<u>\$ 239,799,367</u>	<u>\$ 224,159,937</u>	<u>\$ 15,639,430</u>

The following presents the net pension liability (asset) of the City, calculated using the discount rate of 7.80 percent, as well as what the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.80%) or 1-percentage-point higher (8.80%) than the current rate:

	1% Decrease 6.80%	Current Rate 7.80%	1% Increase 8.80%
Net pension liability (asset)	\$ 39,212,492	\$ 15,639,430	\$ (4,400,991)

GE Plan Fiduciary Net Position:

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to GE Plan:

For the fiscal year ended September 30, 2020 the City recognized pension expense of \$5,920,274 on the government-wide Statement of Activities for the GE Plan. This amount is included as part of personal services expenses within the functional program activities.

At September 30, 2020, the City reports deferred outflows and inflows of resources related to the GE Plan from the following sources:

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

General Employees' Pension Plan	Deferred Outflow of Resources	Deferred Inflow of Resources
Experience gain/loss	\$ 1,450,100	\$ 3,316,558
Asset gain/loss	4,403,174	
Assumptions	1,814,676	
Total	<u>\$ 7,667,950</u>	<u>\$ 3,316,558</u>

Deferred outflows of resources related to the GE Plan, totaling \$1,725,822 resulting from City contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability for the fiscal year ending September 30, 2021. Other asset and liability gains & losses reported as deferred outflows of resources and as deferred inflows of resources related to the GE Plan will be recognized in pension expense in subsequent years as follows:

Year ended September 30:

2021	\$ 677,589
2022	672,496
2023	1,027,470
2024	1,973,837

The schedule of changes in the City's net pension liability and related ratios and the schedule of contributions, presented as Required Supplementary Information (RSI) following the notes to the financial statements, provide additional information about the net pension liability, plan assets and contributions.

Police and Firefighters' Retirement System:

General Information about the Pension Plan:

Plan Description:

The Police and Firefighters' Retirement System (PF Plan) is a single-employer defined benefit plan administered by Board of Trustees (the Board) which covers all City of Boca Raton (the City) police officers and firefighters. The Board consists of eight trustees, each serving a term of two years. Two of the trustees are eligible police officer members of the Plan who are elected by the other police officer members of the Plan. Two of the trustees are eligible firefighter members of the Plan who are elected by other firefighter members of the Plan. The other four trustees are appointed by the City Council. The PF Plan issued a publicly available financial report that includes financial statements and required supplementary information for the retirement system. The report may be obtained online at the City's website at <https://myboca.us/> or by writing to:

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

Police and Firefighters' Retirement System
Boca Raton City Hall, Suite 230
201 West Palmetto Park Road
Boca Raton, Florida 33432

The PF Plan was established by Ordinance No. 1806, adopted April 17, 1973, by City Council. The PF Plan is also governed by Chapters 112, 175, and 185, Florida Statutes. Pursuant to Chapters 175 and 185 of the Florida Statutes, premium taxes on certain property and casualty insurance contracts written on City properties is collected by the State and is remitted to the PF Plan. This amount totaled \$3,464,368 for the fiscal year ended September 30, 2020: \$1,940,656 for property insurance contracts for firefighters under Chapter 175 and \$1,523,712 for casualty insurance contracts for police officers under Chapter 185. This amount was recognized as an expenditure and revenue in the Retirement Sustainability Internal Service Fund.

Benefits Provided:

The earliest date at which a police officer and a firefighter can receive full benefits is called the normal retirement date. The normal retirement date is the first day of the month coincident with or following completion of 20 years of continuous service or attainment of age 55 with 10 years of continuous service. There is no mandatory retirement date; members may work past their normal retirement date and continue to accrue additional benefits subject to certain maximums as described below.

Police officer members exercising normal retirement are entitled to receive monthly benefits payable at 3.5% of their average monthly earnings (AME), which is the highest two-year average preceding retirement, multiplied by their years of continuous services, subject to a maximum of the greater of 87.5% of AME or 2% of AME multiplied by the years of service. For those police officers retiring on or after April 14, 2015, the maximum benefit is 77% of AME. The maximum benefit shall be increased to include the percentage attributable to the past service purchase but in no event shall the total benefit exceed 87.5% of AME. For those members retiring on or after April 14, 2015, longevity pay shall not be included in AME and AME will be the highest 3-year average prior to retirement, provided that the AME for a police officer member who retires prior to October 1, 2017 shall be the greater of the arithmetic average of the highest 2 years preceding actual retirement or the arithmetic average of annual earnings for the 3 consecutive years immediately preceding retirement. A police officer, who becomes a member of the Plan on or after April 14, 2015, shall not have any overtime pay included in the calculation of AME.

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

Notwithstanding the prior maximums, the maximum normal retirement benefit for members who retire on or after July 24, 2018 shall be 84% of AME; provided, if a member's accrued benefit as of July 24, 2018 exceeded 84% of the AME, the member shall retain the accrued benefit as of that date but shall not thereafter accrue any additional benefit. In no event shall such member's normal retirement benefit be less than 2% of the AME for each year of service. For those members who purchased past service on or before April 14, 2015, the maximum benefit of 84% of AME shall be increased to include the percentage attributable to the previously past service, but in no event shall the maximum normal retirement benefit (when applied to the normal form of benefit) at the time of retirement shall not exceed 87.5% of AME. Past service purchased on or after April 14, 2015 shall not increase the maximum normal retirement benefit above 84% of the AME.

Firefighter members exercising normal retirement are entitled to receive monthly benefits of 3.4% of their AME, multiplied by the member's years of continuous service, subject to a maximum of 100% of AME. For those firefighter members retiring on or after April 14, 2015, the maximum benefit shall be the lesser of \$100,000 or 90% of AME. This maximum benefit will increase 2% per year.

Members separating from service receive a \$10.50 monthly supplement per year of service. Members retiring on or before October 26, 2010 received a \$10 monthly supplement per year of service. The supplement for terminated vested members was frozen as of April 14, 2015, and going forward, members are no longer eligible for the retirement supplement.

A member of the PF Plan may be eligible for early retirement after attainment of age 50 with 10 years of continuous service. Members so qualifying may receive benefits under one of the following two options:

- The benefits can be deferred until the member's normal retirement date, in which case the benefit will be calculated the same as discussed above under normal retirement, or
- The member may take a reduced benefit, which may start any time prior to the normal retirement date. The reduction factor is 3% for each year prior to the normal retirement date.

Active employees under a disability retirement shall be entitled to receive a retirement benefit equal to 75% of the member's average monthly earnings or accrued benefit if the disability occurred in-service. The monthly benefit for a non-service incurred disability is equal to the normal benefit accrued by the member as of the date of the disability. Such benefit is payable from the first day of disability. Disability benefits are paid until the earlier of death or recovery from disability.

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

If an active employee dies from a service-incurred death, a lump-sum payment of \$5,000 is paid to the beneficiaries. In addition, the surviving spouse receives a monthly benefit until death, equal to 75% of the average monthly earnings. An additional 7½% of the average monthly earnings is paid for each minor child, but in no event does the amount paid to the spouse and children exceed 90% of the member's average monthly earnings. The payments to the children end upon the earlier of death, marriage, attainment of age 18, or age 22 if the child is a full-time student in an accredited school.

If an active employee dies from a non-service incurred cause and has less than one year of continuous service, a single payment of \$2,500 is paid to the beneficiaries. If the employee has more than one year of continuous service, a single payment of \$5,000 is paid to the beneficiaries. If the employee has five or more years of service, the surviving spouse will receive a monthly pension equal to 65% of the employee's accrued pension. An additional 7½% of the average monthly earnings is paid for each minor child, but in no event does the amount paid to the spouse and children exceed 50% of the member's average monthly earnings. Payments to the children end upon the earlier of death, marriage, attainment of age 18, or age 22 if the child is a full-time student in an accredited school.

If a member terminates employment and is not eligible for any other benefits under the system, he or she is entitled to the following:

- With less than 10 years of continuous service, a refund of the member contribution is made plus 3% interest, or
- With 10 or more years of continuous service, the pension accrued to the date of termination, payable commencing at his or her normal retirement date, or at the member's option, a lump sum refund of the member contribution plus 3% interest.

Police officers and firefighters who have reached normal retirement age may elect to participate in the Deferred Retirement Option Plan (DROP). Upon electing to participate in the DROP, members are considered to have retired for purposes of the pension plan, but continue to remain in active employment with the City. Under Section 12-153, City of Boca Raton Code of Ordinances, as of July 24, 2018, a police officer member's election into the DROP will be deemed irrevocable. The member's normal retirement benefit is calculated as if the member had actually retired on the date of DROP participation, using continuous service and average monthly earnings as of that date.

Instead of paying the benefit to the member, a DROP account is established and the benefit is deposited in the account each month; these deposits continue to

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

accumulate interest during the remainder of the member's employment with the City. The DROP account may remain a commingled part of the pension plan or may be self-directed with an established retirement corporation. City and employee contributions cease when a member elects to participate in the DROP.

During the period of DROP participation, the member's DROP account is credited monthly with investment earnings at the same rate that is earned on the total pension fund or as self-directed, if applicable. In addition, each member's account is charged with a portion of the administrative expenses. The maximum duration of DROP participation is five years. If a member continues to remain in employment more than five years, no further deposits will be made to the member's account and investment earnings will cease to be posted. Administrative expenses will continue to be charged. There is no taxation of benefits during the period of DROP participation.

Upon termination of employment, members may elect to receive their funds from the DROP account in a lump sum, annual installments or monthly annuity distributions. Benefit distributions must commence by age 70 ½. When participating in the DROP, participants are no longer eligible for disability or preretirement death benefits from the PF Plan. If a participant dies prior to the DROP balance being paid in full, the beneficiary shall have the same rights to which the participant was entitled. At September 30, 2020, there were 108 DROP participants with a total balance of \$25,974,394. These amounts are included in the total investment balance presented on the Pension Trust Funds Statement of Fiduciary Net Position.

Police officer members eligible to receive normal retirement benefits at the time they leave the employment of the City, on or after October 1, 2001, are eligible to receive a 2% annual increase every year after the year of retirement. Retirements before October 1, 2001 receive a 3% annual increase every 2 years. On or after April 14, 2015 a police officer member shall be eligible to receive an annual increase upon attainment of their normal retirement date while actively employed. For police officer members who enter the DROP on or after April 14, 2015, the annual increase on the retirement benefit will begin the earlier of 1 year after termination of employment or 3 years after DROP entry.

Firefighter members eligible to receive normal retirement benefits at the time they leave the employment of the City (who retired prior to April 14, 2015) and have 22 or more years of continuous service (or 20 years if retired prior to December 9, 2008), are eligible for a cost of living adjustment of 3% each year once they have attained the age of 52 or have been retired one year, whichever comes later. Firefighter members with 21 years of continuous service are eligible for the cost-of-living adjustment after two years and with 20 years of continuous service are

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

eligible after three years. For firefighter members retiring on or after April 14, 2015, for that portion of the retirement benefit that accrues on or after April 14, 2015, the cost of living adjustment shall be based on the continuous service earned on or after April 14, 2015 and the annual cost of living adjustment shall be 2.5 percent.

Benefits payable for service-related death and disability benefits are increased by 3% each year starting with the date they would have attained age 52. No increases apply to nonservice related death or disability benefits unless they complete 20 years of continuous service prior to their death or disability. For firefighter members retiring on or after April 14, 2015, for that portion of the retirement benefit that accrues on or after April 14, 2015, the cost of living adjustment shall be based on continuous service earned on or after April 14, 2015, the annual increase in their retirement benefit shall be 2.5 percent.

PF Plan Contributions:

Firefighter member contributions are at the rate of 10.2% of compensation. Effective October 1, 2015 police officer member contributions increased from 10.2% to 11.5% of compensation. Employer contributions for the year ended September 30, 2020, determined using the actuarial valuation dated October 1, 2018, were 44.79% of covered payroll. The Plan's funding policy provides for actuarially determined periodic employer contributions sufficient to pay the benefits provided by the Plan when they become due. Administrative costs are funded through investment earnings.

Police officer members are required to contribute 11.5% of their annual earnings. Member contributions are established in accordance with the applicable collective bargaining agreement. For those police officers who became members of the Plan prior to April 14, 2015 annual earnings include basic wages, longevity pay and the first 300 hours of overtime but exclude any overtime earnings in excess of 300 hours, bonuses and any other extra compensation. For those police officers who became members of the Plan on or after April 14, 2015 annual earnings include basic wages only.

Firefighter members are required to contribute 10.2% of their annual earnings. Member contributions are established in accordance with the applicable collective bargaining agreement. Annual earnings include basic wages, certification pay and longevity pay but exclude overtime, bonuses and any other extra compensation.

For police officers, the PF Plan receives funding from premium taxes on certain property and casualty insurance contracts written on City properties that is

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

collected by the State and remitted directly to the PF Plan as a contribution, which was 7.79% of covered payroll for police officers. Employer contributions for the fiscal year ended September 30, 2020 determined using the actuarial valuation dated October 1, 2018 were 39.2% of covered payroll. The City is required to contribute the remaining amounts necessary to finance the benefits through periodic contributions of actuarially determined amounts.

For firefighters, the PF Plan receives funding from premium taxes on certain property and casualty insurance contracts written on City properties that is collected by the State and remitted directly to the PF Plan as a contribution, which was 9.29% of covered payroll for firefighters. Employer contributions for the fiscal year ended September 30, 2020 determined using the actuarial valuation dated October 1, 2018 were 33.37% of covered payroll. The City is required to contribute the remaining amounts necessary to finance the benefits through periodic contributions of actuarially determined amounts.

City's Net Pension Liability Regarding the PF Plan:

The City's liability for the net pension liability was measured as of September 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions.

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

Inflation	2.0%
Salary increases	4.25%
Investment rate of return	7.80%
Cost of living adjustment	varies

Mortality rates were based on the Florida Retirement System (FRS) special risk mortality assumptions. For healthy members, mortality rates are based on the RP-2000 Generational Mortality Tables for healthy Males (10% White Collar / 90% Blue Collar) or healthy Females (100% White Collar), with adjustments for mortality improvements based on Scale BB. For disabled members, mortality rates are based on a combination of 60% RP-2000 Disabled Male setback four years or Female setback two years / 40% Annuitant White Collar with no setback, no projection scale.

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

The long-term expected rate of return on the PF plan investments is 7.80%. The PF plan's policy in regard to the allocation of investments is established by the PF Plan Board of Trustees. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return for the PF plan by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimate of arithmetic real rates of return for each major asset class included in the PF Plan's target asset allocation as of September 30, 2019 are summarized in the following table:

Asset Class	Long-Term Expected Real Rate of Return
U.S. Large Cap Equity	6.10%
U.S. Small Cap Equity	8.00
International Developed Equity	7.40
Emerging Markets Equity	9.80
Core Fixed income	1.80
High Yield Fixed Income	4.30
Emerging Markets Debt	4.60
Multi-Asset Class Solutions	5.10
Private Equity	10.70
Long/Short Equity Strategies	5.10
Credit/Event Hedge Strategies	5.60
Real Estate - Core	5.10
Timber	5.90
Farmland	6.90
Oil & Gas	11.00
Infrastructure	6.50

The discount rate used to measure the total pension liability was 7.80 percent. The projection of cash flows was used to determine the discount rate assumed the PF Plan member contributions will be made at the current contribution rate and that contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the PF Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current PF Plan members. Therefore, the long-term expected rate of return on PF Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

Changes in Net Pension Liability:

	Police & Firefighters' Retirement System Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance at September 30, 2018	\$ 510,036,142	\$ 392,280,877	\$ 117,755,265
Changes for the year:			
Service cost	11,021,198		11,021,198
Interest	39,878,548		39,878,548
Changes of benefit terms			
Differences between expected and actual experience	5,211,764		5,211,764
Changes of assumptions	3,076,955		
Contributions - employer		13,316,657	(13,316,657)
Contributions - State		3,483,705	(3,483,705)
Contributions - employee		4,201,798	(4,201,798)
Contributions - buy back	414,164	414,164	
Net investment income		13,400,305	(13,400,305)
Benefit payments, including re-funds of employee contributions	(26,100,713)	(26,100,713)	
Transfers	11,307	11,307	-
Administrative expense		(216,090)	216,090
Net changes	<u>33,513,223</u>	<u>8,511,133</u>	<u>25,002,090</u>
Balance at September 30, 2019	<u>\$ 543,549,365</u>	<u>\$ 400,792,010</u>	<u>\$ 142,757,355</u>

Florida State Statutes Chapters 175 and 185 establish minimum benefits and standards for all municipal Police Officer and Firefighter pension plans. The statutes govern the allocation of insurance premium excise taxes that are levied to provide a partial funding source for these plans. In 2015, the statutes were amended to allow the City and the Unions to mutually agree on the use of these funds. The balance of the insurance premium excise taxes to be used for future benefits at September 30, 2020 totals \$13,397,184.

The following presents the net pension liability of the City, calculated using the discount rate of 7.80 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.80%) or 1-percentage-point higher (8.80%) than the current rate:

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

	1% Decrease	Current Rate	1% Increase
	6.80%	7.80%	8.80%
Net pension liability	\$ 181,579,130	\$ 142,757,355	\$ 65,390,058

PF Plan Fiduciary Net Position:

Detailed information about the PF Plan's Fiduciary Net Position is available in a separately issued financial report. The report may be obtained on the internet at the City's website (<http://myboca.us/>).

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to PF Plan:

For the fiscal year ended September 30, 2020 the City recognized pension expense of \$13,006,363 on the government-wide Statement of Activities for the PF Plan. This amount is included as part of personal services expenses within the functional program activities.

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

Police and Firefighters' Retirement System	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	\$ 8,200,153	\$ 51,582
Changes of assumptions	10,429,292	
Actual earnings on pension plan investments	9,489,590	
Total	<u>\$ 28,119,035</u>	<u>\$ 51,582</u>

Deferred outflows of resources related to the PF Plan, totaling \$18,119,176, resulting from City and State contributions subsequent to the September 30, 2019 measurement date, will be recognized as a reduction of the net pension liability for the fiscal year ending September 30, 2021. Other asset and liability gains & losses reported as deferred outflows of resources and as deferred inflows of resources related to the PF Plan will be recognized in pension expense in subsequent years as follows:

Year ended September 30:	
2021	\$ 6,780,714
2022	7,004,351
2023	6,930,194
2024	5,970,741
2025	1,381,453

The schedule of changes in the City's net pension liability and related ratios and the schedule of contributions, presented as Required Supplementary Information (RSI) following the notes to the financial statements, provide additional information

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

about the net pension liability, plan assets and contributions.

Executive Employees' Retirement Plan

Plan Description:

The Executive Employees' Retirement Plan (EE Plan) is a single-employer defined benefit plan administered by a five-member Board of Trustees (the Board) that covers the executive employees of the City of Boca Raton. Two of the trustees are members of the Plan appointed by the city manager, two are appointed by the city council, and the other is the city manager. The EE Plan was established by Ordinance 4745, adopted November 12, 2003, by City Council. The EE Plan is also governed by Chapter 112, Florida Statutes. The Plan issued a publicly available financial report that includes financial statements and required supplementary information for the retirement system. The report may be obtained online at <https://myboca.us/> or by writing to:

Florida Municipal Pension Trust Fund
Florida League of Cities, Inc.
Post Office Box 1757
Tallahassee, FL 32302-1757
Direct Line (850) 701-3633

EE Plan members are assigned to one of four divisions, each providing different levels of benefits depending on their division and entry into the plan. Division 1 includes D1, D2 and D3 pay classifications; Division 2 includes D4 and higher D pay classifications; Division 3 includes DD pay classifications and Division 4 includes the City Manager and City Attorney, if they elect to participate in the EE Plan.

Retirement benefits are calculated by multiplying the member's earnings averaged over five years (for Division 1 through Division 3) or two years (for Division 4) times the member's years of continuous service times a multiplier determined by their plan level subject to a maximum of 90% for those members that entered the plan on or prior to September 30, 2010 and 80% for those members that entered the plan after September 30, 2010.

Division 1, Division 2 or Division 3 members in the plan on or before September 30, 2010 utilize multipliers of 3.05, 3.15 and 3.25 respectively. Division 4 members utilize a multiplier of 4.45 for the first 10 years and 3.35 thereafter. Members assigned to Division 1, Division 2, Division 3 and Division 4 categories after September 30, 2010 utilize multipliers of 2.35, 2.45, 2.55 and 2.65 respectively.

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

Members are eligible to retire the earlier of reaching age 65 with at least 6 years of vesting service or reaching age 55 with at least 10 years of vesting service or for new members after September 30, 2010 age 58 with at least 10 years of vesting service. Monthly benefits are calculated as a percentage of average final compensation. A cost of living increase of 2% per year for Divisions 1, 2 and 3 and 3% per year for Division 4 in current monthly benefits commence on October 1st following 5 years after retirement. Members who terminate with 10 years or more of benefit service and are eligible for immediate early or normal retirement receive a \$10 monthly supplement per year of service. The EE Plan also permits early retirement for all participants at the age of 50 and the completion of 10 years of vesting service or for new members after September 30, 2010 age 53 and the completion of 10 years of vesting service.

Members qualify for early retirement benefits upon attaining age 50 with 10 years of continuous service or for new members after September 30, 2010 age 53 with 10 years of continuous service. If a participant terminates employment after having attained the early retirement date, they have the following two available options: 1) The benefits can be deferred until the member's normal retirement date, in which case the benefit will be calculated the same as normal retirement, or 2) The member may take a reduced benefit, which may start any time prior to the normal retirement date. The reduction factor is 5% for each year the early retirement precedes the normal retirement age 55 or 58 for new members who join the plan after September 30, 2010.

Members who have reached normal retirement age may elect to participate in the Deferred Retirement Option Plan (DROP). They will remain active employees of the City, but will no longer contribute to the EE Plan. Their benefits will remain frozen and continue to accrue interest until they retire from the City, at which time DROP benefits will be paid. Maximum duration of participation is sixty months. At September 30, 2020, there were 11 DROP participants with a total balance of \$2,811,203. These amounts are included in the total investment balance presented on the Pension Trust Funds Statement of Fiduciary Net Position.

Active employees who become disabled receive 60% of the average final compensation as of the date of disability payable starting at age 65. Disability benefits are paid until the earlier of death or recovery from disability. If an active employee dies, a member's beneficiary is entitled to an accrued benefit that varies with age, length of service and employee division. If an employee terminates his employment with the City and is not eligible for any other benefits under the EE Plan, the member is entitled to the following:

- with less than six years of continuous service, a refund of member contribution plus 5% interest.
- with six or more years of continuous service, the pension accrued to the date of

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

termination, payable commencing at the member's normal retirement date.

The City by Ordinance No. 4749 established a Preservation of Benefits Plan to pay benefit obligations. In the event that the accrued benefit for a member under the EE Plan is reduced pursuant to Section 401(a)(17) or Section 415(b) of the Internal Revenue Code, the City will pay a supplemental benefit amount equal to the amount reduced under the Internal Revenue Code limits.

EE Plan Contributions:

Members are required to contribute 11% of their annual earnings. Annual earnings include basic wages and longevity pay but exclude overtime, bonuses and any other extra compensation. Annual earnings do not include payments made to a member for any portion of a cost of living adjustment and/or merit increase, which exceeds the maximum of the employee's respective salary range. Employer contributions for the fiscal year ended September 30, 2020 determined using the actuarial valuation dated October 1, 2018 were 40.27% of covered payroll. The City is required to contribute the remaining amounts necessary to finance the benefits through periodic contributions of actuarially determined amounts.

City's Net Pension Liability Regarding the EE Plan:

The City's liability for the net pension liability was measured as of September 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions:

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

Inflation	2.75%
Salary increases	Varies
Investment rate of return	7.25%
Cost of living adjustment	Varies

Mortality rates were based on the Florida Retirement System (FRS) mortality assumptions. FRS uses the RP-2000 Generational table Scale BB with 100% White Collar for healthy females and 50/50 White Collar/Blue Collar for healthy males, the RP-2000 100% Disabled Females set forward two years, no projection scale for disabled females, and the 100% Disabled Male setback four years, no

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

projection for disabled males.

