

Annual Comprehensive Financial Report

City of Oakland Park, Florida

A City on the Move!



*For Fiscal Year Ended
September 30, 2023*

ENGAGED • INSPIRED • UNITED



Annual Comprehensive Financial Report

of the



Fiscal Year Ended September 30, 2023

Prepared by the
Financial Services Department

CITY OF OAKLAND PARK, FLORIDA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

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INTRODUCTORY SECTION



March 31, 2024

The Honorable Mayor, City Commissioners, and
Citizens of the City of Oakland Park:

It is our pleasure to submit the Annual Comprehensive Financial Report of the City of Oakland Park, Florida (the “City” or “Oakland Park”), for the fiscal year ended September 30, 2023, according to Section 218.39 of the Florida Statutes and City Charter. The financial statements included in this report conform to the generally accepted accounting principles in the United States (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). The responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. The financial statements have been audited by BCA Watson Rice LLP, Certified Public Accountants. The independent auditor has issued an unmodified opinion that provides a reasonable basis for an opinion that the City's basic financial statements are materially and fairly presented and comply with all reporting standards noted above.

The contents of the financial report have been influenced by compliance with GASB pronouncements, including GASB Statement 34 which requires the preparation of government-wide financial statements on a full accrual basis of accounting for all funds as well as the Management’s Discussion and Analysis (MD&A). The MD&A can be found immediately following the independent auditor’s report.

The Reporting Entity and Services

The City was originally incorporated as the Town of Floranada in 1925 and was reincorporated as the City of Oakland Park on June 7, 1929. The City’s Charter was adopted by the State Legislature on July 15, 1959. The City operates under the Commission-Manager form of government wherein five members, one of whom is the Mayor, are elected at large. The City Commission determines the policies that guide the City’s operations by hiring a City Manager to implement and administer these policies on a full-time basis.

Per GASB Statement No. 14, as amended by GASB No. 61, the City has included the Oakland Park Community Redevelopment Agency (CRA), a blended component unit, in its report since the City is financially accountable for and can impose its will on the agency or there is a potential for the agency to provide specific financial benefits to, or impose specific financial burdens on, the City. The nature and significance of its relationship with the City are such that exclusion of the CRA would cause the City’s financial statements to be misleading or incomplete.

Oakland Park provides a full range of municipal services including fire, emergency medical, and police services (contracted through the Broward Sheriff’s Office), parks and leisure facilities, solid waste collection, water/wastewater, and stormwater management. Oakland Park is one of the few cities in Broward County that operates its own library, a wonderful resource for City residents. Oakland Park is also home to many wonderful parks, such as City Park, Royal Palm Park, Jaco Pastorius Park and Veterans Park which overlooks beautiful Blue Heron Lake. In addition, Oakland Park has many beautiful lakes, waterways and canals running through the City, making it an attractive place to live, work, and play.

Economic Condition and Outlook

The City of Oakland Park comprises approximately eight square miles and is located in the eastern portion of central Broward County, a major metropolitan area. Numerous major attractions are situated near the City, such as the Broward Center for Performing Arts and the Broward Convention Center, with the Atlantic Ocean less than three miles away. Local businesses benefit from the sizeable tourist trade the region generates. Residents and visitors have many transportation resources available, access to all major airlines at three nearby international airports, as well as access to rail service, shipping ports, and interstate highways. The new Major League Soccer team Inter Miami CF’s practice stadium and training facility has just finished construction and the team’s first match was played in March 2020; this stadium is located directly across from Oakland Park’s northwestern city limits in Fort Lauderdale and is expected to further enrich local business. Residents and visitors have many transportation resources available, access to all major airlines at three nearby international airports, as well as access to rail service, shipping ports, and interstate highways. Oakland Park is one of the stops under consideration for a new passenger rail station that is anticipated to be located in the heart of the City’s downtown and culinary arts district.

According to the most recent estimates from the U.S. Census Bureau, Oakland Park, is home to an estimated 44,950 residents. The City is diverse, 37.0% of our residents are White, 28.6% are Black, 2.3% are Asian, Hispanic and Latino residents of any race are 30.2%, and the remaining population reports other races (e.g. Native American). Approximately 34.1% of the population was born outside the United States. Close to 56% of our residents are under the age of 45 with the median age being approximately forty-one (41) years old. Although Oakland Park is primarily a residential community with slightly over 40% of land use dedicated to residential uses, the City also has a relatively high proportion devoted to commercial, light industrial, and community facility uses close to 20%. Further, a significant amount of land use, nearly 40%, is dedicated to parks, roads, waterways, canals, and lakes.