The long-term expected rate of return on the EE plan investments is 7.25%. The EE plan's policy regarding the allocation of investments is established by the EE Plan Board of Trustees. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return for the EE plan by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimate of arithmetic real rates of return for each major asset class included in the EE Plan's target asset allocation as of September 30, 2019 are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Core Bonds	4.4%
Multi-Sector	4.8
U.S. Large Cap Equity	7.4
U.S. Small Cap Equity	8.2
Non-U.S. Equity	9.5
Core Real Estate	7.7

The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows was used to determine the discount rate assumed the EE Plan member contributions will be made at the current contribution rate and that contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the EE Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current EE Plan members. Therefore, the long-term expected rate of return on EE Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

Changes in Net Pension Liability:

	Executive Employees' Pension Plan Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balance at September 30, 2018	\$ 55,399,613	\$ 44,870,626	\$ 10,528,987
Changes for the year:			
Service cost	1,027,733		1,027,733
Interest	4,012,692		4,012,692
Differences between expected and actual experience	4,304,119		4,304,119
Changes to assumptions			
Contributions - employer		1,954,554	(1,954,554)
Contributions - employee		634,450	(634,450)
Transfer from other pension plans		454,958	(454,958)
Net investment income		2,550,698	(2,550,698)
Benefit payments, including re- funds of employee contributions	(2,159,731)	(2,159,731)	
Administrative expense		(75,266)	75,266
Net changes	<u>\$ 7,184,813</u>	<u>3,359,663</u>	<u>3,825,150</u>
Balance at September 30, 2019	<u>\$ 62,584,426</u>	<u>\$ 48,230,289</u>	<u>\$ 14,354,137</u>

The following presents the net pension liability of the City, calculated using the discount rate of 7.25 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

	1% Decrease	Current Rate	1% Increase
	6.25%	7.25%	8.25%
Net pension liability	\$ 21,638,663	\$ 14,354,137	\$ 8,300,946

EE Plan Fiduciary Net Position:

Detailed information about the EE Plan's Fiduciary Net Position is available in a separately issued financial report. The report may be obtained online at the City's website at <http://myboca.us> or by writing to:

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

Florida Municipal Pension Trust Fund
Florida League of Cities, Inc.
Post Office Box 1757
Tallahassee, FL 32302-1757
Direct Line (850)701-3633

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to EE Plan:

For the fiscal year ended September 30, 2020 the City recognized pension expense of \$713,853 on the government-wide Statement of Activities. This amount is included as part of personal services expenses within the functional program activities.

At September 30, 2020, the City reports deferred outflows and inflows of resources related to the EE Plan from the following sources:

Executive Employees' Retirement Plan	Deferred Outflow of Resources	Deferred Inflow of Resources
Liability (gain) loss	\$ 3,857,269	
Asset (gain)/loss		\$ 898,475
Assumption change	723,511	
Total	\$ 4,580,780	\$ 898,475

Deferred outflows of resources related to the EE Plan, totaling \$2,234,407, resulting from City contributions subsequent to the September 30, 2019 measurement date, will be recognized as a reduction of the net pension liability for the fiscal year ended September 30, 2021. Other asset and liability gains & losses reported as deferred outflows of resources and as deferred inflows of resources related to the EE Plan will be recognized in pension expense in subsequent years as follows:

Year ended September 30:	
2021	\$ 1,427,889
2022	996,284
2023	1,097,343
2024	160,520

The schedule of changes in the City's net pension liability and related ratios and the schedule of contributions, presented as Required Supplementary Information (RSI) following the notes to the financial statements, provide additional information about the net pension liability, plan assets and contributions.

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

Florida Retirement System (FRS) Plans:

General Information about the FRS Pension Plans

The FRS was created in Chapter 121, Florida Statutes, to provide a defined benefit pension plan for participating public employees. The FRS was amended in 1998 to add the Deferred Retirement Option Program under the defined benefit plan and amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution pension plan is the FRS Investment Plan. Chapter 112, Florida Statutes, established the Retiree Health Insurance Subsidy (HIS) Program, a cost-sharing multiple-employer defined benefit pension plan, to assist retired members of any state-administered retirement system in paying the costs of health insurance.

Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at any time by further action from the Florida Legislature. The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of the two cost-sharing, multiple-employer defined benefit plans and other nonintegrated programs. A comprehensive annual financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services' website (www.dms.myflorida.com) or by contacting the Division of Retirement at:

Department of Management Services
Division of Retirement
Research and Education Section
P. O. Box 9000
Tallahassee, FL 32315-9000
850-488-5706 or toll free at 877-377-1737

Plan Description:

FRS Pension Plan

The FRS Pension Plan (Plan) is a cost-sharing, multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (DROP) for eligible employees. Only

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

elected officials of the City may become members of the Plan under the FRS Elected Officers' Class (EOC) of membership.

Employees enrolled in the Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at eight years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service. All members enrolled in the Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of service. The Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

The DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with an FRS employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

HIS Plan

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

Benefits Provided:

FRS Pension Plan

Benefits under the Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation (AFC). For members initially enrolled before July 1, 2011, the AFC is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the AFC is the average of the eight highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

value of all service, which is based on the retirement class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits.

The percentage value for each year of service credit earned under the FRS Elected Officers' Class is 3.00%.

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

HIS Plan

For the fiscal year ended September 30, 2020 eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Plan Contributions:

FRS Pension Plan

The Florida Legislature establishes contribution rates for participating employers and employees. Contribution rates for the Elected Officials Class during the 2020 fiscal year were as follows:

Percent of Gross Salary		Percent of Gross Salary	
October 1, 2019 to June 30, 2020		July 1, 2020 to September 30, 2020	
<u>Employee</u>	<u>Employer¹</u>	<u>Employee</u>	<u>Employer¹</u>
3.00%	48.82%	3.00%	49.18%

¹Employer rates include a postemployment HIS contribution rate of 1.66% and an Investment plan administrative charge of .06%.

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

The City’s contributions to the Plan totaled \$70,785 for the fiscal year ended September 30, 2020. This excludes the HIS defined benefit pension plan contributions and the investment plan administrative charge.

HIS Plan

The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. The HIS contribution rate for the periods October 1, 2019 through June 30, 2020 and July 1, 2020 through September 30, 2020 was 1.66 percent. Contribution rates remained unchanged for the Plan’s new fiscal year beginning July 1. The City contributed 100% of its statutorily required contributions for the current year. This HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants’ benefits may be reduced or canceled.

The City’s contributions to the HIS Plan totaled \$2,490 for the fiscal year ended September 30, 2020.

City's Net Pension Liability Regarding the FRS Plan:

Actuarial Assumptions

Actuarial assumptions for both the FRS and HIS cost-sharing defined benefit plans are reviewed annually by the Florida Retirement System Actuarial Assumptions Conference. The FRS plan has a valuation performed annually. The HIS Program has a valuations performed biennially that is updated for GASB reporting in the year a valuation is not performed. The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	FRS	HIS
Actuarial Cost Method		Individual Entry Age
Investment Rate of Return	6.80%	2.21%
Salary Increase	3.25%	3.25%
Inflation	2.40%	2.40%

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

Mortality assumptions for both the FRS Pension Plan and HIS program were based on the PUB-2010 base table, projected generationally with Scale MP-2018, and mortality assumptions for the HIS Program were based on the Generational RP-2000 with Projection Scale BB tables.

The most recent experience study for the FRS Pension Plan was completed in 2019 for the period July 1, 2013, through June 30, 2018. Because the HIS Program is funded on a pay-as-you-go basis, no experience study has been completed for that program. The actuarial assumptions that determined the total pension liability for the HIS Program were based on certain results of the most recent experience study for the FRS Pension Plan.

The long-term expected rate of return on the FRS plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation ¹	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	2.2%	2.2%	1.2%
Fixed income	19.0%	3.0%	2.9%	3.5%
Global equity	54.2%	8.0%	6.7%	17.1%
Real estate	10.3%	6.4%	5.8%	11.7%
Private equity	11.1%	10.8%	8.1%	25.7%
Strategic investments	4.4%	5.5%	5.3%	6.9%
Total	<u>100.0%</u>			
Assumed Inflation - Mean			2.4%	1.7%

¹As outlined in the FRS Pension Plan's investment policy

The discount rate used to measure the total pension liability was 6.8% for the FRS plan. The Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return. The HIS program uses a pay as you go funding structure. Therefore, the depletion date is considered to be immediate and the single equivalent discount rate is equal to the municipal bond rate. The municipal bond rate of 2.21% was used to determine the total pension liability for the program. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

adopted as the applicable municipal bond index.

The following changes in actuarial assumptions occurred in 2020:

- FRS: The long-term expected rate of return was decreased from 6.90% to 6.80%.
- HIS: The municipal bond rate used to determine total pension liability was decreased from 3.50% to 2.21% and the mortality assumption was changed from the Generational RP-2000 with Projection Scale BB tables to the PUB-2010 base table, projected generationally with Scale MP-2018.

Net Pension Liability

At September 30, 2020, the City reported a liability of \$891,269 for its proportionate share of the FRS Pension Plan's net pension liability and \$52,767 for the HIS net pension liability. The net pension liability was measured as of June 30, 2020 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020. The City's proportionate share of the net pension liability was based on the City's contributions for the year ended June 30, 2020 relative to the contributions made during the year ended June 30, 2019 of all participating members. At June 30, 2020, the City's proportionate share was .002056389% for the FRS plan and .000432167% for the HIS plan, which represent a decrease of .000069886% and .000002367% respectively from the proportionate shares measured as of June 30, 2019.

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

The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 6.8%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.0%) or 1-percentage-point higher (8.0%) than the current rate:

	1% Decrease	Current Rate	1% Increase
	5.90%	6.90%	7.90%
Net pension liability	\$ 1,423,207	\$ 891,269	\$ 277,214

Plan Fiduciary Net Position

Detailed information about the fiduciary net position of both benefit plans are available in the separately issued FRS Pension Plan and Other State Administered Systems Comprehensive Annual Financial Report.

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

Pension Expense and Deferred Outflows and Inflows of Resources

For the fiscal year ended September 30, 2020 the City recognized pension expense of \$229,739 related to the FRS Pension Plan and \$8,804 related to the HIS plan. In addition, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources		
	FRS	HIS	Total
Differences between expected and actual experience	\$ 34,111	\$ 2,158	\$ 36,269
Changes in assumptions	161,348	5,674	167,022
Net difference between projected and actual investment earnings	53,067	42	53,109
Changes in proportion and differences between City FRS contributions and proportionate share of FRS contributions	106,418	15,312	121,730
City FRS contributions subsequent to the measurement date	17,217	623	17,840
Total Deferred Outflows of Resources	\$ 372,161	\$ 23,809	\$ 395,970

	Deferred Inflows of Resources		
	FRS	HIS	Total
Differences between expected and actual experience	\$ -	\$ (41)	\$ (41)
Changes in assumptions	-	(3,068)	(3,068)
Net difference between projected and actual investment earnings	-	-	-
Changes in proportion and differences between City FRS contributions and proportionate share of FRS contributions	(17,380)	(1,059)	(18,439)
Total Deferred Inflows of Resources	\$ (17,380)	\$ (4,168)	(21,548)

The deferred outflows of resources related to pensions, totaling \$17,840 resulting from City contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended September 30:	FRS	HIS	Total
2021	\$ 88,061	\$ 5,744	\$ 93,805
2022	115,443	5,239	120,682
2023	86,426	4,512	90,938
2024	41,310	2,025	43,334
2025	6,324	836	7,159
Thereafter	-	663	663
Total	337,564	19,018	356,582

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

Payables to the Pension Plan – At September 30, 2020, the City did not report a payable to the Plan for the fiscal year ended September 30, 2020.

11. Other Post Employment Benefits (OPEB)

OPEB Plan Description

The City provides a single employer defined benefit health care plan (the Plan) to all of its employees except for the firefighter members covered by the collective bargaining agreement between the City and the International Association of Firefighters. The Plan is not accounted for as a trust fund since an irrevocable trust has not been established to fund the plan. The Plan has no assets and does not issue a separate financial report.

The Plan allows its employees and their beneficiaries, at their own cost and until the attainment of age 65, to continue to obtain health, dental and other insurance benefits upon retirement. The benefits of the Plan conform to the Florida Statutes, which are the legal authority for the Plan. Eligible employees of the City who satisfy early or normal retirement provisions of their respective pension plan are allowed access to the Plan until the participant reaches Medicare eligibility at the participant's cost. There is no subsidy offered by the City to retirees. General eligibility rules are as follows:

- General employees, police, and executive employees, must meet the eligibility requirements for their respective retirement plan.
- Participants electing to participate in the City's Internal Revenue Code (IRC) 401a plan, in lieu of the City's three defined retirement benefit plans, must meet the eligibility requirements under the City's IRC 401a plan.

Where applicable, participants currently electing to participate in the Deferred Retirement Option Program (DROP) are assumed to begin receiving benefits under OPEB at the end of the DROP period, which is 5 years.

Dependents and surviving spouses of participants are allowed access to the plan at the participant cost. There is no subsidy offered by the City for dependents.

Participants who terminate employment prior to reaching retirement eligibility are not allowed access to the plan.

At September 30, 2020, the OPEB Plan covered 1,148 active employees and 85 retirees.

Total OPEB Liability

Actuarial Methods and Assumptions

The OPEB liability is based on the October 1, 2019 valuation which includes several actuarial assumptions. September 30, 2020 was the actuarial measurement date. Projections of benefits are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the City and the plan members to

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

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. Significant methods and assumptions are listed below.

Actuarial Assumptions	Rate/ Methodology
Actuarial Cost Method	Entry Age Normal (EAN)
Discount Rate (based on the 20-year GO Bond index)	2.41%
Inflation rate	2.50%
Medical Trend Rate (using the Society of Actuaries (SOA) Long-Run Medical Cost Trend Model baseline assumptions)	4.00%
Salary Increase	General - 3% Police & Executives - Varies Pub-2010 mortality fully generational using scale MP- 2019
Mortality Rate	

The discount rate used to determine the liabilities under GASB 75 is based on an index rate for 20-year tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher. This rate was 2.75% as of September 30, 2019 and 2.41% as of September 30, 2020.

Because this year's GASB 75 disclosure is based on current data and updated assumptions, there is a difference between actual and expected experience from the prior year of \$20,210.

The following changes affected the measurement of total OPEB liability since the October 1, 2019 valuation:

- The passage of time, change in mortality assumption and change in the discount rate all resulted in increases to the liability.
- Favorable demographic experience, claims experience and the update in the medical trend assumption counteracted the increases.

The City does not provide funding for any portion of the premiums after retirement; however, the City recognizes that there is an "implicit subsidy" arising as a result of the blended rate premium since retiree health care costs, on average, are higher than active employee healthcare costs.

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

Total OPEB Liability

At September 30, 2020, the City reported a total OPEB liability of \$5,723,274, representing 7.11% of covered payroll. The components of the City's OPEB liability were as follows:

Component	Value
Total OPEB liability	\$ 5,723,274
Plan fiduciary net position	--
Total OPEB liability	<u>\$ 5,723,274</u>
Plan fiduciary net position as a percentage of OPEB liability	0%
Covered payroll	\$ 80,542,532
Total OPEB liability as a percentage of covered payroll	7.11%

Change in OPEB Liability

The detail of the change in OPEB liability for fiscal year 2020 is presented below:

Component	Increase (Decrease)
Balance at September 30, 2019	\$ 5,703,064
Changes for the year:	
Service cost	320,837
Interest cost	152,590
Plan changes	
Differences between expected and actual experience	(313,379)
Changes in assumptions	168,834
Benefit payments, net of retiree contributions	<u>(308,672)</u>
Net changes	<u>20,210</u>
Balance at September 30, 2020	<u>\$ 5,723,274</u>

Sensitivity of Total OPEB Liability to Changes in Discount Rate or Medical Trend Rate

The chart below presents the total OPEB liability of the City, calculated using the discount rate of 2.41%, as well as what the total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.41%) or 1-percentage-point higher (3.41%) than the current rate.

	1% Decrease 1.41%	Discount Rate 2.41%	1% Increase 3.41%
Total OPEB liability	\$ 6,263,548	\$ 5,723,274	\$ 5,241,101

The chart below presents the total OPEB liability of the City, calculated using a health care cost trend rate of 4.0%, as well as what the total OPEB liability would be if it were calculated using a health care cost trend rate that is 1-percentage-point lower (3.0%) or 1-percentage-point higher (5.0%) than the current rate.

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

	1% Decrease 3.00%	Medical Trend 4.00%	1% Increase 5.00%
Total OPEB liability	\$ 5,154,703	\$ 5,723,274	\$ 6,391,721

OPEB expense

For the fiscal year ended September 30, 2020, the City recognized OPEB expense of \$510,389. This amount is broken down in more details below.

Expense	Amount
Service cost	\$ 320,837
Interest	152,590
Differences between expected and actual experience	
In current fiscal year, recognized in current year	(44,768)
From past years recognized in current year	-
Total	(44,768)
Changes in assumptions	
In current fiscal year, recognized in current year	24,119
From past years recognized in current year	57,611
Total	81,730
Total OPEB expense	<u>\$ 510,389</u>

Changes in OPEB liability are recognized in OPEB expense during the fiscal year except for certain items as discussed in the deferred inflows/outflows of resources section below.

OPEB Fiduciary Net Position

Deferred Inflows/Outflows of Resources related to OPEB

For the fiscal year ended September 30, 2020, the City reported deferred outflows and inflows of resources related to OPEB from the following source(s):

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	\$ -	\$ 268,611
Changes in assumptions	\$ 469,099	\$ 70,456
Total	<u>\$ 469,099</u>	<u>\$ 339,067</u>

Deferred outflows of resources of \$469,099 and deferred inflows of resources of \$339,067 are the result of changes in assumption which increased the total OPEB liability by \$168,834, of which \$24,119 was recognized in OPEB expense at September 30, 2020.

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

The remainder of the balance will be recognized to OPEB expense as follows:

Fiscal year ended September 30:		
2021	\$	36,962
2022		36,962
2023		36,961
2024		60,447
2025		(20,649)
Thereafter		(20,651)

12. Interfund Receivables, Payables, Transfers and Advances

A. Due To/From Other Funds (Balances Expected To Be Repaid Within One Year)

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet.

The following is a summary of interfund receivable and payable balances at September 30, 2020:

	Interfund Receivables (Due From)	Interfund Payables (Due To)
Major funds:		
General Fund	\$ 5,213,674	
Beach and Park Operations Fund		\$ 5,032,106
Non-Major General Fund		66,623
Non-Major Enterprise Fund		114,945
Total interfund receivables/payables	\$ 5,213,674	\$ 5,213,674

The inter-fund balances above represent short-term loans to cover temporary negative balances in each fund's equity in pooled cash at year end.

B. Interfund Transfer Reconciliation

Transfers from:	To General	To Other Governmental	To Internal Service	To Non- Major Enterprise	Total
General			\$ 1,872,500		\$ 1,872,500
CRA Mizner Park Revenue		\$ 5,694,065			5,694,065
5 Year Capital Improvements			2,757,500		2,757,500
Beach and Park Operations			-		-
Water and Sewer			-		-
Non-major governmental	\$ 21,000	6,244,932	-		6,265,932
Non-major enterprise			-	353,800	353,800
Total	\$ 21,000	\$ 11,938,997	\$ 4,630,000	\$ 353,800	\$ 16,943,797

CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

Non-major governmental fund transfers in are regarding payments for CRA operations and debt service payments. The transfers into the internal service funds are for the purchase of capital assets, which are not recovered through normal user fees and to partially offset operating costs in the Information Technology Fund.

C. Advances to Other Funds

In August 2016, the General Fund advanced \$320,000 to the Golf Course Fund for the purchase of golf carts. This advance was approved by City Council on Ordinance 5359. The City recorded the advance as nonspendable fund balance in the General Fund where it remains until the debt is repaid.

13. Self-Insurance Programs

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has established a Self-Insurance Fund (an Internal Service Fund) to account for and finance its uninsured risks of loss. Under this program the City has established three programs, Workers Compensation, Employees' Health and General and Automobile Liability.

The City is fully self-insured for workers' compensation, general liability, automobile liability, employment liability, police professional liability and errors and omissions. In addition, the City purchases an excess policy at a self-insured retention of \$500,000 for workers' compensation each accident, except \$875,000 for police, fire, and presumption claims and \$200,000 per occurrence for general liability, auto liability, law enforcement liability, and public official's liability losses. The City has excess policy insurance with Lloyd's of London BRITT for general liability coverage and New York Marine for excess workers' compensation coverage. The City purchases commercial insurance for property damage up to \$150,000,000 after a deductible of \$100,000. There were no significant changes in insurance coverage from the prior year and the amount of settlements did not exceed the insurance coverage for each of the past three years. The City has a contract with Florida Blue to provide for employee health insurance through a self-insurance program with Florida Blue as a third party payer. The City has Stop-Loss coverage for the group medical and pharmacy plan with a specific deductible of \$300,000 and with Aggregate contract attachment point of \$11,959,775 with 125% aggregate corridor. The City is ultimately responsible for and establishment of reserve amounts on claims.

All funds of the City participate in the program and make payments to the Self-Insurance Fund, based on actuarial estimates of amounts needed to pay prior and current year claims. The claims liability of \$10,759,000 reported in the Fund at September 30, 2020 is based on the requirements of GASB Statement No. 10, "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues," which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. A discount rate of 4.50% is assumed for group medical claims.

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

The City's estimated liability for self-insured losses for general liability and workers' compensation was determined by an independent actuarial valuation performed as of September 30, 2020. Liabilities include an amount for claims incurred but not reported (IBNR). Claims liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts and other economic and social factors. The liability for self-insured losses are based on estimates and the ultimate settlement of the claims may differ from the amounts recorded. A discount rate of 1.0% is assumed for general liability and workers compensation claims.

The estimated liability at September 30, 2019 and 2020 is as follows:

Type	As of 9/30/19	As of 9/30/20	Due Within One Year
Workers Compensation	\$ 5,942,000	\$ 6,541,000	\$ 973,000
General and Automobile Liability	3,184,000	3,500,000	1,048,000
Health Insurance	618,000	718,000	718,000
Total	<u>\$ 9,744,000</u>	<u>\$ 10,759,000</u>	<u>\$ 2,739,000</u>

Changes in the estimated liability for the fiscal years ended September 30, 2019 and 2020 are as follows:

Fiscal Year	Liability on October 1	Changes in Estimates	Claim Payments	Liability on September 30
2019	\$ 9,573,000	\$ 15,032,352	\$ 14,861,352	\$ 9,744,000
2020	\$ 9,744,000	\$ 15,590,234	\$ 14,575,234	\$ 10,759,000

14. Contingent Liabilities

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

The City is a defendant in various lawsuits at September 30, 2020. The estimated liability for probable losses, as a result of the lawsuits, was determined based on advice from legal counsel after giving consideration for insurance coverage and, in certain instances, the Florida statutory limitations of governmental liability, and is included in the estimated liability for self-insured claims in the internal service fund (see Note 13). Although the ultimate outcome of these lawsuits is not presently determinable, it is the opinion of management, based on advice from legal counsel, that the amount of losses resulting from the above litigation in excess of the amount accrued as of September 30, 2020, would not have a material adverse effect on the financial position of the City.

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

15. Boca Raton Community Redevelopment Agency

The Florida Legislature during the 2019 Legislative Session revised Chapter 163.387 relating to the Redevelopment trust funds to provide for a financial audit each year by an independent certified public accountant or firm financial statements and the issuance of an audit report. The Boca Raton Community Redevelopment Agency, a component unit of the City of Boca Raton, has engaged an independent public accountant firm which has performed a financial audit and the Community Redevelopment Agency has issued separate trust fund financial statements and an audit report. Please refer to the City's website for the documents.

Pursuant to Florida Statute 163.387, listed below is a summary of the sources and amounts of deposits to, and the purpose and amounts of withdrawals from, the Community Redevelopment Agency Funds (CRA) for the fiscal year ended September 30, 2020:

	<u>Deposits</u>	<u>Withdrawals</u>
Source of deposits:		
Tax increment revenues	\$ 14,150,342	
Lease revenues	1,565,313	
Investment income	213,610	
Other	524,383	
Purpose of withdrawals:		
Salaries and benefits		1,795,373
Professional services		286,852
Advertising		7,998
Repayments to City		12,000,000
Other contractual services		2,400
Insurance premiums		28,900
IT technology		9,584
Supplies		89,169
Dues and subscriptions		3,243
Miscellaneous		910,438
Total	<u>\$ 16,453,648</u>	<u>\$ 15,133,957</u>

**CITY OF BOCA RATON, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

16. Subsequent Events

A. On October 14, 2020 the City Council adopted Resolution No. 163-2020 to accept a donation by Boca Country Club Owner, LLC (Donor) of real property consisting of a golf course, club house, tennis courts and other improvements located at 17751 Boca Club Boulevard consisting of approximately 167.17 acres, known as the Boca Golf and Tennis Country Club (which property is located in unincorporated Palm Beach County along the City's boundary). The City agreed to lease the property back to the Donor for a term of up to one year to provide for the continued maintenance and operation of the property during the transition period and the City has the option to assume the lease of the electric golf carts used on the property. The effective date of the donation to the City was October 27, 2020 and the City plans to open the facility to the public and its residents on or after October 1, 2021.

B. On October 27, 2020 the City authorized the issuance of its Water and Sewer Revenue Improvement Bonds, Series 2020 in an amount not to exceed \$35,000,000, at a rate of 2.09% with a term of 20 years through a bank loan (private placement) with CenterState Bank, N.A. The funds will be used for certain water and sewer infrastructure capital projects as further described in Ordinance No. 5548 and Resolution No. 161-2020. The repayment of the bonds is a direct pledge of the water and sewer net revenues and allowable system development charges.

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CITY OF BOCA RATON, FLORIDA
PENSION FUNDS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
Last Ten Fiscal Years⁽¹⁾

General Employees' Pension Plan

September 30,	Year 2019	Year 2018	Year 2017	Year 2016
Total Pension Liability				
Service cost	\$ 3,565,692	\$ 3,439,409	\$ 3,224,234	\$ 3,855,305
Interest	18,235,699	17,465,497	16,928,618	16,311,059
Reserve for 2% lump sum payments	78,088			
Changes of benefit terms	1,105,146		1,501,811	
Differences between expected and actual experience	(3,967,222)	2,976,520	(1,491,049)	113,363
Changes of Assumptions	1,078,853	1,083,605	2,087,606	636,444
Benefit payments, including refunds of member contributions	(15,389,621)	(13,435,956)	(12,101,909)	(12,610,638)
Transfers (net)	(466,265)	(398,832)	(310,001)	(108,675)
Net Change in Total Pension Liability	4,240,370	11,130,243	9,839,310	8,196,858
Total Pension Liability - Beginning	235,558,997	224,428,754	214,589,444	206,392,586
Total Pension Liability - Ending (a)	239,799,367	235,558,997	224,428,754	214,589,444
Plan Fiduciary Net Position				
Contributions - employer	2,240,997	2,093,506	2,340,675	3,361,534
Contributions - member	2,468,106	2,560,917	2,431,496	2,509,043
Net investment income (loss)	7,574,765	18,067,722	22,496,220	16,484,179
Benefit payments, including refunds of member contributions	(15,389,621)	(13,435,956)	(12,101,909)	(12,610,638)
Administrative expense	(114,677)	(106,870)	(135,013)	(132,952)
Transfers (net)	(466,265)	(398,832)	(310,001)	(108,675)
Net Change in Plan Fiduciary Net Position	(3,686,695)	8,780,487	14,721,468	9,502,491
Plan Fiduciary Net Position - Beginning	227,846,632	219,066,145	204,344,677	194,842,186
Plan Fiduciary Net Position - Ending (b)	224,159,937	227,846,632	219,066,145	204,344,677
Net Pension Liability (Asset) - Ending (a) - (b)	\$ 15,639,430	\$ 7,712,365	\$ 5,362,609	\$ 10,244,767
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	93.48%	96.73%	97.61%	95.23%
Covered Payroll	\$ 31,486,792	\$ 37,233,984	\$ 36,206,318	\$ 35,094,926
Net Pension Liability (Asset) as a Percentage of Covered Payroll	49.67%	20.71%	14.81%	29.19%

Notes to Schedule:

¹This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

**CITY OF BOCA RATON, FLORIDA
PENSION FUNDS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
Last Ten Fiscal Years⁽¹⁾**

General Employees' Pension Plan

Year 2015	Year 2014
\$ 3,952,877	\$ 4,070,341
15,878,172	15,543,810
(1,726,306)	(3,613,328)
(12,424,759)	(10,670,374)
(48,097)	(264,439)
5,631,887	5,066,010
200,760,699	195,694,689
206,392,586	200,760,699
3,925,569	3,744,111
2,335,348	2,360,378
(2,130,561)	19,283,849
(12,424,759)	(10,670,374)
(90,032)	(243,981)
6,442	(264,439)
(8,377,993)	14,209,544
203,220,179	189,010,635
194,842,186	203,220,179
\$ 11,550,400	\$ (2,459,480)
94.40%	101.23%
\$ 35,658,133	\$ 34,835,028
32.39%	(7.06)%

Notes to Schedule:

¹This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

**CITY OF BOCA RATON, FLORIDA
PENSION FUNDS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
Last Ten Fiscal Years**

General Employees' Pension Plan

Fiscal Year	(1) Actuarially Determined Contribution	(2) Contribution in relation to the actuarially determined contribution	(3) Contribution excess/ (deficiency) (2)-(1)	(4) Covered payroll	(5) Actuarially determined contributions as a percentage of covered payroll (1)/(4)	(6) Contributions as a percentage of covered payroll (2)/(4)
2011	\$ 3,333,945	\$ 3,333,945		\$ 29,915,815	11.14%	11.14%
2012	3,427,410	3,427,410		28,583,981	11.99%	11.99%
2013	4,268,084	4,268,084		27,597,864	15.47%	15.47%
2014	3,744,111	3,744,111		34,835,028	10.75%	10.75%
2015	3,925,569	3,925,569		35,658,133	11.01%	11.01%
2016	3,361,534	3,361,534		35,094,926	9.58%	9.58%
2017	2,340,675	2,340,675		36,206,318	6.46%	6.46%
2018	2,093,506	2,093,506		37,233,984	5.62%	5.62%
2019	2,240,997	2,240,997		31,486,792	7.12%	7.12%
2020	1,725,822	1,725,822		32,830,669	5.26%	5.26%

Notes to Schedule:

Valuation date: October 1, 2018

Actuarially determined contribution rates are calculated as of October 1, one year prior to the beginning of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Measurement date	October 1
Actuarial cost method	Entry age
Asset valuation method	4-year smoothing
Salary increases	3% annum
Inflation	2.6%
Investment rate of return	7.75%

Mortality is assumed to follow the Florida Retirement System (FRS) Mortality Table.

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CITY OF BOCA RATON, FLORIDA
PENSION FUNDS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
Last Ten Fiscal Years⁽¹⁾

Police & Firefighters' Retirement System

September 30,	Year 2019	Year 2018	Year 2017	Year 2016
Total Pension Liability				
Service cost	\$ 11,021,198	\$ 10,027,517	\$ 9,139,764	\$ 8,067,516
Interest	39,878,548	37,651,191	35,591,072	33,015,209
Changes of benefit terms		1,270,260		
Differences between expected and actual experience	5,211,764	4,019,386	1,149,110	(154,745)
Transfer from (to) General Employees' Plan	11,307	(10,300)		
Changes of Assumptions	3,076,955	2,874,659	2,864,781	13,548,989
Contributions - buy back	414,164	113,861	135,964	25,319
Benefit payments, including refunds of member contributions	(26,100,713)	(22,420,013)	(21,835,563)	(19,320,864)
Net Change in Total Pension Liability	33,513,223	33,526,561	27,045,128	35,181,424
Total Pension Liability - Beginning	510,036,142	476,509,581	449,464,453	414,283,029
Total Pension Liability - Ending (a)	543,549,365	510,036,142	476,509,581	449,464,453
Plan Fiduciary Net Position				
Contributions - employer	13,316,657	10,186,562	8,020,870	8,111,246
Contributions - State	3,483,705	3,313,018	2,771,797	3,899,711
Contributions - member	4,201,798	3,956,634	3,620,915	3,436,368
Contributions - buy back	414,164	113,861	135,964	25,319
Transfer from General Employees' Plan	11,307	(10,300)		
Net investment income	13,400,305	27,561,870	38,904,664	26,257,007
Benefit payments, including refunds of member contributions	(26,100,713)	(22,420,013)	(21,835,562)	(19,320,864)
Administrative expense	(216,090)	(228,726)	(250,745)	(256,228)
Other				
Net Change in Plan Fiduciary Net Position	8,511,133	22,472,906	31,367,903	22,152,559
Plan Fiduciary Net Position - Beginning	392,280,877	369,807,971	338,440,068	316,287,509
Plan Fiduciary Net Position - Ending (b)	400,792,010	392,280,877	369,807,971	338,440,068
Net Pension Liability - Ending (a) - (b)	\$ 142,757,355	\$ 117,755,265	\$ 106,701,610	\$ 111,024,385
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	73.74%	76.91%	77.61%	75.30%
Covered Payroll	\$ 38,811,038	\$ 36,539,436	\$ 33,450,986	\$ 31,834,502
Net Pension Liability (Asset) as a Percentage of Covered Payroll	367.83%	322.27%	318.98%	348.75%

Notes to Schedule:

¹ This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

**CITY OF BOCA RATON, FLORIDA
PENSION FUNDS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
Last Ten Fiscal Years⁽¹⁾**

Police & Firefighters' Retirement System

Year 2015	Year 2014	Year 2013
\$ 8,019,243	\$ 8,842,600	\$ 8,187,593
31,100,803	30,257,546	28,465,767
(12,002,331)		
2,110,050		
	132,304	
51,514	28,668	
<u>(15,478,755)</u>	<u>(16,310,699)</u>	<u>(13,511,539)</u>
13,800,524	22,950,419	23,141,821
400,482,505	377,532,086	354,390,265
<u>414,283,029</u>	<u>400,482,505</u>	<u>377,532,086</u>
11,352,729	13,182,553	12,419,043
3,198,125	2,868,153	2,843,696
3,109,262	2,985,855	2,981,727
51,514	28,668	
	132,304	
2,205,514	26,241,511	34,407,247
(15,478,755)	(16,310,699)	(13,511,539)
(222,131)	(362,469)	(444,233)
		5593
<u>4,216,258</u>	<u>28,765,876</u>	<u>38,701,534</u>
312,071,251	283,305,375	244,603,841
<u>316,287,509</u>	<u>312,071,251</u>	<u>283,305,375</u>
<u>\$ 97,995,520</u>	<u>\$ 88,411,254</u>	<u>\$ 94,226,711</u>
76.35%	77.92%	75.04%
\$ 29,855,531	\$ 29,422,696	\$ 29,655,556
328.23%	300.49%	317.74%

Notes to Schedule:

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**CITY OF BOCA RATON, FLORIDA
PENSION FUNDS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
Last Ten Fiscal Years**

Police & Firefighters' Retirement System

Fiscal Year	(1) Actuarially Determined Contribution	(2) Contribution in relation to the actuarially determined contribution	(3) Contribution excess/ (deficiency) (2)-(1)	(4) Covered payroll	(5) Actuarially determined contributions as a percentage of covered payroll (1)/(4)	(6) Contributions as a percentage of covered payroll (2)/(4)
2011	\$ 11,498,774	\$ 11,290,578	\$ (208,196)	\$ 28,591,000	40.22%	39.49%
2012	12,902,505	12,790,958	(111,547)	29,458,000	43.80%	43.42%
2013	15,099,422	15,262,739	163,317	29,655,556	50.92%	51.47%
2014	16,050,706	16,050,706		29,422,696	54.55%	54.55%
2015	12,642,612	14,550,854	1,908,242	29,855,531	42.35%	48.74%
2016	13,919,199	12,010,957	(1,908,242)	31,834,502	43.72%	37.73%
2017	10,792,667	10,792,667		33,450,986	32.26%	32.26%
2018	13,499,580	13,499,580		36,539,436	36.95%	36.95%
2019	16,800,362	16,800,362		38,811,038	43.29%	43.29%
2020	18,119,176	18,119,176		40,455,610	44.79%	44.79%

Notes to Schedule:

Valuation date: October 1, 2018

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

Methods and assumptions used to determine contribution rates:

Measurement date	October 1
Actuarial cost method	Entry age
Amortization method	Level percentage of pay, closed
Remaining amortization period	20 years (as of 10/1/2018)
Asset valuation method	4-year smoothing
Payroll growth projection	2.92% per annum
Inflation	2.00%
Investment rate of return	7.85%

Mortality is assumed to follow the Florida Retirement System (FRS) Mortality Table.

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**CITY OF BOCA RATON, FLORIDA
PENSION FUNDS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
Last Ten Fiscal Years⁽¹⁾**

Executive Employees' Retirement Plan

September 30,	Year 2019	Year 2018	Year 2017	Year 2016
Total Pension Liability				
Service cost	\$ 1,027,733	\$ 1,033,954	\$ 999,642	\$ 887,093
Interest	4,012,692	3,759,183	3,607,804	3,302,491
Changes of benefit terms				
Differences between expected and actual experience	4,304,119	1,258,361		1,605,801
Changes of assumptions		461,746	1,970,552	
Benefit payments, including refunds of member contributions	(2,159,731)	(3,860,948)	(1,870,177)	(1,804,008)
Net Change in Total Pension Liability	<u>7,184,813</u>	<u>2,652,296</u>	<u>4,707,821</u>	<u>3,991,377</u>
Total Pension Liability - Beginning	<u>55,399,613</u>	<u>52,747,317</u>	<u>48,039,496</u>	<u>44,048,119</u>
Total Pension Liability - Ending (a)	<u>62,584,426</u>	<u>55,399,613</u>	<u>52,747,317</u>	<u>48,039,496</u>
Plan Fiduciary Net Position				
Contributions - employer	1,954,554	1,850,134	1,525,219	1,482,115
Contributions - member	1,089,408	885,015	639,876	762,047
Transfer from other pension plans		409,132	314,525	108,675
Net investment income	2,550,698	3,770,512	5,423,879	2,819,391
Benefit payments, including refunds of member contributions	(2,159,731)	(3,860,949)	(1,870,177)	(1,804,008)
Administrative expense	(75,265)	(46,064)	(31,744)	(29,006)
Net Change in Plan Fiduciary Net Position	<u>3,359,664</u>	<u>3,007,780</u>	<u>6,001,578</u>	<u>3,339,214</u>
Plan Fiduciary Net Position - Beginning	<u>44,870,625</u>	<u>41,862,845</u>	<u>35,861,267</u>	<u>32,522,053</u>
Plan Fiduciary Net Position - Ending (b)	<u>48,230,289</u>	<u>44,870,625</u>	<u>41,862,845</u>	<u>35,861,267</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 14,354,137</u>	<u>\$ 10,528,988</u>	<u>\$ 10,884,472</u>	<u>\$ 12,178,229</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	77.06%	80.99%	79.36%	74.65%
Covered Payroll	\$ 5,593,482	\$ 5,361,342	\$ 5,748,308	\$ 5,359,816
Net Pension Liability as a Percentage of Covered Payroll	256.62%	196.39%	189.35%	227.21%

Notes to Schedule:

¹This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available

**CITY OF BOCA RATON, FLORIDA
PENSION FUNDS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
Last Ten Fiscal Years⁽¹⁾**

Executive Employees' Retirement Plan

Year 2015	Year 2014
\$ 830,044 3,130,704 (145,142) <u>(1,360,326)</u> 2,455,280 41,592,839 <u>44,048,119</u>	\$ 807,122 2,970,466 327,026 1,055,238 <u>(1,088,490)</u> 4,071,362 37,521,477 <u>41,592,839</u>
1,457,248 635,026 21,680 85,342 <u>(1,360,326)</u> <u>(27,327)</u> 811,643	1,458,974 717,085 2,784,339 <u>(1,088,489)</u> <u>(38,294)</u> 3,833,615
<u>31,710,410</u> <u>32,522,053</u>	<u>27,876,795</u> <u>31,710,410</u>
<u>\$ 11,526,066</u>	<u>\$ 9,882,429</u>
73.83%	76.24%
\$ 4,748,431	\$ 4,463,155
242.73%	221.42%

Notes to Schedule:

¹This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available

**CITY OF BOCA RATON, FLORIDA
PENSION FUNDS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
Last Ten Fiscal Years**

Executive Employees' Retirement Plan

Fiscal Year Ended	(1) Actuarially Determined Contribution	(2) Contribution in relation to the actuarially determined contribution	(3) Contribution excess/ (deficiency) (2)-(1)	(4) Covered payroll	(5) Actuarially determined contributions as a percentage of covered payroll (1)/(4)	(6) Contributions as a percentage of covered payroll (2)/(4)
2011	\$ 1,029,022	\$ 1,083,506	\$ 54,484	\$ 4,745,685	21.68%	22.83%
2012	1,111,897	1,098,407	(13,490)	4,376,313	25.41%	25.10%
2013	1,350,306	1,367,748	17,442	4,418,964	30.56%	30.95%
2014	1,458,974	1,458,974		4,463,155	32.69%	32.69%
2015	1,457,248	1,457,248		4,748,431	30.69%	30.69%
2016	1,482,115	1,482,115		5,359,816	27.65%	27.65%
2017	1,525,219	1,525,219		5,748,308	26.53%	26.53%
2018	1,850,134	1,850,134		5,361,342	34.51%	34.51%
2019	1,954,554	1,954,554		5,593,482	34.94%	34.94%
2020	2,234,407	2,234,407		5,549,081	40.27%	40.27%

Notes to Schedule:

Valuation date: October 1, 2018

Actuarially determined contribution rates are calculated as of October 1, 1 year prior to the beginning of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Measurement date	October 1
Actuarial cost method	Entry age
Asset valuation method	5-year smoothing
Salary increases	varies
Inflation	2.75%
Investment rate of return	7.25%

Mortality is assumed to follow the Florida Retirement System (FRS) Mortality Table.

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**CITY OF BOCA RATON, FLORIDA
PENSION FUNDS
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
Florida Retirement System (FRS) Pension Plan
Last Ten Fiscal Years ^(1,2)**

June 30,	Year 2020	Year 2019	Year 2018	Year 2017 ³	Year 2016
City of Boca Raton's proportion of the FRS net pension liability (asset)	0.002056389%	0.002126274%	0.002140260%	0.001760086%	0.000573538%
City of Boca Raton's proportionate share of the FRS net pension liability (asset)	\$ 891,269	\$ 732,259	\$ 644,657	\$ 520,622	\$ 144,819
City of Boca Raton's covered payroll	\$ 150,000	\$ 145,333	\$ 145,333	\$ 121,950	\$ 37,800
City of Boca Raton's proportionate share of the FRS net pension liability (asset) as a percentage of its covered payroll	594.18%	503.85%	443.57%	426.91%	383.12%
Plan fiduciary net position as a percentage of the total pension liability	78.85%	82.61%	84.26%	83.89%	84.88%
June 30,	Year 2015	Year 2014			
City of Boca Raton's proportion of the FRS net pension liability (asset)	0.000594821%	0.000399841%			
City of Boca Raton's proportionate share of the FRS net pension liability (asset)	\$ 76,829	\$ 24,396			
City of Boca Raton's covered payroll	\$ 37,800	\$ 34,200			
City of Boca Raton's proportionate share of the FRS net pension liability (asset) as a percentage of its covered payroll	203.25%	71.33%			
Plan fiduciary net position as a percentage of the total pension liability	92.00%	96.09%			

Notes to Schedule:

- ¹ This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available
- ² The amounts presented for each fiscal year were determined as of the measurement date, June 30.
- ³ The increase in NPL at 2017 was primarily due to the implementation of GASB 75.

**CITY OF BOCA RATON, FLORIDA
PENSION FUNDS
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
Health Insurance Subsidy (HIS) Plan
Last Ten Fiscal Years^(1,2)**

June 30,	<u>Year 2020</u>	<u>Year 2019</u>	<u>Year 2018</u>	<u>Year 2017³</u>	<u>Year 2016</u>
City of Boca Raton's proportion of the HIS net pension liability (asset)	0.000432167%	0.000434533%	0.000444945%	0.000382574%	0.000122446%
City of Boca Raton's proportionate share of the HIS net pension liability (asset)	\$ 52,767	\$ 48,620	\$ 47,093	\$ 40,907	\$ 14,271
City of Boca Raton's covered payroll	\$ 150,000	\$ 145,333	\$ 145,333	\$ 121,950	\$ 37,800
City of Boca Raton's proportionate share of the HIS net pension liability (asset) as a percentage of its covered payroll	35.18%	33.45%	32.40%	33.54%	37.75%
Plan fiduciary net position as a percentage of the total pension liability	3.00%	2.63%	2.15%	1.64%	0.97%
June 30,	<u>Year 2015</u>	<u>Year 2014</u>			
City of Boca Raton's proportion of the HIS net pension liability (asset)	0.000124595%	0.000109049%			
City of Boca Raton's proportionate share of the HIS net pension liability (asset)	\$ 12,707	\$ 10,196			
City of Boca Raton's covered payroll	\$ 37,800	\$ 34,200			
City of Boca Raton's proportionate share of the HIS net pension liability (asset) as a percentage of its covered payroll	33.62%	29.81%			
Plan fiduciary net position as a percentage of the total pension liability	0.50%	0.99%			

Notes to Schedule:

- ¹ This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available
- ² The amounts presented for each fiscal year were determined as of the measurement date, June 30.
- ³ The increase in NPL at 2017 was primarily due to the implementation of GASB 75.

**CITY OF BOCA RATON, FLORIDA
PENSION FUNDS
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF CITY CONTRIBUTIONS
Florida Retirement System (FRS) Pension Plan
Last Ten Fiscal Years ^(1,2)**

September 30,	Year 2020	Year 2019	Year 2018	Year 2017	Year 2016	Year 2015
Contractually required contribution	\$ 70,785	\$ 70,515	\$ 62,634	\$ 62,261	\$ 15,352	\$ 15,724
Contributions in relation to the contractually required contribution	(70,785)	(70,515)	(62,634)	(62,261)	(15,352)	(15,724)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City of Boca Raton's covered payroll	\$ 150,000	\$ 150,000	\$ 140,667	\$ 150,000	\$ 37,800	\$ 37,800
Contributions as a percentage of covered payroll	47.19%	47.01%	44.53%	41.51%	40.61%	41.60%

September 30,	Year 2014
Contractually required contribution	\$ 11,834
Contributions in relation to the contractually required contribution	(11,834)
Contribution deficiency (excess)	\$ -
City of Boca Raton's covered payroll	\$ 34,200
Contributions as a percentage of covered payroll	34.60%

Notes to Schedule:

- ¹ This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available
- ² The amounts presented for each fiscal year were determined as of the measurement date, June 30.

**CITY OF BOCA RATON, FLORIDA
PENSION FUNDS
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF CITY CONTRIBUTIONS
Health Insurance Subsidy (HIS) Plan
Last Ten Fiscal Years ^(1,2)**

September 30,	Year 2020	Year 2019	Year 2018	Year 2017	Year 2016	Year 2015
Contractually required contribution	\$ 2,490	\$ 2,490	\$ 2,335	\$ 2,490	\$ 627	\$ 514
Contributions in relation to the contractually required contribution	<u>(2,490)</u>	<u>(2,490)</u>	<u>(2,335)</u>	<u>(2,490)</u>	<u>(627)</u>	<u>(514)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City of Boca Raton's covered payroll	\$ 150,000	\$ 150,000	\$ 140,667	\$ 150,000	\$ 37,800	\$ 37,800
Contributions as a percentage of covered payroll	1.66%	1.66%	1.66%	1.66%	1.66%	1.36%

September 30,	Year 2014
Contractually required contribution	\$ 416
Contributions in relation to the contractually required contribution	<u>(416)</u>
Contribution deficiency (excess)	<u>\$ -</u>
City of Boca Raton's covered payroll	\$ 34,200
Contributions as a percentage of covered payroll	1.22%

Notes to Schedule:

¹ This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available

² The amounts presented for each fiscal year were determined as of the measurement date, June 30.

**CITY OF BOCA RATON, FLORIDA
OTHER POST EMPLOYMENT BENEFITS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN TOTAL LIABILITY AND RELATED RATIOS
LAST TEN FISCAL YEARS***

September 30,	Year 2020	Year 2019	Year 2018
Total OPEB Liability			
Service cost	\$ 320,837	\$ 263,838	\$ 265,614
Changes of benefit terms	152,590	187,333	169,577
Experience Losses/(Gains)	(313,379)		
Changes of assumptions	168,834	486,576	(140,911)
Benefit payments	(308,672)	(251,787)	(244,453)
Net change in total OPEB liability	20,210	685,960	49,827
Total OPEB liability - beginning	5,703,064	5,017,104	4,967,277
Total OPEB liability - ending	<u>\$ 5,723,274</u>	<u>\$ 5,703,064</u>	<u>\$ 5,017,104</u>
Covered payroll	\$ 80,542,532	\$ 75,374,981	\$ 70,611,024
Total OPEB liability as a percentage of covered payroll	7.11%	7.57%	7.11%

***Note to schedule**

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

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**CITY OF BOCA RATON, FLORIDA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive / (Negative)</u>
REVENUES				
PROPERTY TAXES	\$ 75,314,000	\$ 75,314,000	\$ 76,079,386	\$ 765,386
EXCISE TAXES				
Utility	20,387,300	20,387,300	20,208,357	(178,943)
Total excise taxes	20,387,300	20,387,300	20,208,357	(178,943)
FRANCHISE TAXES				
Electrical	10,500,000	10,500,000	9,529,312	(970,688)
Television	1,300,000	1,300,000	1,685,710	385,710
Natural gas	225,000	225,000	202,881	(22,119)
Solid waste	1,410,000	1,410,000	1,463,735	53,735
Total franchise taxes	13,435,000	13,435,000	12,881,638	(553,362)
Total taxes	109,136,300	109,136,300	109,169,381	33,081
LICENSES AND PERMITS				
Local business taxes	1,657,000	1,657,000	1,705,627	48,627
Beverage licenses	175,000	175,000	147,838	(27,162)
Building permits	9,000,000	9,000,000	10,834,996	1,834,996
Other	1,325,000	1,325,000	2,249,580	924,580
Total licenses and permits	12,157,000	12,157,000	14,938,041	2,781,041
INTERGOVERNMENTAL				
Federal Grants			5,087,965	5,087,965
State revenue sharing	11,485,300	11,485,300	10,587,105	(898,195)
Palm Beach County	12,635,000	12,635,000	12,497,805	(137,195)
Beach tax district	1,752,900	1,752,900	1,640,217	(112,683)
Other shared local revenue	765,400	765,400	588,376	(177,024)
Total intergovernmental	26,638,600	26,638,600	30,401,468	3,762,868
CHARGES FOR SERVICES				
Physical environment	205,000	205,000	205,361	361
Planning and zoning fees	1,072,700	1,072,700	1,131,279	58,579
Fire services	15,539,800	15,539,800	15,133,823	(405,977)
Police services	325,000	325,000	239,273	(85,727)
Library	205,600	205,600	89,972	(115,628)
Recreation services	2,853,200	2,853,200	2,078,288	(774,912)
Amphitheater services	82,000	82,000	59,060	(22,940)
Parking	500,000	500,000	601,352	101,352
Administrative service charge	8,865,600	8,865,600	8,892,838	27,238
Other charges for services	235,000	235,000	304,284	69,284
Total charges for services	29,883,900	29,883,900	28,735,530	(1,148,370)
FINES AND FORFEITURES	1,276,100	1,276,100	1,090,503	(185,597)
INVESTMENT EARNINGS (LOSS)	1,814,400	1,814,400	1,519,556	(294,844)
MISCELLANEOUS	190,500	190,500	474,868	284,368
Total revenues	181,096,800	181,096,800	186,329,347	5,232,547
EXPENDITURES				
Current:				
GENERAL GOVERNMENT				
City council	487,600	487,600	441,646	45,954
City manager				
Administration	1,455,400	1,456,000	1,479,912	(23,912)
City clerk	1,079,500	1,079,500	916,185	163,315
Human resources	2,636,300	2,650,300	1,902,276	748,024
Mizner Park Amphitheater	1,278,200	1,294,900	719,252	575,648
Communications	566,000	566,700	505,652	61,048
Sustainability Office	204,300	217,200	204,188	13,012
Total city manager	7,219,700	7,264,600	5,727,465	1,537,135

(CONTINUED)

CITY OF BOCA RATON, FLORIDA
GENERAL FUND (continued)
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive / (Negative)</u>
Financial services				
Financial services administration	\$ 1,069,500	\$ 1,069,500	\$ 1,025,291	\$ 44,209
Pension	775,400	775,400	661,991	113,409
Accounting	813,200	813,200	527,938	285,262
Treasury	129,700	129,700	147,626	(17,926)
Accounts payable	299,800	299,800	304,647	(4,847)
Alarm administration	160,500	160,500	96,386	64,114
Purchasing	1,053,400	1,053,400	1,006,347	47,053
Office of management and budget	593,100	595,000	587,350	7,650
Parking	673,000	673,400	617,831	55,569
Total financial services	<u>5,567,600</u>	<u>5,569,900</u>	<u>4,975,407</u>	<u>594,493</u>
City attorney	<u>1,497,400</u>	<u>1,497,400</u>	<u>1,480,904</u>	<u>16,496</u>
Development services				
Development services administration	901,500	901,500	873,893	27,607
Code compliance/licensing	7,612,400	7,612,400	7,328,754	283,646
Planning and zoning	1,755,500	1,803,500	1,568,479	235,021
Total development services	<u>10,269,400</u>	<u>10,317,400</u>	<u>9,771,126</u>	<u>546,274</u>
Other non-departmental services	<u>7,975,000</u>	<u>8,661,300</u>	<u>7,272,321</u>	<u>1,388,979</u>
Total general government	<u>33,016,700</u>	<u>33,798,200</u>	<u>29,668,869</u>	<u>4,129,331</u>
PUBLIC SAFETY				
Law enforcement				
Communications/dispatch	3,753,900	3,753,900	3,161,871	592,029
Community services	16,201,800	16,427,500	14,938,265	1,489,235
Bureau of field services	35,096,100	35,096,100	34,642,241	453,859
Biological Processing Lab	198,600	198,600	190,054	8,546
Total law enforcement	<u>55,250,400</u>	<u>55,476,100</u>	<u>52,932,431</u>	<u>2,543,669</u>
Fire rescue services				
Fire administration	4,591,300	4,599,800	4,461,053	138,747
Logistics and support	3,756,600	3,761,700	3,583,580	178,120
Fire operations	43,809,700	43,917,400	43,433,534	483,866
Fire and life safety	2,451,800	2,451,800	2,361,420	90,380
Total fire rescue services	<u>54,609,400</u>	<u>54,730,700</u>	<u>53,839,587</u>	<u>891,113</u>
Total public safety	<u>109,859,800</u>	<u>110,206,800</u>	<u>106,772,018</u>	<u>3,434,782</u>
PHYSICAL ENVIRONMENT				
Physical environment administration	1,334,300	1,334,300	1,086,552	247,748
Dredge	550,900	550,900	483,190	67,710
Facilities management	4,535,100	4,743,200	3,725,770	1,017,430
Total physical environment	<u>6,420,300</u>	<u>6,628,400</u>	<u>5,295,512</u>	<u>1,332,888</u>
TRANSPORTATION				
Streets	1,468,400	1,468,400	1,266,533	201,867
Traffic/special projects	5,237,100	5,270,800	4,360,426	910,374
VTUSA		12,200,000	494,640	11,705,360
Engineering-survey	417,600	417,600	351,618	65,982
Engineering-design	1,504,300	1,504,300	1,334,317	169,983
Total transportation	<u>8,627,400</u>	<u>20,861,100</u>	<u>7,807,534</u>	<u>13,053,566</u>

(CONTINUED)

CITY OF BOCA RATON, FLORIDA
GENERAL FUND (continued)
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive / (Negative)</u>
PARKS AND RECREATION				
Parks and rec administration	\$ 2,066,600	\$ 2,104,300	\$ 1,986,772	\$ 117,528
Library	5,675,500	5,716,000	5,117,392	598,608
Community center	798,200	798,200	709,023	89,177
Train depot	59,900	59,900	47,803	12,097
Camp programs	642,700	642,700	100,995	541,705
Athletics	505,900	523,900	394,080	129,820
Children's Museum			4,335	(4,335)
Skateboard park	61,700	61,700	45,024	16,676
Special programs	374,000	374,000	245,627	128,373
Aquatics	492,800	505,400	409,398	96,002
Tennis center	331,900	346,700	315,549	31,151
Special interest activity	637,500	638,700	328,580	310,120
Ocean rescue	2,159,800	2,159,800	1,989,465	170,335
Parks District I	5,140,900	5,211,100	4,930,757	280,343
Parks District II	987,700	987,700	838,159	149,541
Mizner Park	769,600	769,600	567,961	201,639
Park rangers	606,000	606,700	575,945	30,755
Irrigation	843,700	843,700	847,700	(4,000)
Beautification	6,816,800	6,817,000	6,721,474	95,526
Total parks and recreation	<u>28,971,200</u>	<u>29,167,100</u>	<u>26,176,039</u>	<u>2,991,061</u>
Total expenditures	<u>186,895,400</u>	<u>200,661,600</u>	<u>175,719,972</u>	<u>24,941,628</u>
Excess (deficiency) of revenues over expenditures	<u>(5,798,600)</u>	<u>(19,564,800)</u>	<u>10,609,375</u>	<u>30,174,175</u>
OTHER FINANCING SOURCES (USES)				
Transfers in:				
Downtown Infrastructure Fund	21,000	21,000	21,000	
Total transfers in	<u>21,000</u>	<u>21,000</u>	<u>21,000</u>	
Transfers out:				
Information Technology Fund	(42,000)	(42,000)	(42,000)	
Fleet Management Fund	(1,830,500)	(1,830,500)	(1,830,500)	
Total transfers out	<u>(1,872,500)</u>	<u>(1,872,500)</u>	<u>(1,872,500)</u>	
Total other financing uses	<u>(1,851,500)</u>	<u>(1,851,500)</u>	<u>(1,851,500)</u>	
Net change in fund balance	<u>\$ (7,650,100)</u>	<u>\$ (21,416,300)</u>	<u>8,757,875</u>	<u>\$ 30,174,175</u>
Fund balance - beginning, as previously reported			<u>63,643,614</u>	
Fund balance - ending			<u>\$ 72,401,489</u>	

**CITY OF BOCA RATON, FLORIDA
COMMUNITY REDEVELOPMENT AGENCY OPERATING FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive / (Negative)</u>
REVENUES				
Taxes	\$ 14,000,000	\$ 14,000,000	\$ 14,150,342	\$ 150,342
Charges for services	3,572,500	3,572,500	2,089,696	(1,482,804)
Investment earnings (loss)	240,300	240,300	213,610	(26,690)
Total revenues	<u>17,812,800</u>	<u>17,812,800</u>	<u>16,453,648</u>	<u>(1,359,152)</u>
EXPENDITURES				
Community development	15,511,600	15,645,300	14,887,355	757,945
Capital outlay	5,103,000	5,719,500	246,602	5,472,898
Total expenditures	<u>20,614,600</u>	<u>21,364,800</u>	<u>15,133,957</u>	<u>6,230,843</u>
Excess (deficiency) of revenues over expenditures	<u>(2,801,800)</u>	<u>(3,552,000)</u>	1,319,691	4,871,691
OTHER FINANCING USES				
Transfers in	<u> </u>	5,694,100	5,694,063	(37)
Total other financing uses	<u> </u>	<u>5,694,100</u>	<u>5,694,063</u>	<u>(37)</u>
Net change in fund balance	<u>\$ (2,801,800)</u>	<u>\$ 2,142,100</u>	7,013,754	<u>\$ 4,871,654</u>
Fund balance - beginning			<u>4,317,164</u>	
Fund balance - ending			<u>\$ 11,330,918</u>	

See accompanying note to required supplementary information

CITY OF BOCA RATON, FLORIDA
 BEACH AND PARK OPERATIONS FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive / (Negative)</u>
REVENUES				
Intergovernmental	\$ 19,689,400	\$ 20,031,400	\$ 14,539,299	\$ (5,492,101)
Charges for services	3,202,900	3,202,900	1,918,284	(1,284,616)
Miscellaneous			28,700	28,700
Total revenues	<u>22,892,300</u>	<u>23,234,300</u>	<u>16,486,283</u>	<u>(6,748,017)</u>
EXPENDITURES				
Current:				
Parks and recreation	18,391,700	18,352,100	16,273,504	2,078,596
Capital outlay	<u>4,500,600</u>	<u>4,882,200</u>	<u>212,779</u>	<u>4,669,421</u>
Total expenditures	<u>22,892,300</u>	<u>23,234,300</u>	<u>16,486,283</u>	<u>6,748,017</u>
Net change in fund balance	<u>\$</u>	<u>\$</u>		<u>\$</u>
Fund balance - beginning			_____	
Fund balance - ending			<u>\$</u>	

See accompanying note to required supplementary information

**CITY OF BOCA RATON, FLORIDA
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2020**

Stewardship, Compliance and Accountability

A. Budgetary Information

General governmental revenue and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with various legal requirements, which govern the City's operations. Annual budgets have been legally adopted on a basis consistent with accounting principles generally accepted in the United States of America (GAAP) for the General Fund, Special Revenue Funds (except the General Trust Fund), Debt Service Funds and Capital Projects Funds. Budgets in governmental funds are encumbered upon issuance of purchase orders, contracts or other forms of legal commitments. While appropriations lapse at the end of the fiscal year, the succeeding year's budget ordinance specifically provides for the re-appropriation of year end encumbrances.

The City Manager is authorized to transfer budgeted amounts within departments within any fund; however, any revisions that increase the total expenditures of any department or fund must be approved by the City Council. The level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department (by fund) level. All necessary supplemental appropriations are adopted by the City Council as part of a quarterly budget review process and are included in the "Final Budget" columns on the schedule of revenues, expenditures and changes in fund balance – budget and actual.

Major Governmental Fund

CAPITAL PROJECTS FUNDS

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

Five-Year Capital Improvement Program Fund -- To account for various building, park and street construction projects. Financing is provided by general tax revenue, bond proceeds, excise tax and interest income.

Infrastructure Surtax Fund - To account for the bond proceeds and payment of designated infrastructure expenses as a result of the 1-cent sales surtax approved by Palm Beach County voters in November 2016.

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**CITY OF BOCA RATON, FLORIDA
 FIVE YEAR CAPITAL IMPROVEMENT PROGRAM FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
REVENUES				
Taxes	\$ 8,167,900	\$ 8,167,900	\$ 8,298,420	\$ 130,520
Intergovernmental	1,298,100	1,298,100	356,010	(942,090)
Donations in lieu of land	311,700	311,700	311,758	58
Investment earnings (loss)	636,300	636,300	457,841	(178,459)
Total revenues	10,414,000	10,414,000	9,424,029	(989,971)
EXPENDITURES				
General government	430,800	430,800	429,789	1,011
Public safety			1,100,256	(1,100,256)
Transportation	100,000	100,000	3,771,245	(3,671,245)
Parks & recreation			94,406	(94,406)
Capital outlay:				
Capital outlay	16,268,900	19,493,100	425,965	19,067,135
Total expenditures	16,799,700	20,023,900	5,821,661	14,202,239
Excess (deficiency) of revenues over expenditures	(6,385,700)	(9,609,900)	3,602,368	13,212,268
OTHER FINANCING SOURCES (USES)				
Transfers in	4,380,000	4,380,000		(4,380,000)
Transfers out	(2,757,500)	(2,757,500)	(2,757,500)	
Total other financing uses	1,622,500	1,622,500	(2,757,500)	(4,380,000)
Net change in fund balance	\$ (4,763,200)	\$ (7,987,400)	844,868	\$ 8,832,268
Fund balance - beginning			23,786,227	
Fund balance - ending			\$ 24,631,095	

**CITY OF BOCA RATON, FLORIDA
 INFRASTRUCTURE SURTAX FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive / (Negative)
REVENUES				
Taxes	\$ 7,046,600	\$ 7,046,600	\$ 6,471,212	\$ (575,388)
Investment earnings (loss)	200,000	200,000	389,104	189,104
Total revenues	<u>7,246,600</u>	<u>7,246,600</u>	<u>6,860,316</u>	<u>(386,284)</u>
EXPENDITURES				
Transportation		464,300	2,498,726	(2,034,426)
Capital outlay	27,740,600	36,193,600	9,615,518	26,578,082
Total expenditures	<u>27,740,600</u>	<u>36,657,900</u>	<u>12,114,244</u>	<u>24,543,656</u>
Excess (deficiency) of revenues over expenditures	<u>(20,494,000)</u>	<u>(29,411,300)</u>	<u>(5,253,928)</u>	<u>24,157,372</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(3,199,000)	(3,199,000)	(3,199,000)	
Total other financing uses	<u>(3,199,000)</u>	<u>(3,199,000)</u>	<u>(3,199,000)</u>	
Net change in fund balance	<u>\$ (23,693,000)</u>	<u>\$ (32,610,300)</u>	(8,452,928)	<u>\$ 24,157,372</u>
Fund balance - beginning			<u>27,749,550</u>	
Fund balance - ending			<u>\$ 19,296,622</u>	

Non-Major Governmental Funds

SPECIAL REVENUE FUNDS

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

Community Development Block Grant Program Fund -- To account for revenue from a grant agreement between the City and the U.S. Department of Housing and Urban Development (HUD) and expenditures for qualified neighborhood revitalization. The program includes expenditures for housing rehabilitation, clearance of housing and relocation of families, the construction of new, low and moderate income housing units, and public improvements to the neighborhood.

Housing Assistance Trust Fund -- To account for funds received from the State Housing Initiatives Partnership for the purpose of providing affordable housing in the City.

Law Enforcement Trust Fund -- To account for funds received from State and Federal forfeitures.

Transportation Fund -- To account for local option gas tax restricted for roadway program expenditures.

Land Proceeds Fund — To account for the funds received from the sale of the City's Municipal Golf Course and related costs.

Community Redevelopment Agency Mizner Park Revenue Fund -- Previously used to account for tax increment revenues assessed on downtown properties and land lease revenues that are used to fund the Mizner Park bond debt service and capital improvements that encourage development in the downtown. Effective FY 2020, this fund is closed and fund balance transferred to the CRA's Operating fund.

Economic Development Fund -- To support economic development activities benefitting the City, including a variety of incentive programs.

General Trust Fund -- To account for moneys received as donations, which have been restricted to expenditures for specified purposes.

Grant Funds -- To account for revenues and expenditures of specific state and federally funded grants.

PERMANENT FUND

Perpetual Care Fund -- To account for moneys received for the purpose of providing perpetual care for the City's cemetery and mausoleum.

DEBT SERVICE FUNDS

Debt Service Funds are used to account for resources accumulated and payments made for principal and interest on long-term debt of governmental funds.

City Debt Service Fund -- To account for the payment of principal and interest, and fiscal charges on the City's general obligation bonds which are payable from ad valorem taxes; and the City's revenue bonds and notes payable which are payable from non ad valorem revenues.

CAPITAL PROJECTS FUNDS

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

Right of Way Acquisition Fund -- To account for the cost of acquiring right of way property. Revenue is provided from land sales proceeds and interest income.

Park Land Dedication Fund -- To account for the cost of buying and constructing park developments. Financing is being provided by donations from developers as required by City ordinance.

Downtown Land Dedication Fund -- To account for the cost of buying and constructing park developments in the downtown area. Financing is being provided by donations from developers in the downtown as required by City ordinance.

Downtown Infrastructure Fund -- To account for the financing and implementation of the downtown infrastructure program.

**CITY OF BOCA RATON, FLORIDA
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
SEPTEMBER 30, 2020**

	<u>Special Revenue</u>	<u>Permanent</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total Nonmajor Governmental Funds</u>
ASSETS					
Cash and cash equivalents	\$ 9,655,848		\$ 2,150,134	\$ 10,441,870	\$ 22,247,852
Investments	9,626,742			11,941,583	21,568,325
Receivables, net:					
Accounts receivable	14,286				14,286
Assessments				141,638	141,638
Interest	65,583			67,722	133,305
Due from other governmental units	395,590				395,590
Restricted:					
Restricted cash and cash equivalents	331,197	\$ 1,904,181			2,235,378
Investments	378,765	2,177,670			2,556,435
Interest receivable on investments	2,194	14,817			17,011
Restricted accounts receivable		27,632			27,632
Total assets	<u>\$ 20,470,205</u>	<u>\$ 4,124,300</u>	<u>\$ 2,150,134</u>	<u>\$ 22,592,813</u>	<u>\$ 49,337,452</u>
LIABILITIES					
Accounts payable and accrued liabilities	\$ 821,771				\$ 821,771
Performance bonds and escrow funds	1,711,630	\$ 4,000			1,715,630
Due to other governmental units	22,032				22,032
Due to other funds	66,623				66,623
Total liabilities	<u>2,622,056</u>	<u>4,000</u>			<u>2,626,056</u>
FUND BALANCES					
Non-spendable:					
Perpetual care, cemetery and mausoleum		4,120,300			4,120,300
Restricted for:					
Debt service			\$ 2,150,134		2,150,134
Housing	528,938				528,938
Law enforcement	1,189,649				1,189,649
Transportation	9,895,909				9,895,909
Downtown				\$ 1,100,561	1,100,561
Economic development	6,184,848				6,184,848
Land dedication				19,018,287	19,018,287
Land proceeds	48,805				48,805
Committed to:					
Right of way acquisition				2,473,965	2,473,965
Total fund balances	<u>17,848,149</u>	<u>4,120,300</u>	<u>2,150,134</u>	<u>22,592,813</u>	<u>46,711,396</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 20,470,205</u>	<u>\$ 4,124,300</u>	<u>\$ 2,150,134</u>	<u>\$ 22,592,813</u>	<u>\$ 49,337,452</u>

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

	<u>Special Revenue</u>	<u>Permanent</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total Nonmajor Governmental Funds</u>
REVENUES					
Taxes	\$ 3,017,931		\$ 4,787,413		\$ 7,805,344
Intergovernmental	1,648,348				1,648,348
Charges for services		\$ 158,298			158,298
Fines and forfeitures	127,857				127,857
Special assessments				\$ 1,531,554	1,531,554
Donations in lieu of land				1,244,790	1,244,790
Investment earnings (loss)	793,904	72,406		386,661	1,252,971
Miscellaneous	188,534				188,534
Total revenues	<u>5,776,574</u>	<u>230,704</u>	<u>4,787,413</u>	<u>3,163,005</u>	<u>13,957,696</u>
EXPENDITURES					
Current:					
General government				703	703
Law enforcement	122,945				122,945
Physical environment				103,995	103,995
Transportation	2,001,669				2,001,669
Community development	1,845,525				1,845,525
Parks and recreation				67,060	67,060
Capital outlay	1,157,489			310,739	1,468,228
Debt service:					
Principal			9,230,000		9,230,000
Interest			1,768,336		1,768,336
Total expenditures	<u>5,127,628</u>	<u> </u>	<u>10,998,336</u>	<u>482,497</u>	<u>16,608,461</u>
Excess (deficiency) of revenues over expenditures	<u>648,946</u>	<u>230,704</u>	<u>(6,210,923)</u>	<u>2,680,508</u>	<u>(2,650,765)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in			6,244,932		6,244,932
Transfers out	(7,308,307)	(353,800)		(1,452,688)	(9,114,795)
Total other financing sources (uses)	<u>(7,308,307)</u>	<u>(353,800)</u>	<u>6,244,932</u>	<u>(1,452,688)</u>	<u>(2,869,863)</u>
Net change in fund balances	(6,659,361)	(123,096)	34,009	1,227,820	(5,520,628)
Fund balances - beginning	<u>24,507,510</u>	<u>4,243,396</u>	<u>2,116,125</u>	<u>21,364,993</u>	<u>52,232,024</u>
Fund balances - ending	<u>\$ 17,848,149</u>	<u>\$ 4,120,300</u>	<u>\$ 2,150,134</u>	<u>\$ 22,592,813</u>	<u>\$ 46,711,396</u>

**CITY OF BOCA RATON, FLORIDA
NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
SEPTEMBER 30, 2020**

	Community Development Block Grant Program	SHIP Housing Assistance Trust Fund	Law Enforcement Trust Fund	Transpor- tation Fund	Ocean Breeze GBRPD
ASSETS					
Cash and cash equivalents	\$ 71,436	\$ 482,002	\$ 771,649	\$ 4,645,148	
Investments	6,950	46,892	401,407	5,312,306	
Receivables, net:					
Accounts receivable			14,286		
Interest		597	2,307	37,252	
Due from other governmental units				318,214	
Restricted:					
Restricted cash and cash equivalents					
Investments					
Interest receivable on investments					
Total assets	<u>\$ 78,386</u>	<u>\$ 529,491</u>	<u>\$ 1,189,649</u>	<u>\$ 10,312,920</u>	<u>\$</u>
LIABILITIES					
Accounts payable and accrued liabilities	\$ 56,354	\$ 553		\$ 417,011	
Performance bonds and escrow funds					
Due to other governmental units	22,032				
Due to other funds					
Total liabilities	<u>78,386</u>	<u>553</u>		<u>417,011</u>	
FUND BALANCES					
Restricted for:					
Housing		528,938			
Law enforcement			\$ 1,189,649		
Transportation				9,895,909	
Economic development					
Committed to:					
Land proceeds					
Total fund balances		<u>528,938</u>	<u>1,189,649</u>	<u>9,895,909</u>	
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 78,386</u>	<u>\$ 529,491</u>	<u>\$ 1,189,649</u>	<u>\$ 10,312,920</u>	<u>\$</u>

Community Redevelopment Agency Mizner Park Revenue	Economic Development Fund	Land Proceeds Fund	General Trust Fund	Grant Funds	Total Nonmajor Special Revenue Funds
	\$ 2,886,558	\$ 487,964		\$ 311,091	\$ 9,655,848
	3,301,140	558,047			9,626,742
	22,633	2,794		77,376	14,286
			\$ 331,197		65,583
			378,765		395,590
			2,194		331,197
<u>\$</u>	<u>\$ 6,210,331</u>	<u>\$ 1,048,805</u>	<u>\$ 712,156</u>	<u>\$ 388,467</u>	<u>\$ 20,470,205</u>
	\$ 25,483	\$ 1,000,000	\$ 526	\$ 321,844	\$ 821,771
			711,630		1,711,630
				66,623	22,032
	25,483	1,000,000	712,156	388,467	66,623
					2,622,056
	6,184,848				528,938
					1,189,649
					9,895,909
					6,184,848
		48,805			48,805
	6,184,848	48,805			17,848,149
<u>\$</u>	<u>\$ 6,210,331</u>	<u>\$ 1,048,805</u>	<u>\$ 712,156</u>	<u>\$ 388,467</u>	<u>\$ 20,470,205</u>

**CITY OF BOCA RATON, FLORIDA
NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

	Community Development Block Grant Program	SHIP Housing Assistance Trust Fund	Law Enforcement Trust Fund	Transportation Fund	Ocean Breeze GBRBPD
REVENUES					
Taxes				\$ 2,017,931	
Intergovernmental	\$ 181,988	\$ 160,871			\$ 1,150,000
Fines and forfeitures			\$ 127,857		
Investment earnings (loss)		3,250	14,225	181,597	464,244
Miscellaneous	75,000	42,667		70,867	
Total revenues	<u>256,988</u>	<u>206,788</u>	<u>142,082</u>	<u>2,270,395</u>	<u>1,614,244</u>
EXPENDITURES					
Current:					
Law enforcement			77,834		
Transportation				1,845,661	
Community development	256,988	484,997			
Capital outlay				1,203,119	
Total expenditures	<u>256,988</u>	<u>484,997</u>	<u>77,834</u>	<u>3,048,780</u>	
Excess (deficiency) of revenues over expenditures		<u>(278,209)</u>	<u>64,248</u>	<u>(778,385)</u>	<u>1,614,244</u>
OTHER FINANCING SOURCES (USES)					
Transfers out					(1,614,244)
Total other financing sources (uses)					<u>(1,614,244)</u>
Net change in fund balances		(278,209)	64,248	(778,385)	
Fund balances - beginning		807,147	1,125,401	10,674,294	
Fund balances - ending	<u>\$</u>	<u>\$ 528,938</u>	<u>\$ 1,189,649</u>	<u>\$ 9,895,909</u>	<u>\$</u>

Community Redevelopment Agency Mizner Park Revenue	Economic Development Fund	Land Proceeds Fund	Grant Funds	Total Nonmajor Special Revenue Funds
	\$ 1,000,000		\$ 155,489	\$ 3,017,931
	112,587	\$ 18,001		1,648,348
				127,857
				793,904
				188,534
	<u>1,112,587</u>	<u>18,001</u>	<u>155,489</u>	<u>5,776,574</u>
			45,111	122,945
			156,008	2,001,669
	1,103,540			1,845,525
			(45,630)	1,157,489
	<u>1,103,540</u>	<u></u>	<u>155,489</u>	<u>5,127,628</u>
	9,047	18,001		648,946
\$ (5,694,063)				(7,308,307)
<u>(5,694,063)</u>				<u>(7,308,307)</u>
(5,694,063)	9,047	18,001		(6,659,361)
5,694,063	6,175,801	30,804		24,507,510
<u>\$</u>	<u>\$ 6,184,848</u>	<u>\$ 48,805</u>	<u>\$</u>	<u>\$ 17,848,149</u>

**CITY OF BOCA RATON, FLORIDA
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive / (Negative)</u>
REVENUES				
Intergovernmental	\$ 1,191,100	\$ 1,191,100	\$ 181,988	\$ (1,009,112)
Miscellaneous	75,000	75,000	75,000	
Total revenues	<u>1,266,100</u>	<u>1,266,100</u>	<u>256,988</u>	<u>(1,009,112)</u>
EXPENDITURES				
Current:				
Community development	163,200	163,200	256,988	(93,788)
Capital outlay	1,102,900	1,102,900		1,102,900
Total expenditures	<u>1,266,100</u>	<u>1,266,100</u>	<u>256,988</u>	<u>1,009,112</u>
Net change in fund balance	<u>\$</u>	<u>\$</u>		<u>\$</u>
Fund balance - beginning			_____	
Fund balance - ending			<u>\$</u>	

**CITY OF BOCA RATON, FLORIDA
HOUSING ASSISTANCE TRUST FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive / (Negative)</u>
REVENUES				
Intergovernmental	\$ 731,900	\$ 731,900	\$ 160,871	\$ (571,029)
Investment earnings (loss)	500	500	3,250	2,750
Miscellaneous	350,000	350,000	42,667	(307,333)
Total revenues	<u>1,082,400</u>	<u>1,082,400</u>	<u>206,788</u>	<u>(875,612)</u>
EXPENDITURES				
Current:				
Community development	1,082,400	1,082,400	484,997	597,403
Total expenditures	<u>1,082,400</u>	<u>1,082,400</u>	<u>484,997</u>	<u>597,403</u>
Net change in fund balance	<u>\$</u>	<u>\$</u>	(278,209)	<u>\$ (278,209)</u>
Fund balance - beginning			<u>807,147</u>	
Fund balance - ending			<u>\$ 528,938</u>	

**CITY OF BOCA RATON, FLORIDA
LAW ENFORCEMENT TRUST FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive / (Negative)</u>
REVENUES				
Fines and forfeitures	\$ 75,000	\$ 75,000	\$ 127,857	\$ 52,857
Investment earnings (loss)	13,000	13,000	14,225	1,225
Total revenues	<u>88,000</u>	<u>88,000</u>	<u>142,082</u>	<u>54,082</u>
EXPENDITURES				
Current:				
Law enforcement	<u>262,700</u>	<u>267,100</u>	<u>77,834</u>	<u>189,266</u>
Total expenditures	<u>262,700</u>	<u>267,100</u>	<u>77,834</u>	<u>189,266</u>
Net change in fund balance	<u>\$ (174,700)</u>	<u>\$ (179,100)</u>	64,248	<u>\$ 243,348</u>
Fund balance - beginning			<u>1,125,401</u>	
Fund balance - ending			<u>\$ 1,189,649</u>	

**CITY OF BOCA RATON, FLORIDA
TRANSPORTATION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive / (Negative)
REVENUES				
Taxes	\$ 2,300,000	\$ 2,300,000	\$ 2,017,931	\$ (282,069)
Investment earnings (loss)	175,000	175,000	181,597	6,597
Miscellaneous			70,867	70,867
Total revenues	<u>2,475,000</u>	<u>2,475,000</u>	<u>2,270,395</u>	<u>(204,605)</u>
EXPENDITURES				
Current:				
Transportation	1,300,000	1,586,000	1,845,661	(259,661)
Capital outlay	8,035,400	9,462,600	1,203,119	8,259,481
Total expenditures	<u>9,335,400</u>	<u>11,048,600</u>	<u>3,048,780</u>	<u>7,999,820</u>
Net change in fund balance	<u>\$ (6,860,400)</u>	<u>\$ (8,573,600)</u>	(778,385)	<u>\$ 7,795,215</u>
Fund balance - beginning			<u>10,674,294</u>	
Fund balance - ending			<u>\$ 9,895,909</u>	

CITY OF BOCA RATON, FLORIDA
OCEAN BREEZE GBRBPD
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive / (Negative)
REVENUES				
Intergovernmental	\$ 1,150,000	\$ 1,150,000	\$ 1,150,000	
Investment earnings (loss)	464,300	464,300	464,244	\$ (56)
Total revenues	<u>1,614,300</u>	<u>1,614,300</u>	<u>1,614,244</u>	<u>(56)</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(1,614,300)</u>	<u>(1,614,300)</u>	<u>(1,614,244)</u>	56
Total other financing sources (uses)	<u>(1,614,300)</u>	<u>(1,614,300)</u>	<u>(1,614,244)</u>	56
Net change in fund balance	<u>\$</u>	<u>\$</u>		<u>\$</u>
Fund balance - beginning			_____	
Fund balance - ending			<u>\$</u>	

CITY OF BOCA RATON, FLORIDA
COMMUNITY REDEVELOPMENT AGENCY MIZNER PARK REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
OTHER FINANCING SOURCES (USES)				
Transfers out		\$ (5,694,100)	\$ (5,694,063)	\$ 37
Total other financing sources (uses)		(5,694,100)	(5,694,063)	37
Net change in fund balance	\$	\$ (5,694,100)	(5,694,063)	\$ 37
Fund balance - beginning			5,694,063	
Fund balance - ending			\$	

**CITY OF BOCA RATON, FLORIDA
ECONOMIC DEVELOPMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive / (Negative)</u>
REVENUES				
Taxes	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	
Investment earnings (loss)	154,800	154,800	112,587	\$ (42,213)
Total revenues	<u>1,154,800</u>	<u>1,154,800</u>	<u>1,112,587</u>	<u>(42,213)</u>
EXPENDITURES				
Current:				
Community development	<u>3,974,700</u>	<u>3,976,600</u>	<u>1,103,540</u>	<u>2,873,060</u>
Total expenditures	<u>3,974,700</u>	<u>3,976,600</u>	<u>1,103,540</u>	<u>2,873,060</u>
Net change in fund balance	<u>\$ (2,819,900)</u>	<u>\$ (2,821,800)</u>	9,047	<u>\$ 2,830,847</u>
Fund balance - beginning			<u>6,175,801</u>	
Fund balance - ending			<u>\$ 6,184,848</u>	

CITY OF BOCA RATON, FLORIDA
LAND PROCEEDS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive / (Negative)</u>
REVENUES				
Investment earnings (loss)	\$ 18,000	\$ 18,000	\$ 18,001	\$ 1
Total revenues	<u>18,000</u>	<u>18,000</u>	<u>18,001</u>	<u>1</u>
EXPENDITURES				
General government	18,000	36,600		36,600
Total expenditures	<u>18,000</u>	<u>36,600</u>		<u>36,600</u>
Net change in fund balance	<u>\$</u>	<u>\$ (18,600)</u>	18,001	<u>\$ 36,601</u>
Fund balance - beginning			<u>30,804</u>	
Fund balance - ending			<u>\$ 48,805</u>	

CITY OF BOCA RATON, FLORIDA
 GRANT FUNDS
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
REVENUES				
Intergovernmental	\$ 232,400	\$ 253,500	\$ 155,489	\$ (98,011)
Total revenues	<u>232,400</u>	<u>253,500</u>	<u>155,489</u>	<u>(98,011)</u>
EXPENDITURES				
Current:				
Law enforcement	53,900	74,200	45,111	29,089
Transportation			156,008	(156,008)
Capital outlay	178,500	179,300	(45,630)	224,930
Total expenditures	<u>232,400</u>	<u>253,500</u>	<u>155,489</u>	<u>98,011</u>
Net change in fund balance	<u>\$</u>	<u>\$</u>		<u>\$</u>
Fund balance - beginning			_____	
Fund balance - ending			<u>\$</u>	

**CITY OF BOCA RATON, FLORIDA
PERPETUAL CARE PERMANENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive / (Negative)
REVENUES				
Charges for services	\$ 140,000	\$ 140,000	\$ 158,298	\$ 18,298
Investment earnings (loss)	50,000	50,000	72,406	22,406
Total revenues	<u>190,000</u>	<u>190,000</u>	<u>230,704</u>	<u>40,704</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(353,800)</u>	<u>(353,800)</u>	<u>(353,800)</u>	
Total other financing sources (uses)	<u>(353,800)</u>	<u>(353,800)</u>	<u>(353,800)</u>	
Net change in fund balance	<u>\$ (163,800)</u>	<u>\$ (163,800)</u>	(123,096)	<u>\$ 40,704</u>
Fund balance - beginning			<u>4,243,396</u>	
Fund balance - ending			<u>\$ 4,120,300</u>	

**CITY OF BOCA RATON, FLORIDA
NON-MAJOR DEBT SERVICE FUNDS
COMBINING BALANCE SHEET
SEPTEMBER 30, 2020**

	<u>City Debt Service Fund</u>	<u>Total Non-major Debt Service Funds</u>
ASSETS		
Cash and cash equivalents	\$ 2,150,134	\$ 2,150,134
Total assets	<u>\$ 2,150,134</u>	<u>\$ 2,150,134</u>
FUND BALANCES		
Restricted for:		
Debt service	\$ 2,150,134	\$ 2,150,134
Total fund balances	<u>2,150,134</u>	<u>2,150,134</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,150,134</u>	<u>\$ 2,150,134</u>

**CITY OF BOCA RATON, FLORIDA
NON-MAJOR DEBT SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

	City Debt Service Fund	Total Non-major Debt Service Funds
REVENUES		
Taxes	\$ 4,787,413	\$ 4,787,413
Total revenues	4,787,413	4,787,413
EXPENDITURES		
Debt service:		
Principal	9,230,000	9,230,000
Interest	1,768,336	1,768,336
Total expenditures	10,998,336	10,998,336
Excess (deficiency) of revenues over expenditures	(6,210,923)	(6,210,923)
OTHER FINANCING SOURCES (USES)		
Transfers in	6,244,932	6,244,932
Total other financing sources (uses)	6,244,932	6,244,932
Net change in fund balances	34,009	34,009
Fund balances - beginning	2,116,125	2,116,125
Fund balances - ending	\$ 2,150,134	\$ 2,150,134

**CITY OF BOCA RATON, FLORIDA
CITY DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive / (Negative)</u>
REVENUES				
Taxes	\$ 4,739,600	\$ 4,739,600	\$ 4,787,413	\$ 47,813
Total revenues	<u>4,739,600</u>	<u>4,739,600</u>	<u>4,787,413</u>	<u>47,813</u>
EXPENDITURES				
Debt service:				
Principal	9,230,000	9,230,000	9,230,000	
Interest	<u>1,803,000</u>	<u>1,814,200</u>	<u>1,768,336</u>	45,864
Total expenditures	<u>11,033,000</u>	<u>11,044,200</u>	<u>10,998,336</u>	<u>45,864</u>
Excess (deficiency) of revenues over expenditures	<u>(6,293,400)</u>	<u>(6,304,600)</u>	<u>(6,210,923)</u>	<u>93,677</u>
OTHER FINANCING SOURCES				
Transfers in	<u>6,245,200</u>	<u>6,245,200</u>	<u>6,244,932</u>	<u>(268)</u>
Total other financing sources	<u>6,245,200</u>	<u>6,245,200</u>	<u>6,244,932</u>	<u>(268)</u>
Net change in fund balance	<u>\$ (48,200)</u>	<u>\$ (59,400)</u>	34,009	<u>\$ 93,409</u>
Fund balance - beginning			<u>2,116,125</u>	
Fund balance - ending			<u>\$ 2,150,134</u>	

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**CITY OF BOCA RATON, FLORIDA
NONMAJOR CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
SEPTEMBER 30, 2020**

	Right of Way Acquisition Program Fund	Park Land Dedication Fund	Downtown Land Dedication Fund
ASSETS			
Cash and cash equivalents	\$ 1,150,361	\$ 5,457,270	\$ 3,388,884
Investments	1,315,581	6,241,070	3,875,613
Receivables, net:			
Assessments			
Interest	8,023	32,535	22,915
Total assets	\$ 2,473,965	\$ 11,730,875	\$ 7,287,412
FUND BALANCES			
Restricted for:			
Downtown			
Land dedication		\$ 11,730,875	\$ 7,287,412
Committed to:			
Right of way acquisition	\$ 2,473,965		
Total fund balances	2,473,965	11,730,875	7,287,412
Total liabilities, deferred inflows of resources and fund balances	\$ 2,473,965	\$ 11,730,875	\$ 7,287,412

Downtown Infrastructure Fund	Total Non-Major Capital Projects Funds
\$ 445,355	\$ 10,441,870
509,319	11,941,583
141,638	141,638
4,249	67,722
<u>\$ 1,100,561</u>	<u>\$ 22,592,813</u>
\$ 1,100,561	\$ 1,100,561
	19,018,287
	<u>2,473,965</u>
<u>1,100,561</u>	<u>22,592,813</u>
<u>\$ 1,100,561</u>	<u>\$ 22,592,813</u>

**CITY OF BOCA RATON, FLORIDA
NON-MAJOR CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

	<u>Right of Way Acquisition Program Fund</u>	<u>Park Land Dedication Fund</u>	<u>Downtown Land Dedication Fund</u>
REVENUES			
Special assessments			
Donations in lieu of land		\$ 1,244,790	
Investment earnings (loss)	\$ 42,537	190,262	\$ 125,342
Total revenues	<u>42,537</u>	<u>1,435,052</u>	<u>125,342</u>
EXPENDITURES			
General government			
Physical environment		103,995	
Parks and recreation		48,800	18,260
Capital outlay		310,739	
Total expenditures		<u>463,534</u>	<u>18,260</u>
Excess (deficiency) of revenues over expenditures	<u>42,537</u>	<u>971,518</u>	<u>107,082</u>
OTHER FINANCING SOURCES (USES)			
Transfers out			
Total other financing sources (uses)			
Net change in fund balances	42,537	971,518	107,082
Fund balances - beginning	<u>2,431,428</u>	<u>10,759,357</u>	<u>7,180,330</u>
Fund balances - ending	<u>\$ 2,473,965</u>	<u>\$ 11,730,875</u>	<u>\$ 7,287,412</u>

Downtown Infrastructure Fund	Total Non-Major Capital Projects Funds
\$ 1,531,554	\$ 1,531,554
28,520	1,244,790
<u>1,560,074</u>	<u>386,661</u>
	<u>3,163,005</u>
703	703
	103,995
	67,060
	<u>310,739</u>
<u>703</u>	<u>482,497</u>
<u>1,559,371</u>	<u>2,680,508</u>
<u>(1,452,688)</u>	<u>(1,452,688)</u>
<u>(1,452,688)</u>	<u>(1,452,688)</u>
106,683	1,227,820
<u>993,878</u>	<u>21,364,993</u>
<u>\$ 1,100,561</u>	<u>\$ 22,592,813</u>

**CITY OF BOCA RATON, FLORIDA
 RIGHT OF WAY ACQUISITION PROGRAM FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
REVENUES				
Investment earnings (loss)	\$ 54,900	\$ 54,900	\$ 42,537	\$ (12,363)
Total revenues	54,900	54,900	42,537	(12,363)
EXPENDITURES				
Total expenditures				
Net change in fund balance	<u>\$ 54,900</u>	<u>\$ 54,900</u>	42,537	<u>\$ (12,363)</u>
Fund balance - beginning			2,431,428	
Fund balance - ending			<u>\$ 2,473,965</u>	

**CITY OF BOCA RATON, FLORIDA
PARK LAND DEDICATION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
REVENUES				
Donations in lieu of land	\$ 500,000	\$ 500,000	\$ 1,244,790	\$ 744,790
Investment earnings (loss)	161,100	161,100	190,262	29,162
Total revenues	<u>661,100</u>	<u>661,100</u>	<u>1,435,052</u>	<u>773,952</u>
EXPENDITURES				
Physical environment			103,995	(103,995)
Parks and recreation	50,000	50,000	48,800	1,200
Capital outlay	4,304,800	4,774,700	310,739	4,463,961
Total expenditures	<u>4,354,800</u>	<u>4,824,700</u>	<u>463,534</u>	<u>4,361,166</u>
Net change in fund balance	<u>\$ (3,693,700)</u>	<u>\$ (4,163,600)</u>	971,518	<u>\$ 5,135,118</u>
Fund balance - beginning			<u>10,759,357</u>	
Fund balance - ending			<u>\$ 11,730,875</u>	

**CITY OF BOCA RATON, FLORIDA
DOWNTOWN LAND DEDICATION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
REVENUES				
Donations in lieu of land	\$ 50,000	\$ 50,000		\$ (50,000)
Investment earnings (loss)	143,100	143,100	\$ 125,342	(17,758)
Total revenues	<u>193,100</u>	<u>193,100</u>	<u>125,342</u>	<u>(67,758)</u>
EXPENDITURES				
Parks and recreation			18,260	(18,260)
Capital outlay	135,000	153,300		153,300
Total expenditures	<u>135,000</u>	<u>153,300</u>	<u>18,260</u>	<u>135,040</u>
Net change in fund balance	<u>\$ 58,100</u>	<u>\$ 39,800</u>	107,082	<u>\$ 67,282</u>
Fund balance - beginning			<u>7,180,330</u>	
Fund balance - ending			<u>\$ 7,287,412</u>	

**CITY OF BOCA RATON, FLORIDA
DOWNTOWN INFRASTRUCTURE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive / (Negative)
REVENUES				
Special assessments	\$ 1,520,000	\$ 1,520,000	\$ 1,531,554	\$ 11,554
Investment earnings (loss)	27,000	27,000	28,520	1,520
Total revenues	<u>1,547,000</u>	<u>1,547,000</u>	<u>1,560,074</u>	<u>13,074</u>
EXPENDITURES				
General government	5,000	5,000	703	4,297
Total expenditures	<u>5,000</u>	<u>5,000</u>	<u>703</u>	<u>4,297</u>
Excess (deficiency) of revenues over expenditures	<u>1,542,000</u>	<u>1,542,000</u>	<u>1,559,371</u>	<u>17,371</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(1,452,900)	(1,452,900)	(1,452,688)	212
Total other financing sources (uses)	<u>(1,452,900)</u>	<u>(1,452,900)</u>	<u>(1,452,688)</u>	<u>212</u>
Net change in fund balance	<u>\$ 89,100</u>	<u>\$ 89,100</u>	106,683	<u>\$ 17,583</u>
Fund balance - beginning			<u>993,878</u>	
Fund balance - ending			<u>\$ 1,100,561</u>	

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Non-Major Enterprise Funds

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The costs of providing goods or services to the general public are financed or recovered primarily through user charges.

Cemetery Fund -- To account for the operation of the City's cemetery and mausoleum.

Golf Course Fund -- To account for the operation of the City's golf courses.

Stormwater Utility Fund -- To account for the provision of stormwater maintenance and capital improvements to the residents of the City.

Sanitation Fund -- To account for the provision of solid waste services and capital assets used to provide the services to the residents of the City.

**CITY OF BOCA RATON, FLORIDA
NON-MAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF NET POSITION
SEPTEMBER 30, 2020**

	Cemetery Mausoleum	Golf Course	Stormwater Utility	Sanitation	Total Non-Major Enterprise Funds
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 256,034	\$ 2,500	\$ 4,133,285	\$ 2,492,923	\$ 6,884,742
Investments	292,807		4,726,950	2,850,988	7,870,745
Interest receivable on investments	1,596	2,105	27,704	22,939	54,344
Accounts receivable	12,029		330,073	1,755,977	2,098,079
Due from other governmental units		247,358			247,358
Inventories	62,521				62,521
Total current assets	<u>624,987</u>	<u>251,963</u>	<u>9,218,012</u>	<u>7,122,827</u>	<u>17,217,789</u>
Noncurrent assets:					
Capital assets:					
Land	118,000	2,441,477			2,559,477
Construction in progress			60,068	45,896	105,964
Buildings	1,488,761	770,900			2,259,661
Improvements other than buildings	588,373	1,687,731	17,469,213		19,745,317
Equipment	200,739	1,375,434	1,829,243	13,352,407	16,757,823
Less accumulated depreciation	(1,765,953)	(3,455,811)	(8,628,341)	(4,536,293)	(18,386,398)
Total capital assets (net of accumulated depreciation)	<u>629,920</u>	<u>2,819,731</u>	<u>10,730,183</u>	<u>8,862,010</u>	<u>23,041,844</u>
Total noncurrent assets	<u>629,920</u>	<u>2,819,731</u>	<u>10,730,183</u>	<u>8,862,010</u>	<u>23,041,844</u>
Total assets	<u>1,254,907</u>	<u>3,071,694</u>	<u>19,948,195</u>	<u>15,984,837</u>	<u>40,259,633</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows for pensions	67,011	382,018	198,275	429,481	1,076,785
Deferred outflows for OPEB	1,744	6,685	3,197	16,567	28,193
Total deferred outflows of resources	<u>68,755</u>	<u>388,703</u>	<u>201,472</u>	<u>446,048</u>	<u>1,104,978</u>
LIABILITIES					
Current liabilities:					
Due to other funds		114,945			114,945
Accounts payable and accrued liabilities	17,858	188,958	54,182	213,208	474,206
Advances from other funds		320,000			320,000
Compensated absences	1,192	26,189	11,338	48,308	87,027
Retainage payable			271		271
Performance bonds and escrow funds		1,000			1,000
Unearned revenue		21,212			21,212
Customer deposits payable				3,741	3,741
Total current liabilities	<u>19,050</u>	<u>672,304</u>	<u>65,791</u>	<u>265,257</u>	<u>1,022,402</u>
Non-current liabilities:					
Compensated absences	10,725	235,706	102,039	434,770	783,240
Net pension liability	81,330	563,656	324,245	521,253	1,490,484
Total OPEB liability	<u>21,276</u>	<u>81,558</u>	<u>39,006</u>	<u>202,123</u>	<u>343,963</u>
Total noncurrent liabilities	<u>113,331</u>	<u>880,920</u>	<u>465,290</u>	<u>1,158,146</u>	<u>2,617,687</u>
Total liabilities	<u>132,381</u>	<u>1,553,224</u>	<u>531,081</u>	<u>1,423,403</u>	<u>3,640,089</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows for pensions	35,407	156,604	66,940	226,931	485,882
Deferred inflows for OPEB	1,260	4,831	2,311	11,974	20,376
Total deferred inflows of resources	<u>36,667</u>	<u>161,435</u>	<u>69,251</u>	<u>238,905</u>	<u>506,258</u>
NET POSITION					
Net investment in capital assets	629,920	2,819,731	10,730,183	8,862,010	23,041,844
Unrestricted	524,694	(1,073,993)	8,819,152	5,906,567	14,176,420
Total net position	<u>\$ 1,154,614</u>	<u>\$ 1,745,738</u>	<u>\$ 19,549,335</u>	<u>\$ 14,768,577</u>	<u>\$ 37,218,264</u>

**CITY OF BOCA RATON, FLORIDA
NON-MAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

	Cemetery Mausoleum	Golf Course	Stormwater Utility	Sanitation	Total Non-major Enterprise Funds
OPERATING REVENUES					
Charges for sales and services	\$ 304,321	\$ 2,430,541	\$ 3,016,870	\$ 10,133,893	\$ 15,885,625
Other		67,992			67,992
Total operating revenues	<u>304,321</u>	<u>2,498,533</u>	<u>3,016,870</u>	<u>10,133,893</u>	<u>15,953,617</u>
OPERATING EXPENSES					
Personnel services	378,130	2,028,650	890,052	3,818,650	7,115,482
Materials and supplies	33,383	388,192	1,381	98,368	521,324
Other services and charges	554,175	609,879	1,189,352	2,814,772	5,168,178
Depreciation/amortization of capital assets	62,182	73,682	767,248	1,254,905	2,158,017
Total operating expenses	<u>1,027,870</u>	<u>3,100,403</u>	<u>2,848,033</u>	<u>7,986,695</u>	<u>14,963,001</u>
Operating income (loss)	<u>(723,549)</u>	<u>(601,870)</u>	<u>168,837</u>	<u>2,147,198</u>	<u>990,616</u>
NONOPERATING REVENUES (EXPENSES)					
Investment earnings (loss)	13,754	4,157	147,367	77,660	242,938
Gain (loss) on disposal of capital assets	11,136		15,209	(209,445)	(183,100)
Total nonoperating revenues (expenses)	<u>24,890</u>	<u>4,157</u>	<u>162,576</u>	<u>(131,785)</u>	<u>59,838</u>
Income (loss) before transfers and contributions	(698,659)	(597,713)	331,413	2,015,413	1,050,454
Transfers in	353,800				353,800
Capital contributions		170,522			170,522
Change in net position	<u>(344,859)</u>	<u>(427,191)</u>	<u>331,413</u>	<u>2,015,413</u>	<u>1,574,776</u>
Net position, beginning	<u>1,499,473</u>	<u>2,172,929</u>	<u>19,217,922</u>	<u>12,753,164</u>	<u>35,643,488</u>
Net position, ending	<u>\$ 1,154,614</u>	<u>\$ 1,745,738</u>	<u>\$ 19,549,335</u>	<u>\$ 14,768,577</u>	<u>\$ 37,218,264</u>

**CITY OF BOCA RATON, FLORIDA
NON-MAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

	Cemetery/ Mausoleum	Golf Course	Stormwater Utility	Sanitation	Total Non- Major Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers	\$ 334,429	\$ 2,366,254	\$ 2,980,254	\$ 9,672,408	\$ 15,353,345
Payments to suppliers	(597,433)	(944,727)	(1,338,543)	(2,957,676)	(5,838,379)
Payments to employees	(342,195)	(1,861,504)	(769,140)	(3,563,039)	(6,535,878)
Net cash provided by (used in) operating activities	<u>(605,199)</u>	<u>(439,977)</u>	<u>872,571</u>	<u>3,151,693</u>	<u>2,979,088</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers in	353,800				353,800
Net cash provided by (used in) noncapital financing activities	<u>353,800</u>				<u>353,800</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition of capital assets		(51,016)	(504,658)	(2,204,111)	(2,759,785)
Capital Contributions		170,522			170,522
Proceeds from sale of capital assets	11,135		15,195	15,639	41,969
Due to other funds		114,945			114,945
Net cash provided by (used in) capital and related financing activities	<u>11,135</u>	<u>234,451</u>	<u>(489,463)</u>	<u>(2,188,472)</u>	<u>(2,432,349)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest received	15,009	4,032	159,837	84,034	262,912
Sale of investments	646,712	168,339	6,948,616	3,589,726	11,353,393
Purchase of investments	(292,807)		(4,726,950)	(2,850,988)	(7,870,745)
Net cash provided by (used in) investing activities	<u>368,914</u>	<u>172,371</u>	<u>2,381,503</u>	<u>822,772</u>	<u>3,745,560</u>
Net increase (decrease) in cash and cash equivalents	128,650	(33,155)	2,764,611	1,785,993	4,646,099
Cash and cash equivalents					
Beginning of year	<u>127,384</u>	<u>35,655</u>	<u>1,368,674</u>	<u>706,930</u>	<u>2,238,643</u>
End of year	<u>\$ 256,034</u>	<u>\$ 2,500</u>	<u>\$ 4,133,285</u>	<u>\$ 2,492,923</u>	<u>\$ 6,884,742</u>

(Continued)

**CITY OF BOCA RATON, FLORIDA
NON-MAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS (continued)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

	Cemetery/ Mausoleum	Golf Course	Stormwater Utility	Sanitation	Total Non- Major Enterprise Funds
RECONCILIATION OF OPERATING INCOME (LOSS)					
TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES					
Operating income (loss)	\$ (723,549)	\$ (601,870)	\$ 168,837	\$ 2,147,198	\$ 990,616
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	62,182	73,682	767,248	1,254,905	2,158,017
Change in assets, liabilities, deferred outflows & deferred inflows					
(Increase) decrease in accounts receivable	30,108	1,883	(36,616)	(462,693)	(467,318)
(Increase) decrease in due from other governmental units		(133,534)			(133,534)
(Increase) decrease in inventories	(3,118)				(3,118)
(Increase) decrease in other assets		1,775			1,775
(Increase) decrease in deferred pension outflows	(33,034)	(86,030)	(104,481)	(82,893)	(306,438)
Increase (decrease) in accounts payable and accrued liabilities	(4,332)	74,006	(136,027)	(71,646)	(137,999)
Increase (decrease) in retainage payable			(9,375)		(9,375)
Increase (decrease) in customer deposits payable				1,208	1,208
Increase (decrease) in compensated absences	(4,034)	21,169	(12,552)	71,716	76,299
Increase (decrease) in total OPEB liability	(492)	(1,884)	2,727	13,472	13,823
Increase (decrease) in unearned revenue		(628)			(628)
Increase (decrease) in net pension liability	55,077	214,317	216,354	252,560	738,308
Increase (decrease) in deferred inflows for pensions	15,091	(6,319)	14,742	18,999	42,513
Increase (decrease) in deferred inflows for OPEB	902	3,456	1,714	8,867	14,939
Total adjustments	118,350	161,893	703,734	1,004,495	1,988,472
Net cash provided by (used in) operating activities	\$ (605,199)	\$ (439,977)	\$ 872,571	\$ 3,151,693	\$ 2,979,088
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES					
Unrealized gain (loss) on investments	\$ 362	\$ -	\$ 7,864	\$ 4,386	\$ 12,612

Internal Service Funds

Internal Service Funds -- are used to account for the financing of goods or services provided by one department to other departments of the government on a cost reimbursement basis.

Fleet Management -- To account for the cost of operating a maintenance facility for automotive equipment used by other City departments, and administering the City fleet.

Information Technology -- To account for the cost of operating a computer facility used by other City departments.

Self-Insurance Programs -- To account for the cost of providing health and workers' compensation insurance coverage to all City employees, and the City's general liability self-insurance program.

Retirement Sustainability Fund -- provides a separate funding for certain receipts and expenditures for all of the City's defined benefit plans and accounts for reserves to reduce the financial burden, if any, of retiree defined benefit plan payments on future taxpayers.

**CITY OF BOCA RATON, FLORIDA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
SEPTEMBER 30, 2020**

	Fleet Management Fund	Information Technology Fund	Self- Insurance Programs Fund	Retirement Sustainability Fund	Total Internal Service Funds
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 14,209,149	\$ 3,408,977	\$ 14,186,934	\$ 18,797,019	\$ 50,602,079
Investments	16,249,905	3,898,134	16,218,814	21,496,743	57,863,596
Interest receivable on investments	81,859	46,422	122,638	104,346	355,265
Accounts receivable	23,047		290,680		313,727
Inventories	706,601				706,601
Other assets		200,619			200,619
Total current assets	<u>31,270,561</u>	<u>7,554,152</u>	<u>30,819,066</u>	<u>40,398,108</u>	<u>110,041,887</u>
Capital Assets:					
Construction in progress	25,848	4,829,178			4,855,026
Buildings	1,270,000				1,270,000
Equipment	32,121,832	4,407,360			36,529,192
	<u>33,417,680</u>	<u>9,236,538</u>			<u>42,654,218</u>
Less accumulated depreciation	<u>(21,653,690)</u>	<u>(3,097,671)</u>			<u>(24,751,361)</u>
Total capital assets (net of accumulated depreciation/amortization)	<u>11,763,990</u>	<u>6,138,867</u>			<u>17,902,857</u>
Total assets	<u>43,034,551</u>	<u>13,693,019</u>	<u>30,819,066</u>	<u>40,398,108</u>	<u>127,944,744</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows for pensions	210,933	1,438,859	213,180		1,862,972
Deferred outflows for OPEB	4,650	13,951	2,326		20,927
Total deferred outflows of resources	<u>215,583</u>	<u>1,452,810</u>	<u>215,506</u>		<u>1,883,899</u>
LIABILITIES					
Current liabilities:					
Accounts payable and accrued liabilities	317,356	575,443	1,020,247		1,913,046
Compensated absences	16,442	62,484	9,827		88,753
Estimated liability for self-insurance losses			2,739,000		2,739,000
Total current liabilities	<u>333,798</u>	<u>637,927</u>	<u>3,769,074</u>		<u>4,740,799</u>
Non-current liabilities:					
Compensated absences	147,981	562,361	88,445		798,787
Net pension liability	256,005	2,156,017	365,933		2,777,955
Total OPEB liability	56,736	170,209	28,368		255,313
Estimated liability for self-insurance losses			8,020,000		8,020,000
Total noncurrent liabilities	<u>460,722</u>	<u>2,888,587</u>	<u>8,502,746</u>		<u>11,852,055</u>
Total liabilities	<u>794,520</u>	<u>3,526,514</u>	<u>12,271,820</u>		<u>16,592,854</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows for pensions	111,454	574,907	64,140		750,501
Deferred inflows for OPEB	3,361	10,084	1,680		15,125
Total deferred inflows of resources	<u>114,815</u>	<u>584,991</u>	<u>65,820</u>		<u>765,626</u>
NET POSITION					
Net investment in capital assets	11,763,990	6,138,867			17,902,857
Unrestricted	30,576,809	4,895,457	18,696,932	40,398,108	94,567,306
Total net position	<u>\$ 42,340,799</u>	<u>\$ 11,034,324</u>	<u>\$ 18,696,932</u>	<u>\$ 40,398,108</u>	<u>\$ 112,470,163</u>

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

	Fleet Management Fund	Information Technology Fund	Self- Insurance Programs Fund	Retirement Sustainability Fund	Total Internal Service Funds
OPERATING REVENUES					
Fleet management	\$ 5,656,857				\$ 5,656,857
Management information processing		\$ 11,217,913			11,217,913
Insurance premiums			\$ 21,146,680		21,146,680
Insurance premium tax				\$ 3,464,368	3,464,368
Retirement sustainability				2,835,000	2,835,000
Total operating revenues	<u>5,656,857</u>	<u>11,217,913</u>	<u>21,146,680</u>	<u>6,299,368</u>	<u>44,320,818</u>
OPERATING EXPENSES					
Personnel services	1,361,535	6,093,888	975,019		8,430,442
Materials and supplies	50,088	2,751,700	4,341		2,806,129
Other services and charges	426,968	4,556,644	5,507,363		10,490,975
Insurance claims			15,590,234		15,590,234
Pension benefits				3,464,368	3,464,368
Depreciation/amortization of capital assets	3,456,622	418,692			3,875,314
Total operating expenses	<u>5,295,213</u>	<u>13,820,924</u>	<u>22,076,957</u>	<u>3,464,368</u>	<u>44,657,462</u>
Operating income (loss)	<u>361,644</u>	<u>(2,603,011)</u>	<u>(930,277)</u>	<u>2,835,000</u>	<u>(336,644)</u>
NONOPERATING REVENUES (EXPENSES)					
Investment earnings (loss)	491,526	160,313	515,965	664,379	1,832,183
Gain (loss) on disposal of capital assets	85,848	(18,720)			67,128
Total nonoperating revenues (expenses)	<u>577,374</u>	<u>141,593</u>	<u>515,965</u>	<u>664,379</u>	<u>1,899,311</u>
Income (loss) before transfers and contributions	939,018	(2,461,418)	(414,312)	3,499,379	1,562,667
Transfers in	<u>1,830,500</u>	<u>2,799,500</u>			<u>4,630,000</u>
Change in net position	2,769,518	338,082	(414,312)	3,499,379	6,192,667
Net position, beginning	<u>39,571,281</u>	<u>10,696,242</u>	<u>19,111,244</u>	<u>36,898,729</u>	<u>106,277,496</u>
Net position, ending	<u>\$ 42,340,799</u>	<u>\$ 11,034,324</u>	<u>\$ 18,696,932</u>	<u>\$ 40,398,108</u>	<u>\$ 112,470,163</u>

**CITY OF BOCA RATON, FLORIDA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

	Fleet Management Fund	Information Technology Fund	Self-Insurance Programs Fund	Retirement Sustainability Fund	Total Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers	\$ 5,641,622	\$ 11,219,113	\$ 21,119,100	\$ 6,299,368	\$ 44,279,203
Payments to suppliers	(313,186)	(7,596,000)	(5,758,182)	(3,464,368)	(17,131,736)
Payments to employees	(1,245,710)	(5,492,381)	(771,769)		(7,509,860)
Claims paid			(14,575,234)		(14,575,234)
Net cash provided by (used in) operating activities	<u>4,082,726</u>	<u>(1,869,268)</u>	<u>13,915</u>	<u>2,835,000</u>	<u>5,062,373</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers in	1,830,500	2,799,500			4,630,000
Net cash provided by (used in) noncapital financing activities	<u>1,830,500</u>	<u>2,799,500</u>			<u>4,630,000</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition of capital assets	(3,010,185)	(4,580,635)			(7,590,819)
Proceeds from sale of capital assets	103,233	(439)			102,793
Net cash provided by (used in) capital and related financing activities	<u>(2,906,952)</u>	<u>(4,581,074)</u>			<u>(7,488,026)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest received	534,442	172,813	557,186	720,582	1,985,023
Sale of investments	22,488,765	9,010,125	24,921,014	30,692,596	87,112,500
Purchase of investments	(16,249,905)	(3,898,134)	(16,218,814)	(21,496,743)	(57,863,596)
Net cash provided by (used in) investing activities	<u>6,773,302</u>	<u>5,284,804</u>	<u>9,259,386</u>	<u>9,916,435</u>	<u>31,233,927</u>
Net increase (decrease) in cash and cash equivalents	9,779,576	1,633,962	9,273,301	12,751,435	33,438,274
Cash and cash equivalents					
Beginning of year	<u>4,429,573</u>	<u>1,775,015</u>	<u>4,913,633</u>	<u>6,045,584</u>	<u>17,163,805</u>
End of year	<u>\$ 14,209,149</u>	<u>\$ 3,408,977</u>	<u>\$ 14,186,934</u>	<u>\$ 18,797,019</u>	<u>\$ 50,602,079</u>

(Continued)

CITY OF BOCA RATON, FLORIDA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS (continued)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	<u>Fleet Management Fund</u>	<u>Information Technology Fund</u>	<u>Self-Insurance Programs Fund</u>	<u>Retirement Sustainability Fund</u>	<u>Total Internal Service Funds</u>
RECONCILIATION OF OPERATING INCOME (LOSS)					
TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES					
Operating income (loss)	\$ 361,644	\$ (2,603,011)	\$ (930,277)	\$ 2,835,000	\$ (336,644)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	3,456,622	418,692			3,875,314
Change in assets, liabilities, deferred outflows & deferred inflows					
(Increase) decrease in accounts receivable	(15,235)		(27,580)		(42,815)
(Increase) decrease in due from other governmental units		1,200			1,200
(Increase) decrease in inventories	(42,265)				(42,265)
(Increase) decrease in deferred pension outflows	(22,874)	(467,207)	(151,003)		(641,084)
Increase (decrease) in accounts payable and accrued liabilities	212,399	(51,937)	(239,139)		(78,677)
Increase (decrease) in compensated absences	20,879	71,553	1,387		93,819
Increase (decrease) in total OPEB liability	(1,310)	(7,558)	(656)		(9,524)
Increase (decrease) in estimated liability for self-insurance losses			1,015,000		1,015,000
Increase (decrease) in net pension liability	111,125	910,640	317,963		1,339,728
Increase (decrease) in deferred inflows for pensions	(664)	51,823	27,018		78,177
Increase (decrease) in deferred inflows for OPEB	2,405	7,156	1,202		10,763
Total adjustments	<u>3,721,082</u>	<u>733,743</u>	<u>944,192</u>		<u>5,399,017</u>
Net cash provided by (used in) operating activities	<u>\$ 4,082,726</u>	<u>\$ (1,869,268)</u>	<u>\$ 13,915</u>	<u>\$ 2,835,000</u>	<u>\$ 5,062,373</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES					
Unrealized gain (loss) on investments	\$ 4,762	\$ 3,943	\$ 18,846	\$ 36,419	\$ 63,969

Pension Trust Funds

Pension Trust Funds account for financial operations and condition of the City's three pension plans.

General Employees' Pension Plan, Police and Firefighters' Retirement System and Executive Employees' Retirement Plan -- To account for the accumulation of resources to be used for the retirement benefit payments to the City's employees. Resources are contributed by employees at rates fixed by law and by the City at amounts determined by an annual actuarial valuation.

CITY OF BOCA RATON, FLORIDA
PENSION TRUST FUNDS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2020

	Police and Firefighters' Retirement System	General Employees' Pension Plan	Executive Employees' Retirement Plan	Total Pension Trust Funds
ASSETS				
Cash and cash equivalents	\$ 6,371,735	\$ 44,684,678	\$ 261,452	\$ 51,317,865
Investments:				
Common and preferred stock	131,089,003	92,709,672		223,798,675
U.S. government securities	16,727,950	8,933,429		25,661,379
Corporate bonds and debentures	40,707,284	24,676,383		65,383,667
Infrastructure		3,189,842		3,189,842
Commingled funds	97,505,398	37,430,622		134,936,020
Real estate	23,936,649	22,113,260		46,049,909
Private Equity	54,560,455			54,560,455
Multi Asset Class	46,001,336			46,001,336
Florida Municipal Pension Trust Fund			52,029,091	52,029,091
Total investments	<u>410,528,075</u>	<u>189,053,208</u>	<u>52,029,091</u>	<u>651,610,374</u>
Receivables:				
Interest and dividends	283,365	226,351		509,716
Unsettled trades receivable		149,924		149,924
Total receivables	<u>283,365</u>	<u>376,275</u>		<u>659,640</u>
Other assets		19,049		19,049
Prepaid expenses	32,349			32,349
Total assets	<u>417,215,524</u>	<u>234,133,210</u>	<u>52,290,543</u>	<u>703,639,277</u>
LIABILITIES				
Accounts payable	293,805	227,398		521,203
Unsettled trades payable	56,677	219,512		276,189
Total liabilities	<u>350,482</u>	<u>446,910</u>		<u>797,392</u>
NET POSITION RESTRICTED FOR PENSIONS	<u>\$ 416,865,042</u>	<u>\$ 233,686,300</u>	<u>\$ 52,290,543</u>	<u>\$ 702,841,885</u>

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

	Police and Firefighters' Retirement System	General Employees' Pension Plan	Executive Employees' Retirement Plan	Total Pension Trust Funds
ADDITIONS				
Contributions:				
City	\$ 14,654,808	\$ 1,725,822	\$ 2,234,407	\$ 18,615,037
State	3,464,368			3,464,368
Employee	4,617,935	2,520,603	598,017	7,736,555
Transfer from other pension trust funds			259,656	259,656
Total contributions	<u>22,737,111</u>	<u>4,246,425</u>	<u>3,092,080</u>	<u>30,075,616</u>
Investment income:				
Interest revenue	1,266,317	1,055,506	3,451,632	5,773,455
Dividends	6,338,563	3,131,103		9,469,666
Net appreciation in fair value of investments	16,367,305	17,518,991		33,886,296
Other investment income	1,622	1,184		2,806
Investment expense	(2,974,421)	(815,465)	(47,827)	(3,837,713)
Total investment income	<u>20,999,386</u>	<u>20,891,319</u>	<u>3,403,805</u>	<u>45,294,510</u>
Total additions	<u>43,736,497</u>	<u>25,137,744</u>	<u>6,495,885</u>	<u>75,370,126</u>
DEDUCTIONS				
Benefits paid:				
Retirement	20,500,527	11,961,352	2,309,585	34,771,464
Disability	850,247	51,228		901,475
Death	1,035,011	876,933		1,911,944
Deferred retirement option plan	5,007,796	2,158,954		7,166,750
Termination refunds	20,529	171,877	43,248	235,654
Administrative expenses	249,355	131,381	82,797	463,533
Transfer to other pension trust funds		259,656		259,656
Total deductions	<u>27,663,465</u>	<u>15,611,381</u>	<u>2,435,630</u>	<u>45,710,476</u>
Net increase/(decrease) in net position	16,073,032	9,526,363	4,060,255	29,659,650
NET POSITION RESTRICTED FOR PENSION				
Beginning of year	400,792,010	224,159,937	48,230,288	673,182,235
End of year	<u>\$ 416,865,042</u>	<u>\$ 233,686,300</u>	<u>\$ 52,290,543</u>	<u>\$ 702,841,885</u>

STATISTICAL SECTION

This part of the City of Boca Raton comprehensive annual financial report represents 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 position.

Contents **Page**

Financial Trends **173**

The information presented in this section is intended to assist users in understanding and assessing how a government's financial position has changed over time.

Revenue Capacity **181**

This section is intended to assist users in understanding and assessing the factors affecting a government's ability to generate its own-source revenue.

Debt Capacity **186**

The information presented in this section is intended to assist users in understanding and assessing a government's debt burden and its ability to issue additional debt.

Demographic and Economic Information **194**

This section is intended (1) to assist users in understanding the socioeconomic environment within which a government operates and (2) to provide information that facilitates comparisons of financial statement information over time and among governments.

Operating Information **197**

This section is intended to provide contextual information about a government's operations and resources to assist readers in using financial statement information to understand and assess a government's economic condition.

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FINANCIAL TREND INFORMATION

The information presented in this section is intended to assist users in understanding and assessing how a government's financial position has changed over time.

**CITY OF BOCA RATON, FLORIDA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS**

*(accrual basis of accounting)
(amounts expressed in thousands)
(Unaudited)*

	<u>2011</u>		<u>2012</u>		<u>2013</u>		<u>2014</u>		<u>2015</u>
Governmental activities									
Net investment in capital assets	\$ 369,052	\$	370,985	\$	368,548	\$	365,123	\$	343,424
Restricted	43,754		45,031		45,621		54,793		64,313
Unrestricted	85,239		87,241		94,762		99,030		40,029
Total governmental activities net position	<u>\$ 498,045</u>	<u>\$</u>	<u>503,257</u>	<u>\$</u>	<u>508,931</u>	<u>\$</u>	<u>518,946</u>	<u>\$</u>	<u>447,766</u>
Business-type activities									
Net investment in capital assets	\$ 210,890	\$	207,936	\$	214,698	\$	224,767	\$	221,972
Restricted	48,500		51,835		60,744		66,786		68,015
Unrestricted	53,501		65,329		61,970		53,581		72,957
Total business-type activities net position	<u>\$ 312,891</u>	<u>\$</u>	<u>325,100</u>	<u>\$</u>	<u>337,412</u>	<u>\$</u>	<u>345,134</u>	<u>\$</u>	<u>362,944</u>
Primary government									
Net investment in capital assets	\$ 579,942	\$	578,921	\$	583,246	\$	589,890	\$	565,396
Restricted	92,254		96,866		106,365		121,579		132,328
Unrestricted (1)	138,740		152,570		156,732		152,611		112,986
Total primary government net position	<u>\$ 810,936</u>	<u>\$</u>	<u>828,357</u>	<u>\$</u>	<u>846,343</u>	<u>\$</u>	<u>864,080</u>	<u>\$</u>	<u>810,710</u>

(1) Fiscal year 2011 unrestricted balances have been restated due to the implementation of GASB Statement 63 and 65.

	<u>2016</u>		<u>2017</u>		<u>2018</u>		<u>2019</u>		<u>2020</u>
\$	346,406	\$	383,364	\$	356,695	\$	339,885	\$	352,857
	68,787		77,176		84,149		109,664		94,209
	64,216		25,208		44,238		49,682		43,288
\$	479,409	\$	485,748	\$	485,082	\$	499,231	\$	490,354

\$	228,380	\$	229,424	\$	227,958	\$	239,614		249,111
	79,734		75,550		61,802		59,222		45,114
	72,893		90,195		111,578		120,150		133,956
\$	381,007	\$	395,169	\$	401,338	\$	418,986	\$	428,181

\$	574,786	\$	612,788	\$	584,653	\$	579,499		601,968
	148,521		152,726		145,951		168,886		139,323
	137,109		115,403		155,816		169,832		177,244
\$	860,416	\$	880,917	\$	886,420	\$	918,217	\$	918,534

**CITY OF BOCA RATON, FLORIDA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS**

*(accrual basis of accounting)
(amounts expressed in thousands)
(Unaudited)*

	⁽¹⁾									
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Expenses										
Governmental activities:										
General government	\$ 17,696	\$ 18,808	\$ 18,891	\$ 19,017	\$ 20,655	\$ 34,158	\$ 28,232	\$ 32,066	\$ 39,341	\$ 69,844
Law enforcement	39,979	40,865	42,044	43,913	40,575	34,328	72,198	49,796	49,728	54,068
Fire rescue	39,140	42,227	43,626	44,831	42,631	37,701	35,501	53,134	49,475	54,266
Physical environment	4,237	4,105	4,255	4,055	4,217	4,449	5,034	5,507	5,223	5,406
Transportation	18,536	17,925	20,185	19,166	17,744	13,672	20,177	25,420	31,725	14,215
Community development	6,040	3,106	2,889	2,804	3,257	5,345	5,702	6,384	13,517	15,876
Parks and recreation	28,979	39,039	37,542	37,507	37,107	38,605	42,614	44,873	46,220	43,242
Interest and fiscal charges	4,793	2,971	3,807	4,114	2,165	2,393	1,968	1,293	1,719	1,589
Total governmental activities expenses	<u>159,400</u>	<u>169,046</u>	<u>173,239</u>	<u>175,407</u>	<u>168,351</u>	<u>170,651</u>	<u>211,426</u>	<u>218,473</u>	<u>236,947</u>	<u>258,507</u>
Business-type activities:										
Water and sewer	44,132	43,662	45,617	45,393	48,616	48,415	49,730	52,174	53,647	57,576
Cemetery	659	589	569	623	610	664	720	671	653	1,028
Golf course	3,073	2,690	2,776	2,787	2,726	2,831	3,091	2,777	2,843	3,100
Stormwater utility	2,023	2,545	2,169	2,428	2,252	2,260	2,596	2,804	3,396	2,848
Sanitation	6,511	6,593	6,727	6,758	6,183	6,816	7,102	7,381	7,829	7,987
Total business-type activities expenses	<u>56,398</u>	<u>56,079</u>	<u>57,858</u>	<u>57,989</u>	<u>60,387</u>	<u>60,986</u>	<u>63,239</u>	<u>65,807</u>	<u>68,367</u>	<u>72,539</u>
Total primary government expenses	<u>\$ 215,798</u>	<u>\$ 225,125</u>	<u>\$ 231,097</u>	<u>\$ 233,396</u>	<u>\$ 228,738</u>	<u>\$ 231,637</u>	<u>\$ 274,665</u>	<u>\$ 284,280</u>	<u>\$ 305,314</u>	<u>\$ 331,046</u>
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 17,565	\$ 21,615	\$ 25,301	\$ 25,881	\$ 32,294	\$ 27,994	\$ 26,992	\$ 26,057	\$ 31,309	\$ 28,305
Law enforcement	2,647	3,251	3,286	3,187	2,484	2,055	2,010	1,812	1,902	1,500
Fire rescue	8,876	11,738	12,968	12,517	10,605	10,554	12,162	14,043	15,038	15,290
Physical environment	214	214	245	143	137	1,942	3,369	270	206	205
Transportation						49	26	178	67	90
Community development	1,695	1,898	2,020	2,324	1,959	2,174	2,051	2,306	1,942	1,332
Parks and recreation	19,631	20,662	19,313	19,125	19,213	21,141	21,210	22,862	23,896	20,462
Operating grants and contributions	5,317	5,238	4,482	6,262	4,494	5,979	7,679	6,781	13,680	19,131
Capital grants and contributions	2,720	3,503	2,971	1,159	5,295	5,060	4,747	1,036	1,910	1,670
Total governmental activities program revenues	<u>58,665</u>	<u>68,119</u>	<u>70,586</u>	<u>70,598</u>	<u>76,481</u>	<u>76,948</u>	<u>80,246</u>	<u>75,345</u>	<u>89,951</u>	<u>87,986</u>
Business-type activities:										
Charges for services:										
Water and sewer	48,288	49,239	48,452	51,071	54,934	54,142	57,400	56,704	60,504	58,864
Cemetery	179	144	210	244	236	241	449	375	378	302
Golf course	2,272	2,444	2,485	2,440	2,490	2,482	2,518	2,432	2,534	2,490
Stormwater utility	2,175	2,239	2,236	2,292	2,353	2,379	2,474	2,534	2,653	3,017
Sanitation	6,423	7,179	7,376	7,487	7,502	7,629	7,835	7,715	8,038	10,134
Capital grants and contribution	1,260	9,272	9,025	867	11,473	11,902	6,295	1,017	5,834	3,489
Total business-type activities program revenues	<u>60,597</u>	<u>70,517</u>	<u>69,784</u>	<u>64,401</u>	<u>78,988</u>	<u>78,775</u>	<u>76,971</u>	<u>70,777</u>	<u>79,942</u>	<u>78,296</u>
Total primary government program revenues	<u>\$ 119,262</u>	<u>\$ 138,636</u>	<u>\$ 140,370</u>	<u>\$ 134,999</u>	<u>\$ 155,469</u>	<u>\$ 155,723</u>	<u>\$ 157,217</u>	<u>\$ 146,122</u>	<u>\$ 169,892</u>	<u>\$ 166,282</u>

(1) Fiscal year 2011 expenses have been restated due to the implementation of GASB Statement 63 and 65.

**CITY OF BOCA RATON, FLORIDA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS**

(accrual basis of accounting)
(amounts expressed in thousands)
(Unaudited)

	(1)									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Net (Expenses) Revenue										
Governmental activities	\$ (100,927)	\$ (100,927)	\$ (102,653)	\$ (104,809)	\$ (91,870)	\$ (93,703)	\$ (131,180)	\$ (143,129)	\$ (146,996)	\$ (170,520)
Business-type activities	4,199	10,936	11,926	6,412	18,601	17,789	13,733	4,971	11,574	5,757
Total primary government net expense	\$ (96,728)	\$ (89,991)	\$ (90,727)	\$ (98,397)	\$ (73,269)	\$ (75,914)	\$ (117,447)	\$ (138,158)	\$ (135,422)	\$ (164,763)
General revenues and Other Changes in Net Position										
Governmental activities:										
Taxes:										
Property tax	\$ 54,246	\$ 55,914	\$ 59,568	\$ 61,938	\$ 65,238	\$ 69,785	\$ 74,866	\$ 79,753	\$ 84,781	\$ 88,550
Utility tax	20,171	20,714	20,502	21,390	21,361	20,652	21,645	21,894	22,174	21,804
Franchise tax	12,482	12,137	11,977	12,867	12,893	12,536	12,826	13,215	13,350	12,882
Sales tax	5,430	5,533	5,854	6,287	6,687	6,898	6,916	7,177	7,464	7,040
Infrastructure tax							4,312	6,471	6,767	6,471
Gas tax	1,908	1,966	1,958	1,999	2,120	2,154	2,312	2,244	2,265	2,018
Incremental property tax	8,948	6,484	6,575	6,730	7,183	8,449	9,720	12,489	13,366	14,150
State shared revenues unrestricted	2,185	2,242	2,280	2,418	2,549	2,781	2,849	2,924	3,108	2,878
Investment earnings unrestricted	1,378	1,396	(186)	1,344	1,279	1,083	1,030	2,279	7,886	5,658
Gain (loss) on disposal of capital assets	131	120	156	112	49	253	315	392	288	150
Miscellaneous	42	43	88	137	188	237	322	362	288	397
Transfers	(720)	(410)	(445)	(397)	(338)	518	408	(144)	(593)	(354)
Total governmental activities	106,201	106,139	108,327	114,825	119,209	125,346	137,521	149,056	161,144	161,644
Business-type activities:										
Investment earnings	624	765	(288)	901	847	675	614	1,154	4,702	3,119
Gain (loss) on disposal of capital assets	94	98	229	11	50	67	186	116	195	(183)
Transfers	720	410	445	397	338	(518)	(408)	208	593	354
Miscellaneous					19	51	36	144	583	148
Total business-type activities	1,438	1,273	386	1,309	1,254	275	428	1,622	6,073	3,438
Total primary government	\$ 107,639	\$ 107,412	\$ 108,713	\$ 116,134	\$ 120,463	\$ 125,621	\$ 137,949	\$ 150,678	\$ 167,217	\$ 165,082
Change in net position:										
Governmental activities	\$ 5,274	\$ 5,212	\$ 5,674	\$ 10,016	\$ 27,339	\$ 31,643	\$ 6,341	\$ 5,927	\$ 14,148	\$ (8,878)
Business-type activities	5,637	12,209	12,312	7,721	19,855	18,064	14,161	6,593	17,648	9,195
Total primary government	\$ 10,911	\$ 17,421	\$ 17,986	\$ 17,737	\$ 47,194	\$ 49,707	\$ 20,502	\$ 12,520	\$ 31,796	\$ 317

(1) Fiscal year 2011 expenses have been restated due to the implementation of GASB Statement 63 and 65.

CITY OF BOCA RATON, FLORIDA
FUND BALANCES OF GOVERNMENTAL FUNDS

(modified accrual basis of accounting)
(amounts expressed in thousands)
(Unaudited)

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
General Fund:				
Non-spendable:				
Inventories, Advance	\$ 13	\$ 25	\$ 23	\$ 25
Restricted for:				
Army Corp of Engineers	170	170	170	170
Building permits				
Committed to:				
Right of way beautification				
Hurricane/ disaster emergency	10,600	10,600	10,600	10,600
Mizner Park debt service	1,633	1,633	1,633	1,633
Retirement system reserve	10,500	12,000	12,000	
Assigned to:				
Subsequent year's budget	1,316	1,758	12,920	3,762
Unassigned	22,340	25,653	21,300	29,138
Total general fund	<u>\$ 46,572</u>	<u>\$ 51,839</u>	<u>\$ 58,646</u>	<u>\$ 45,328</u>
All Other Governmental Funds:				
Non-spendable:				
Perpetual care, cemetery	\$ 1,950	\$ 1,777	\$ 1,630	\$ 1,505
Perpetual care, masoleum	3,487	3,253	2,994	2,776
Restricted for:				
Debt service	10,532	10,995	6,191	11,489
Housing	158	175	202	150
Law enforcement	1,292	1,140	1,084	766
Transportation	7,486	7,971	13,363	8,947
Right of way beautification	1,293	318	271	1,814
Economic development				6,487
Infrastructure				
Downtown	3,644	2,386	2,181	2,941
Land dedication	1,646	3,453	5,243	5,538
Land Proceeds				
Library	10,437	8,103	550	547
Committed to:				
Parking	3	3	826	3
Right of way acquisition	2,284	2,301	2,297	2,315
Assigned to:				
Special revenue funds				
Capital projects	24,603	24,248	23,021	26,031
Environmentally sensitive lands	1,067	1,034	1,032	
Unassigned				
Total all other governmental funds	<u>\$ 69,882</u>	<u>\$ 67,157</u>	<u>\$ 60,885</u>	<u>\$ 71,309</u>

<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
\$ 22	\$ 345	\$ 339	\$ 347	\$ 337	\$ 344
170	170	170	170	170	170
				6,514	9,230
		35	223	225	139
10,600	10,600	13,424	12,936	18,590	18,590
1,633	1,633	1,633			
2,536	14,825	14,703	1,233	7,425	6,964
44,075	38,822	30,242	33,323	30,383	36,963
<u>\$ 59,036</u>	<u>\$ 66,395</u>	<u>\$ 60,546</u>	<u>\$ 48,232</u>	<u>\$ 63,644</u>	<u>\$ 72,400</u>
\$ 1,385	\$ 1,446	\$ 1,610	\$ 1,678	\$ 1,646	\$ 1,615
2,611	2,695	2,822	2,773	2,597	2,505
11,830	11,948	12,073	12,712	2,116	2,150
532	814	1,204	886	807	529
1,211	1,159	1,293	1,190	1,125	1,190
9,981	10,682	11,882	10,368	10,674	9,896
2,117	1,231				
4,788	5,920	6,128	5,909	6,176	6,185
		4,315	8,718	27,750	19,297
6,850	4,636	5,574	8,562	11,002	12,428
9,763	14,317	15,910	16,397	17,940	19,018
			6	31	49
372					
3	3	3	3	3	3
2,331	2,341	2,350	2,367	2,431	2,474
29,571	25,544	21,268	22,547	23,786	24,631
					-
<u>\$ 83,345</u>	<u>\$ 82,736</u>	<u>\$ 86,432</u>	<u>\$ 94,116</u>	<u>\$ 108,084</u>	<u>\$ 101,970</u>

CITY OF BOCA RATON, FLORIDA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

(modified accrual basis of accounting)
(Unaudited)

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Revenues:				
Taxes	\$ 100,712,574	\$ 99,484,015	\$ 103,840,677	\$ 104,972,742
Licenses and permits	8,697,459	11,199,032	12,661,480	13,716,396
Intergovernmental	29,622,567	30,209,165	27,232,751	29,205,706
Charges of services	21,624,838	25,385,962	28,501,248	28,566,477
Fines and forfeitures	1,360,028	2,642,876	2,973,556	2,332,373
Special assessments	1,199,953	1,172,570	1,493,004	1,483,647
Donations in lieu of land	686,867	2,182,150	2,442,421	724,303
Investment earnings	1,078,045	1,125,971	(101,337)	999,229
Miscellaneous	89,006	108,915	205,082	223,098
Total revenues	<u>165,071,337</u>	<u>173,510,656</u>	<u>179,248,882</u>	<u>182,223,971</u>
Expenditures:				
Current:				
General government	19,647,100	20,073,899	20,917,289	18,176,334
Law enforcement	36,508,850	37,824,269	39,515,182	40,453,294
Fire rescue	34,849,430	37,539,229	39,809,307	41,333,442
Physical environment	4,203,550	4,185,053	4,281,679	4,038,442
Transportation	7,554,534	7,098,294	6,725,749	6,354,401
Community development	5,907,758	2,983,234	3,025,793	3,153,304
Parks and recreation	35,635,867	36,019,775	34,993,019	34,587,799
Capital outlay	8,835,059	8,903,781	13,287,857	5,460,607
Debt service:				
Principal	11,075,000	11,150,000	11,015,000	11,600,000
Interest	3,405,937	2,731,354	2,460,400	1,834,035
Bond issuance costs		313,238		45,146
Bond repayment				12,507,993
Total expenditures	<u>167,623,085</u>	<u>168,822,126</u>	<u>176,031,275</u>	<u>179,544,797</u>
Excess (deficiency) of revenues				
Over expenditures	<u>(2,551,748)</u>	<u>4,688,530</u>	<u>3,217,607</u>	<u>2,679,174</u>
Other financing sources (uses):				
Transfers in	9,738,400	9,568,100	10,457,500	17,292,828
Transfers out	(13,571,100)	(12,052,300)	(13,140,800)	(35,425,628)
Refunding and new bonds issued		15,585,000		12,560,000
Discount on bonds issued				
Payment to refunded bond escrow agent		(17,259,729)		
Proceeds from sale of land				
Premium on bonds issued		2,013,311		
Total other financing sources (uses)	<u>(3,832,700)</u>	<u>(2,145,618)</u>	<u>(2,683,300)</u>	<u>(5,572,800)</u>
Net change in fund balances	<u>\$ (6,384,448)</u>	<u>\$ 2,542,912</u>	<u>\$ 534,307</u>	<u>\$ (2,893,626)</u>
Debt service as a percentage of				
Noncapital expenditures	9.53%	8.57%	8.10%	7.55%

<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
\$ 108,754,619	\$ 114,075,840	\$ 125,189,629	\$ 136,042,459	\$ 142,744,416	\$ 145,894,699
18,199,802	15,527,771	13,752,420	13,031,240	16,632,462	14,938,041
28,204,044	33,169,318	38,983,346	34,985,353	44,054,242	46,945,125
30,545,193	29,598,932	31,536,517	33,605,151	35,741,289	32,819,230
2,203,618	1,602,642	1,667,585	1,430,218	1,615,709	1,218,360
1,505,634	1,511,197	1,512,790	1,519,976	1,547,777	1,531,554
4,642,068	4,927,834	2,218,238	840,499	1,786,918	1,641,007
872,975	768,096	700,702	1,433,234	5,122,263	3,833,082
220,838	332,882	484,425	723,413	554,589	690,221
<u>195,148,791</u>	<u>201,514,512</u>	<u>216,045,652</u>	<u>223,611,543</u>	<u>249,799,665</u>	<u>249,511,319</u>
19,701,982	21,996,764	26,458,740	29,102,759	29,450,258	30,099,361
39,650,656	41,031,455	44,500,795	47,594,807	50,202,799	53,781,452
40,739,785	44,686,248	44,292,717	48,332,421	50,792,426	54,101,552
4,220,664	4,956,152	4,652,372	5,269,402	5,206,147	5,399,507
7,536,209	11,830,942	18,003,649	15,487,320	14,612,619	15,555,633
3,942,306	7,353,945	6,255,361	7,309,798	13,872,937	16,732,880
35,757,011	38,642,169	40,307,017	60,654,784	42,649,422	42,430,428
928,156	6,022,772	9,961,955	4,811,148	10,909,768	12,785,429
7,722,363	7,680,486	7,665,707	8,087,014	8,894,599	9,230,000
5,081,592	5,107,954	5,111,168	5,274,703	5,634,349	1,768,336
			44,050	64,201	
<u>165,280,724</u>	<u>189,308,887</u>	<u>207,209,481</u>	<u>231,968,206</u>	<u>232,289,525</u>	<u>241,884,578</u>
<u>29,868,067</u>	<u>12,205,625</u>	<u>8,836,171</u>	<u>(8,356,663)</u>	<u>17,510,140</u>	<u>7,626,741</u>
9,617,600	9,924,796	16,157,948	11,441,485	13,135,524	11,959,995
(13,741,700)	(15,381,200)	(27,146,976)	(22,153,685)	(21,264,524)	(16,943,795)
			19,100,000	20,000,000	
<u>(4,124,100)</u>	<u>(5,456,404)</u>	<u>(10,989,028)</u>	<u>8,387,800</u>	<u>11,871,000</u>	<u>(4,983,800)</u>
<u>\$ 25,743,967</u>	<u>\$ 6,749,221</u>	<u>\$ (2,152,857)</u>	<u>\$ 31,137</u>	<u>\$ 29,381,140</u>	<u>\$ 2,642,941</u>
7.78%	6.95%	6.52%	5.86%	6.50%	4.80%

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REVENUE CAPACITY INFORMATION

This section is intended to assist users in understanding and assessing the factors affecting a government's ability to generate its own-source revenue.

CITY OF BOCA RATON, FLORIDA
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY (1)
LAST TEN FISCAL YEARS

(Unaudited)

<u>Fiscal Year (2)</u>	<u>Real Property (1)</u>	<u>Personal Property</u>	<u>Total Assessed Value</u>	<u>Less: Tax-Exempt Property</u>	<u>Total Taxable Assessed Value</u>	<u>Total Direct Tax Rate</u>
2011	\$ 18,401,045,182	\$ 1,076,333,765	\$ 19,477,378,947	\$ 2,868,254,851	\$ 16,609,124,096	3.41
2012	18,387,146,075	946,365,118	19,333,511,193	2,912,409,267	16,421,101,926	3.51
2013	18,551,617,089	908,950,096	19,460,567,185	2,833,483,666	16,627,083,519	3.72
2014	19,490,849,519	931,461,073	20,422,310,592	3,150,099,060	17,272,211,532	3.72
2015	21,228,631,119	942,986,167	22,171,617,286	3,948,840,288	18,222,776,998	3.71
2016	23,510,682,889	962,018,157	24,472,701,046	4,891,184,978	19,581,516,068	3.68
2017	25,535,736,108	1,038,415,774	26,574,151,882	5,567,612,961	21,006,538,921	3.68
2018	27,103,496,479	900,034,862	28,003,531,341	5,496,652,239	22,506,879,102	3.68
2019	28,436,576,386	912,320,426	29,348,896,812	5,463,573,971	23,885,322,841	3.68
2020	29,698,116,755	1,120,267,563	30,818,384,318	5,621,330,641	25,197,053,677	3.68

Notes: (1) Except for the Save Our Homes cap noted below, Florida State Law requires all property to be assessed at current fair market value.
The Save Our Homes cap, provides that property qualifying for, and receiving, homestead exemption is assessed at the lower of the annual percentage change in the Consumer Price Index or 3% of the previous year's assessment.

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

Estimated Actual Value (Just Value) obtained from the Palm Beach County Appraiser

Source: Palm Beach County Property Appraiser

	<u>Estimated Actual Value</u>	<u>Taxable Assessed Value as a % of Actual Taxable Value</u>
\$	22,731,156,856	79.15%
	20,702,285,682	80.23%
	20,550,742,753	79.91%
	20,738,752,412	80.17%
	21,630,010,810	79.85%
	23,460,717,251	77.32%
	25,841,728,608	75.77%
	28,046,758,787	74.90%
	29,587,726,191	76.07%
	31,015,888,721	81.24%

**CITY OF BOCA RATON, FLORIDA
PROPERTY TAX RATES
ALL DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS (1)
(Unaudited)**

<u>Tax Year</u>	<u>Operating Millage</u>	<u>Debt Service</u>	<u>Total City Millage</u>	<u>Operating Millage</u>	<u>Debt Service</u>	<u>Total County Tax</u>	<u>Operating Millage</u>	<u>Debt Service</u>	<u>Total Schools</u>	<u>Other</u>	<u>Total</u>
2011	3.150	0.360	3.510	4.782	0.211	4.993	8.180	0.000	8.180	3.544	20.227
2012	3.410	0.313	3.723	4.782	0.209	4.991	7.778	0.000	7.778	3.314	19.806
2013	3.422	0.301	3.723	4.782	0.204	4.986	7.586	0.000	7.586	3.196	19.491
2014	3.422	0.291	3.713	4.782	0.191	4.973	7.594	0.000	7.594	2.270	18.550
2015	3.422	0.258	3.680	4.782	0.146	4.928	7.512	0.000	7.512	3.065	19.185
2016	3.439	0.240	3.679	4.782	0.133	4.915	7.070	0.000	7.070	2.860	18.524
2017	3.454	0.225	3.679	4.782	0.121	4.903	6.769	0.000	6.769	2.697	18.048
2018	3.469	0.210	3.679	4.782	0.117	4.898	6.572	0.000	6.572	2.607	17.755
2019	3.479	0.199	3.679	4.782	0.077	4.859	7.164	0.000	7.164	2.602	18.304
2020	3.570	0.108	3.679	4.782	0.031	4.812	7.010	0.000	7.010	2.557	18.058

Source: Palm Beach County Tax Collector

(1) Millage rates are per \$1,000 of assessed valuation.

**CITY OF BOCA RATON, FLORIDA
PRINCIPAL PROPERTY TAXPAYERS
FOR THE CURRENT CALENDAR YEAR AND NINE YEARS AGO
(Unaudited)**

Taxpayer	2020			2011		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Town Center at Boca Raton	\$ 608,100,511	1	2.41%	\$ 331,800,511	1	1.84%
Boca Owner LLC	380,989,657	2	1.51%			
Boca Center at Military LLC	171,518,970	4	0.68%			
Boca Raton CRA Lessor	175,000,000	3	0.69%			
Boca T Rex Borrower LLC	146,919,424	6	0.58%			
Florida Power & Light	165,418,752	5	0.66%			
Palmetto Promenade Owner LLC	134,305,906	7	0.53%			
Via Mizner Owner LLC	127,890,443	9	0.51%			
Atlis Boca Raton LLC	128,280,027	8	0.51%			
Office Depot	121,932,296	10	0.48%			
Panthers BRHC Ltd. Partnership				153,275,535	2	1.23%
BRE Boca Raton CRA Lessor				111,162,055	4	0.84%
HUB Properties Trust				132,780,113	3	0.79%
Boca Raton CRA Lessor				93,500,000	5	0.77%
Florida Power & Light				93,109,454	6	0.70%
Batmasian James H				73,868,835	7	0.57%
BRE Point Parcel LLC				61,000,001	8	0.36%
Partners BRHC LLC				55,315,686	9	0.33%
WRC Properties Inc				53,623,622	10	0.33%
Total	<u>\$ 2,160,355,986</u>		<u>8.57%</u>	<u>\$ 1,159,435,812</u>		<u>6.42%</u>

Source: City of Boca Raton, FL
Palm Beach County Tax Collector System

CITY OF BOCA RATON, FLORIDA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year Ended September 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in subsequent Years	Total Collections to Date	
		Amount (1)	Percentage of Levy		Amount	Percentage of Levy
2011	\$ 56,200,768	\$ 53,689,454	95.5%	\$ 309,455	\$ 53,998,909	96.1%
2012	57,438,380	55,175,170	96.1%	287,060	55,462,230	96.6%
2013	61,894,344	59,327,683	95.9%	115,539	59,443,222	96.0%
2014	64,295,809	61,803,940	96.1%	126,239	61,930,179	96.3%
2015	67,653,899	65,089,535	96.2%	160,057	65,249,592	96.4%
2016	71,957,439	69,322,388	96.3%	75,701	69,398,089	96.4%
2017	77,249,421	74,490,355	96.4%	62,577	74,552,932	96.5%
2018	82,659,659	79,727,836	96.5%	10,680	79,738,516	96.5%
2019	87,708,652	84,586,487	96.4%	-	84,586,487	96.4%
2020	91,843,259	88,322,011	96.2%	-	88,322,011	96.2%

(1) Includes discount taken for early payment of property taxes and current year refunds

Source: Palm Beach County Tax Collector System

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DEBT CAPACITY INFORMATION

The information presented in this section is intended to assist users in understanding and assessing a government's debt burden and its ability to issue additional debt.

CITY OF BOCA RATON, FLORIDA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(Unaudited)

Governmental Activities

Fiscal Year	General Obligation Bonds	Special Assessment Bonds	Revenue Bonds	Tax Increment Bonds (2)	Loans Payable	Capital Leases
2011	\$ 44,960,000	\$ 13,545,000		\$ 43,741,269	\$ 1,865,000	
2012	39,905,000	12,830,000		39,212,947	1,275,000	
2013	36,490,000	11,925,000		34,489,628	655,000	
2014	33,105,000	10,995,000		29,554,660		
2015	29,345,000	10,020,000		24,197,700		
2016	25,495,000	9,005,000		18,607,867		
2017	21,550,000	7,955,000		12,735,754		
2018	17,495,000	6,860,000	\$ 18,705,000	6,566,021		
2019	13,325,000	5,705,000	37,585,000			
2020	9,065,000	4,500,000	34,431,570			

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

¹ See Demographic and Economic Statistics table for personal income and population data. These ratios are calculated using personal income and population for the prior year.

² Includes accreted interest on Capital Appreciation Bonds, for FY 2018 that amount was \$4,116,422.

Business-Type Activities

Water & Sewer Revenue Bonds	Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
\$ 46,900,000	\$ 151,011,269	0.0473%	1,789
43,640,000	136,862,947	0.0525%	1,602
40,260,000	123,819,628	0.0566%	1,439
36,780,000	110,434,660	0.0640%	1,275
34,345,000	97,907,700	0.0722%	1,116
26,625,000	79,732,867	0.0887%	903
26,625,000	68,865,754	0.1069%	750
22,440,000	72,066,021	0.0771%	771
18,065,000	74,680,000	0.0793%	790
14,595,000	62,591,570	0.0977%	658

CITY OF BOCA RATON, FLORIDA
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(dollars in thousands, except per capita)
(Unaudited)

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Assessed Value of Taxable Property</u>	<u>Percentage of Estimated Actual Taxable Value of Property</u>	<u>Population</u>	<u>Per Capita</u>
2011	\$ 44,960	\$ 16,609,124	0.27%	84,392	0.53
2012	39,905	16,421,102	0.24%	85,413	0.47
2013	36,490	16,627,084	0.22%	86,041	0.42
2014	33,105	17,272,212	0.12%	86,647	0.24
2015	29,345	18,222,777	0.16%	87,766	0.33
2016	25,495	19,581,516	0.13%	88,275	0.29
2017	21,550	21,006,539	0.10%	91,797	0.23
2018	17,495	22,506,879	0.08%	93,417	0.19
2019	13,325	23,888,627	0.06%	94,488	0.14
2020	9,065	24,966,225	0.04%	95,139	0.10

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements
The current ordinances of the City of Boca Raton do not specify a Legal Debt Margin.

CITY OF BOCA RATON, FLORIDA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF SEPTEMBER 30, 2020
(Amounts Expressed in Thousands)
(Unaudited)

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
OVERLAPPING:			
Palm Beach County	\$ 44,740,000 ¹	0.01% ²	\$ 5,315
Palm Beach School District	26,832	0.01% ²	3
SUBTOTAL	<u>44,766,832</u>		<u>5,318</u>
DIRECT DEBT:			
General obligation bonds	9,065 ³	100.00%	9,065
Special assessment bonds	4,500 ³	100.00%	4,500
Revenue Bonds	34,432	100.00%	34,432
SUBTOTAL	<u>\$ 47,997</u>		<u>47,997</u>
TOTAL DIRECT AND OVERLAPPING DEBT			<u><u>\$ 53,315</u></u>

¹ Source: Palm Beach County

² Determined by dividing:
taxable assessed valuation of the City of Boca Raton
by the total taxable valuation of Palm Beach County.

³ Source: City of Boca Raton, Financial Services Department

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

CITY OF BOCA RATON, FLORIDA
PLEDGED-REVENUE COVERAGE FOR WATER AND SEWER REVENUE BONDS
LAST TEN FISCAL YEARS
(Unaudited)

<u>Fiscal Year</u>	<u>Utility Service Charges</u>	<u>Less: Operating Expenses (1)</u>	<u>Net Available Revenue</u>	<u>Debt Service</u>		<u>Coverage by Net Revenue Available for Debt Service (2)</u>
				<u>Principal</u>	<u>Interest</u>	
2011	\$ 48,819,198	\$ 31,623,922	\$ 17,195,276	\$ 3,145,000	\$ 1,883,550	3.42
2012	49,926,107	31,677,197	18,248,910	3,260,000	1,766,594	3.63
2013	48,193,038	33,403,929	14,789,109	3,380,000	1,660,169	2.93
2014	51,875,748	33,367,732	18,508,016	3,480,000	1,558,838	3.67
2015	54,982,804	33,327,479	21,655,325	3,585,000	1,439,988	4.31
2016	54,800,138	34,830,929	19,969,209	7,720,000	982,282	2.29
2017	57,990,998	35,898,856	22,092,142	-	909,106	24.30
2018	57,957,825	37,929,374	20,028,451	4,185,000	724,074	4.08
2019	63,981,813	38,158,738	25,823,075	4,375,000	555,471	5.24
2020	62,063,466	41,921,498	20,141,968	3,470,000	424,564	5.17

- (1) Total expense exclusive of depreciation, amortization and debt service on revenue bonds.
(2) 1.10 net revenues test required by the rate covenants applies to the 2008, 2009 and 2015 bonds.

Note: This table excludes system development charges (capital contributions).

CITY OF BOCA RATON, FLORIDA
PLEDGED-REVENUE COVERAGE FOR SPECIAL ASSESSMENT BONDS
LAST TEN FISCAL YEARS
(Unaudited)

<u>Fiscal Year</u>	<u>Special Assessments Levied (1)</u>	<u>Special Assessment Collections (2)</u>	<u>Debt Service</u>		<u>Coverage by Net Collections Available for Debt Service (3)</u>
			<u>Principal</u>	<u>Interest</u>	
2011	\$ 1,199,953	\$ 1,141,985	\$ 695,000	\$ 524,292	0.94
2012	1,172,570	1,242,188	715,000	493,294	1.03
2013	1,493,004	1,506,672	905,000	471,844	1.09
2014	1,483,647	1,518,586	930,000	446,294	1.10
2015	1,505,634	1,543,753	975,000	419,994	1.11
2016	1,511,197	1,518,448	1,015,000	391,569	1.08
2017	1,512,790	1,487,248	1,050,000	353,519	1.06
2018	1,519,976	1,483,885	1,095,000	313,269	1.05
2019	1,547,777	1,504,292	1,155,000	271,269	1.05
2020	1,531,554	2,085,869	1,205,000	226,688	1.46

- (1) Includes amounts from adopted assessment rolls and penalties assessed for late payment
(2) Collections reported are inclusive of payments on current and prior year assessments and penalties
(3) Available funds to be used for debt service coverage are the Special Assessment Collections for that fiscal year

CITY OF BOCA RATON, FLORIDA
PLEDGED-REVENUE COVERAGE FOR TAX INCREMENT REVENUE REFUNDING BONDS
LAST TEN FISCAL YEARS
(Unaudited)

<u>Fiscal Year</u>	<u>Lease Revenue</u>	<u>Tax Increment Revenue</u>	<u>Collections</u>	<u>Debt Service</u>		<u>Coverage by Net Revenue Available for Debt Service</u>
				<u>Principal (1)</u>	<u>Interest</u>	
2011	\$ 1,236,280	\$ 8,948,102	\$ 10,184,382	\$ 5,575,000	\$ 956,997	1.56
2012	1,300,374	6,484,150	7,784,524	5,815,000	704,206	1.19
2013	1,240,859	6,574,894	7,815,753	6,075,000	433,644	1.20
2014	1,489,383	6,729,850	8,219,233	6,355,000	146,959	1.26
2015	1,561,772	7,183,269	8,745,041	2,987,363	3,667,637	1.31
2016	1,767,671	8,448,676	10,216,347	2,815,486	3,804,514	1.54
2017	1,653,839	9,719,650	11,373,489	2,670,707	3,949,293	1.72
2018	1,908,824	12,489,146	14,397,970	2,542,014	4,077,986	2.17
2019	1,806,562	13,366,285	15,172,847	2,449,599	4,170,401	2.29
2020	1,565,313	14,150,342	15,715,655	-	-	-

(1) In October, 1998, the Boca Raton Community Redevelopment Agency Tax Increment Revenue Refunding Bonds, Series 1998 (Mizner Park Project) was used to refinance the CRA's Tax Increment Revenue Bond, Series 1992.

CITY OF BOCA RATON, FLORIDA
PLEGGED-REVENUE COVERAGE FOR ALL NON AD VALOREM REVENUE BONDS AND LOANS PAYABLE
BY MAXIMUM ANNUAL DEBT SERVICE
LAST TEN FISCAL YEARS

(Unaudited)

<u>Fiscal Year</u>	<u>Net Revenue Available (1)</u>	<u>Revenue Bonds</u> <u>2018</u>	<u>Special Assessment</u> <u>Revenue Bonds</u>		<u>Tax Increment Revenue Refunding Bonds</u> <u>1998</u>	<u>(Loans Payable)</u> <u>First Florida Governmental Financing Commission</u>		<u>Total</u>	<u>Coverage by Net Revenue Available for Maximum Debt Service</u>
			<u>2009</u>	<u>2010</u>		<u>2001B</u>	<u>2003</u>		
2011	\$ 37,777,361		\$ 1,083,169	\$ 136,123	\$ 6,533,747	\$ 692,279	\$ 8,445,318	4.47	
2012	37,041,078		1,082,319	125,975	6,519,903	689,978	8,418,174	4.40	
2013	40,481,387		1,090,869	285,975	6,508,644	690,409	8,575,896	4.72	
2014	44,679,602		1,093,519	282,775	6,501,959	691,025	8,569,278	5.21	
2015	53,189,429		1,110,419	284,575	6,655,000		8,049,994	6.61	
2016	50,512,120		1,121,119	285,450	6,620,000		8,026,569	6.29	
2017	52,672,177		1,117,319	286,200	6,620,000		8,023,518	6.56	
2018	53,508,013	\$ 574,285	1,122,319	285,950	6,620,000		8,602,554	6.22	
2019	58,432,393	1,613,812	1,140,719	285,550	6,620,000		9,660,081	6.05	
2020	53,146,472	1,614,244	1,146,919	284,769			3,045,932	17.45	

(1) Net revenue available after deducting operating expenses, restricted, and committed amounts.

DEMOGRAPHIC AND ECONOMIC INFORMATION

This section is intended (1) to assist users in understanding the socioeconomic environment within which a government operates and (2) to provide information that facilitates comparisons of financial statement information over time and among governments.

**CITY OF BOCA RATON, FLORIDA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(Unaudited)**

Fiscal Year	Population⁴	Personal Income (amounts expressed in thousands)³	Per Capita Personal Income⁵	Median Age³	Education Level in Years of Schooling	School Enrollment²	Unemployment Rate¹
2011	84,392	\$ 6,026,770	\$ 71,414	45	13	13,188	9.7%
2012	85,413	6,133,166	71,806	45	13	12,998	9.0%
2013	86,041	6,028,635	70,067	45	13	13,235	7.6%
2014	86,647	6,125,856	70,699	45	13	13,243	6.3%
2015	87,766	6,204,968	70,699	45	13	13,737	5.2%
2016	88,275	6,495,892	73,587	45	13	13,861	4.8%
2017	91,797	4,756,186	51,812	46	13	13,535	4.3%
2018	93,417	5,190,155	55,559	47	13	13,450	3.3%
2019	94,488	5,593,028	59,193	47	13	13,448	2.2%
2020	95,139	5,815,657	61,128	47	13	13,371	7.0%

Source¹: Bureau of Labor Statistics for Miami-Fort Lauderdale-West Palm Beach, FL Metropolitan Statistical Area

Source²: 2020 School Enrollment Information - www.Palmbeachschools.org

Source³: U.S. Census Bureau - Median Age (ACS 5-Year Estimate)

Source⁴: Bureau of Economic and Business Research (BEBR)

Source⁵: U.S. Census Bureau - Per capita income in past 12 months (ACS 5-Year Estimate)
Years 2015-2019 reflect median household income

**CITY OF BOCA RATON, FLORIDA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
(Unaudited)**

Employer	2020 ¹			2011 ²		
	Number of Employees	Rank	Percentage of Total City Employment	Number of Employees	Rank	Percentage of Total City Employment
Florida Atlantic University	2,898	1	2.74%	2,706	1	3.03%
Boca Raton Regional Hospital	2,800	2	2.65%	2,250	2	2.52%
Office Depot (Headquarters)	2,000	3	1.89%	2,250	2	2.52%
City of Boca Raton	1,513	4	1.43%	1,267	5	1.42%
Boca Raton Resort and Club	1,376	5	1.30%	1,800	4	2.02%
Johnson Controls / Tyco (Hdqtrs)	741	6	0.70%	700	8	0.78%
International Bus. Machines (IBM)	600	7	0.57%	600	9	0.67%
ADT Security Services (Headquarters)	500	8	0.47%			
US Foods	374	9	0.35%			
Newell Brands - Appliances and Cookware Division (Hdqtrs)	350	10	0.33%			
National Council of Comp Ins (NCCI)				800	6	0.90%
Prime Management Group Inc				750	7	0.84%
Applied Card Systems				550	10	0.62%
TOTAL	<u>13,152</u>		<u>12.44%</u>	<u>13,673</u>		<u>15.32%</u>
Total City Workforce³	<u>105,701</u>			<u>89,258</u>		

¹Source of 2020 data: PBC Business Development Board

²Source of 2011 data: 2011 City of Boca Raton CAFR

³Source of Workforce Data: U.S. Census Bureau, LEHD Origin-Destination Employment Statistics Data (2002-2018)

CITY OF BOCA RATON, FLORIDA
FULL-TIME EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS
(Unaudited)

Function/Program	Fiscal Years									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General government	155	159	159	165	184	202	217	239	249	255
Public safety										
Police										
Officers	198	198	198	198	198	203	211	216	208	208
Civilians	97	97	97	97	97	99	105	106	115	119
Fire										
Firefighters and officers	205	205	205	205	205	209	226	232	226	238
Civilians	10	11	11	11	11	11	12	14	21	21
Highways and streets										
Engineering	9	9	9	8	8	8	12	13	16	16
Maintenance	17	16	16	16	16	16	19	19	20	20
Sanitation	52	49	46	46	46	46	50	52	52	57
Culture and recreation	273	281	296	299	314	355	377	384	392	396
Water/sewer	165	166	164	164	167	168	174	174	174	180
Stormwater	11	11	11	11	11	11	11	11	10	11
Information technology	24	25	27	30	35	38	42	47	48	48
Motor pool	12	12	12	13	13	14	14	14	16	16
Golf course	24	23	23	23	23	23	23	23	23	23
Cemetery	5	5	5	5	5	5	6	6	6	6
Total	1,257	1,267	1,279	1,291	1,333	1,408	1,499	1,550	1,576	1,614

Source: City of Boca Raton Approved Budget Document 2020-2021

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OPERATING INFORMATION

This section is intended to provide contextual information about a government's operations and resources to assist readers in using financial statement information to understand and assess a government's economic condition.

CITY OF BOCA RATON, FLORIDA
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(Unaudited)

<u>Function/Program</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Governmental activities:			
General government			
Bond ratings - G.O. bonds			
Moody's	Aaa	Aaa	Aaa
Standard & Poor's	AAA	AAA	AAA
Fitch	AAA	AAA	AAA
Building permits issued	6,738	7,542	8,150
Law enforcement			
Physical arrests	2,948	2,939	2,992
Parking violations	1,624	958	639
Traffic violations	26,393	25,985	31,481
Fire rescue			
Number of calls answered	15,762	16,192	15,737
Inspections	7,202	5,855	7,131
Transportation			
Streets resurfacing (miles)	0	18	20
Potholes repaired (tons)	14	11	10
Physical environment			
Refuse collection(tons/daily)	123	112	132
Recyclables collected (tons/daily)	19	25	18
Vegetation Collected (tons/daily)	0	0	0
Bulk Trash Collected (tons/daily)	0	0	0
Parks & recreation			
Athletic field permits issued	8,381	8,698	9,185
Community center admissions	456,238	456,802	450,381
Tennis participation	191,877	188,231	189,477
Camp programs	3,667	3,093	3,097
Aquatics participation programs	62,374	57,749	59,024
Business-type activities:			
Water			
New connections (excl Iris)	86	147	80
Water mains breaks	33	130	85
Average daily consumption (thousands of gallons)	34,700	31,630	30,490
Active accounts	36,200	36,375	34,522
Sewer			
Average daily sewage treatment (thousands of gallons)	12,520	13,656	12,345
Active accounts	32,973	33,141	33,018
Golf courses			
Annual golf permits	80	72	64
Golf participation	105,055	107,037	108,453

Source: Various City Departments

The unit quantity for potholes repaired is tracked in tons instead of each as a unit of production starting in 2010.

2014	2015	2016	2017	2018	2019	2020
Aaa AAA AAA	Aaa AAA AAA	Aaa AAA AAA	Aaa AAA AAA	Aaa AAA AAA	Aaa AAA AAA	Aaa AAA AAA
7,578	8,065	8,211	9,460	10,165	9,827	10,874
3,057	3,745	2,844	3,026	2,200	1,760	1,116
677	373	264	212	155	162	236
41,097	37,127	37,795	29,823	22,298	21,870	9,138
16,310	17,275	18,372	18,386	17,602	18,235	15,860
4,451	5,294	5,542	4,479	9,176	7,756	7,089
9	7	2	1	15	11	17
5	4	3	14	12	1	17
136	139	140	131	106	108	160
17	16	16	16	16	16	23
0	0	0	0	0	0	54
0	0	0	0	0	0	9
9,395	9,150	9,479	9,161	8,813	8,884	7,461
453,848	458,030	430,438	471,451	490,547	459,568	203,402
196,156	203,465	193,023	185,961	180,768	182,270	118,348
3,271	2,899	3,388	3,357	3,611	4,182	554
56,830	58,125	55,629	46,679	52,065	60,217	38,586
77	30	77	123	89	29	33
58	33	34	35	27	29	29
32,481	34,530	33,505	34,484	35,873	35,306	33,106
36,800	36,488	36,561	36,676	36,802	36,857	36,919
14,180	13,269	13,635	13,440	13,140	12,260	13,354
33,262	33,492	33,571	33,690	33,773	33,787	33,807
55	50	41	40	34	34	32
106,122	106,162	98,744	98,223	94,557	99,624	87,976

CITY OF BOCA RATON, FLORIDA
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(Unaudited)

<u>Function/Program</u>	<u>Fiscal Years</u>									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Governmental activities										
Law enforcement										
Police stations/substations	2	2	2	2	2	2	3	3	3	2
Patrol units	230	230	230	293	229	278	282	284	284	284
Fire rescue										
Fire stations	8	8	8	8	8	8	8	8	8	8
Fire rescue units	33	33	33	33	33	34	35	35	35	35
Physical environment										
Sanitation-collection trucks	35	35	35	35	40	41	45	51	53	49
Transportation										
Street (miles)	219	218	220	220	220	220	220	220	220	220
Street lights	857	857	863	863	863	863	1,082	1,082	1,082	1,082
Traffic signals	136	136	136	136	136	137	138	138	138	139
Lane miles	486	485	487	487	487	487	487	487	487	487
Parks and recreation										
Park acreage	551	636	636	636	638	658	658	660	660	687
Parks	31	32	32	32	32	32	42	43	43	44
Swimming pools	2	2	2	2	2	2	2	2	2	2
Tennis centers	3	3	3	3	3	3	3	3	3	3
Community centers	3	3	3	3	3	3	3	3	3	3
Public libraries	2	2	2	2	2	2	2	2	2	2
Public beaches (miles)	2	2	2	2	2	2	2	2	2	2
Business-type activities										
Water										
Water mains & service lines(miles)	546	560	560	705	706	706	706	708	675	672
Fire hydrants	5,421	5,503	5,567	5,567	5,512	5,498	5,513	5,646	5,651	5,657
Maximum daily capacity (thousands of gallons)	70	70	70	70	70	70	70	70	70	70
Sewer										
Sanitary sewers & service laterals (miles)	512	513	516	604	591	591	591	591	607	618
Maximum daily treatment capacity (thousands of gallons)	18	18	18	18	18	18	18	18	18	18
Waste water pumping stations	236	238	240	239	240	241	241	241	242	242
Cemetery	1	1	1	1	1	1	1	1	1	1
Golf courses	3	3	3	3	3	3	3	3	3	2
Storm water utilities										
Storm sewer(miles)	99	100	100	100	100	100	100	100	100	100

Sources: Various City Departments

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

CITY OF BOCA RATON, FLORIDA
COMPLIANCE REPORTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

CITY OF BOCA RATON, FLORIDA

TABLE OF CONTENTS

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 <i>Government Auditing Standards</i>	200-201
Independent Auditors' Report on Compliance for the Major Federal Program; Report on Internal Control over Compliance; And Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance	202-204
Schedule of Expenditures of Federal Awards	205
Notes to the Schedule of Expenditures of Federal Awards	206
Schedule of Findings and Questioned Costs.....	207-208
Management Letter in Accordance with the Rules of the Auditor General of the State of Florida	209-211
Independent Accountants' Report on Compliance Pursuant to Section 218.415 Florida Statutes	212

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

To the Honorable Mayor, City Council and City Manager
City of Boca Raton, 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 accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Boca Raton, Florida (the City) as of and for the fiscal year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated March 29, 2021.

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 the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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.

Marcum LLP

West Palm Beach, FL
March 29, 2021

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR THE MAJOR
FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE;
AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
REQUIRED BY THE UNIFORM GUIDANCE**

To the Honorable Mayor, City Council and City Manager
City of Boca Raton, Florida

Report on Compliance for the Major Federal Program

We have audited the City of Boca Raton, Florida (the City) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the City's major federal program for the fiscal year ended September 30, 2020. The City's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

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

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

Opinion on the Major Federal Program

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the fiscal year ended September 30, 2020.

Report on Internal Control Over Compliance

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

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

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

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

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the City as of and for the fiscal year ended September 30, 2020, and have issued our report thereon dated March 29, 2021, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Marcum LLP

West Palm Beach, FL
March 29, 2021

CITY OF BOCA RATON, FLORIDA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

Federal Grantor, Pass-through Entity, Federal Program	Federal CFDA Number	Grant/Contract Number	Passed through to Subrecipients	Expenditures
U.S. Department of Justice:				
Direct Programs:				
Federal Equitable Sharing Agreement	16.922	N/A	\$ --	\$ 10,136
Bullet Proof Vest Partnership Program	16.607	N/A	--	45,111
Total U.S. Department of Justice			<u>--</u>	<u>55,247</u>
U.S. Department of Housing and Urban Development:				
Direct Programs:				
CDBG - Entitlement Grants Cluster:				
Community Development Block Grant (CDBG)	14.218	B-15-MC-12-0001	--	48,607
Community Development Block Grant (CDBG)	14.218	B-16-MC-12-0001	--	7,967
Community Development Block Grant (CDBG)	14.218	B-18-MC-12-0001	--	41,519
Community Development Block Grant (CDBG)	14.218	B-18-MC-12-0001	--	158,895
Total U.S. Department of Housing and Urban Development (Cluster)			<u>--</u>	<u>256,988</u>
U.S. Department of Homeland Security:				
Direct Program:				
Operation Stonegarden	97.067	2020-SFA-CL-50-A9-003	--	49,338
Indirect Program:				
Passed through State of Florida - Division of Emergency Management				
Disaster Relief Funding, Hurricane Irma	97.036	4337	--	5,277,701
Total U.S. Department of Homeland Security			<u>--</u>	<u>5,327,039</u>
Total Expenditures of Federal Awards			<u>\$ --</u>	<u>\$ 5,639,274</u>

CITY OF BATON RATON, FLORIDA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal activity of the City of Boca Raton, Florida (the City) under programs of the federal government for the fiscal year ended September 30, 2020. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position/fund balance or cash flows of the City.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE 3 – INDIRECT COST RATE

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

CITY OF BOCA RATON, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

SECTION I – SUMMARY OF AUDITORS’ RESULTS

Financial Statements

Type of auditors’ report issued on whether the
Financial statements audited were prepared in accordance
with GAAP:

Unmodified Opinion

Internal control over financial reporting:

Material weakness(es) identified?

___ Yes X No

Significant deficiency(ies) identified?

___ Yes X None reported

Non-compliance material to financial statements noted?

___ Yes X No

Federal Awards

Internal control over major program:

Material weakness(es) identified?

___ Yes X No

Significant deficiency(ies) identified?

___ Yes X None reported

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

Unmodified Opinion

Any audit findings disclosed that are required to be
reported in accordance with CFR 200.516(a)?

___ Yes X No

Identification of major program:

CFDA No.
97.036

Federal Program or Cluster
Division of Emergency Management –
Disaster Relief Funding, Hurricane Irma

Dollar threshold used to distinguish between Type A and
Type B programs – Federal

\$750,000

Auditee qualified as low-risk auditee pursuant to the
Uniform Guidance?

___ Yes X No

CITY OF BOCA RATON, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued)

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

SECTION II – FINANCIAL STATEMENT FINDINGS

None.

SECTION III – FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None.

SECTION IV – SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

There were no findings reported in the prior fiscal year.

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

To the Honorable Mayor, City Council, and City Manager
City of Boca Raton, Florida

Report on the Financial Statements

We have audited the financial statements of the City of Boca Raton, Florida (the City), as of and for the fiscal year ended September 30, 2020, and have issued our report thereon dated March 29, 2021.

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 Requirements Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for 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*; Independent Auditors' Report on Compliance for The Major Federal Program; Report on Internal Control over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance; Schedule of Findings and Questioned Costs and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated March 29, 2021, 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 has made these disclosures in the notes to the financial statements.

Financial Condition and Management

Sections 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 to identify of the specific condition(s) met. In connection with our audit, we determined that the City did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

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

Special District Component Units

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

Additional Matters

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

Purpose of this Letter

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

Marcum LLP

West Palm Beach, FL
March 29, 2021

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

To the Honorable Mayor, City Council and City Manager
City of Boca Raton, Florida

We have examined the City of Boca Raton, Florida (the City)'s compliance with Section 218.415 Florida Statutes, Local Government Investment Policies for the fiscal year ended September 30, 2020. 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 the specified requirements.

In our opinion, the City complied, in all material respects, with Section 218.415 Florida Statutes for the fiscal year ended September 30, 2020.

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

Marcum LLP

West Palm Beach, FL
March 29, 2021