The unemployment rate in Broward County at the end of FY 23 was at 3.0% or four (4) percentage points higher than last year’s rate of 2.6%. The South Florida region’s jobless rate was lower at 2.4% and the State of Florida, as a whole was at 2.8%. While there was a slight increase in the unemployment rates as of the end of FY 2023 as compared to prior year, changes in unemployment rates can be attributed to a variety of economic factors, including shifts in the labor market, changes in industry demand, population growth, and broader economic conditions. The Building Division of the Engineering and Building Services Department processed 4,823 permit applications of which 4,394 permits were processed of which 3,536 were issued. The job construction value of permits issued was \$52.47 million, a decrease of \$183.74 million from last year. Job value was negatively by certain large residential, commercial, and mixed-use projects that sought permits in the previous years nearing completion. It is anticipated that forward, will remain at current levels.

The real property taxable value high growth trend was unaffected by the pandemic. and has reached the highest point in the City’s history. The City’s tax base is comprised of 65.4% residential, 19.3% commercial, 14.0% industrial use, and 1.3% miscellaneous. The value of new construction, together with the taxable value of the property located within Oakland Park, over the past ten (10) years is shown below:

<u>Year</u>	<u>(\$ millions)</u> <u>Construction Value</u>	<u>(\$ billions)</u> <u>Property Taxable Value</u>
2014	34.4	2.2
2015	39.4	2.3
2016	84.3	2.5
2017	107.3	2.7

Economic Condition and Outlook (continued)

<u>Year</u>	<u>(\$ millions)</u> <u>Construction Value</u>	<u>(\$ billions)</u> <u>Property Taxable Value</u>
2018	64.5	3.0
2019	71.3	3.3
2020	52.5	3.5
2021	186.9	3.8
2022	236.2	4.3
2023	52.4	4.9*

* As shown above, the City’s property tax base is now at the highest level on record, at \$4.9 billion.

Major Initiatives

The City of Oakland Park has been aggressively pursuing funds to continue its revitalization program over the past several years. From drainage and roadway projects to park improvements and redevelopment, “A City on the Move” embraces the City Commission’s vision of an “Engaged, Inspired and United” community. The City is continuing its commitment to the revitalization program with plans for major improvements to roadways within the City, landscape and hardscape enhancements, recreational amenities and park improvements, and infrastructure upgrades such as improvements to the water, wastewater, and drainage systems.

The FY 2023 budget was developed to meet the City Commission’s strategic vision and maintains a steady pace of progress on a path to redefine, revitalize, and rebuild Oakland Park. The leadership of the City has consistently balanced the commitment to new initiatives and investments with an equal commitment to fiscal sustainability and stability that allows the City to continue to maintain taxes and rates at lower levels than its peer cities in Broward County. The City prepared and implemented a budget that continued to reduce operating millage while investing in the City’s future and provided the services needed to support Oakland Park’s residents and businesses

The City’s Capital Improvement Program captures the City’s commitment to initiatives and investments. The largest component of the City’s current Capital Improvement Program is Oakland Park’s *Building Our Second Century* initiative. The objective of the Building Our Second Century initiative is to rebuild and modernize the City’s facilities before the 100-year anniversary of Oakland Park’s founding in 1929. The program is funded by the \$40 million General Obligation Bond which was approved by over two-thirds voters in 2018, grants, and other sources. This initiative is matched by other major capital efforts, including the construction of a new Public Works Facility which will allow for the consolidation of all Public Works operations at one location. In addition to the consolidation of operations, the relocation of Public Works will free up vital space within the heart of the City to allow for the further development of the City Park project and allow the City to continue to add to the park space inventory. A major component of these efforts is to create sustainable and resilient municipal facilities that are ready to face the challenges of natural disasters, such as sea-level rise and hurricanes, while also providing the opportunity to create a unique architectural style to establish a sense of place for Oakland Park.

The Capital Improvement Program (CIP) provides projects that promote a sustainable future through enhancements to our City parks and other above-ground beautification improvements that promote multi-modal transportation. Many of the mobility improvements shown in the CIP are funded through grants and Broward County Surtax proceeds. The City completed its Stormwater System Master Plan (SSMP) in May

Major Initiatives (continued)

2022 identifying numerous capital improvements that were included in the City’s CIP budget. The City’s SSMP incorporates climate change and sea level changes through 2060 into project improvements to address the issues that are considered part of the City’s long-term capital improvement plan. As the City’s 100-year anniversary nears, the community remains committed to funding and making the capital investments needed to keep the City thriving for another 100 years.

Changes to Financial Policies and Long-Term Financial Planning

City management 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.

As a recipient of federal, state and local financial assistance, the government is also responsible for ensuring that an adequate internal control structure is in place to ensure and document compliance with applicable laws and regulations related to these programs. This internal control structure is subject to periodic evaluation by management. In addition, the City maintains extensive budgetary controls and maintains an encumbrance accounting system. The objective of these controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Commission. A five-year capital improvement plan is also provided to City Commission with the current year of the capital plan appropriated by the City Commission, similar to the other funds.

The City Commission has adopted financial policies that have an ongoing impact on City-wide operations and has established the framework for sound financial management. These policies are presented to the Commission for review as part of the final budget hearing. These fiscal policies provide guidelines for budgeting, fund balance, accounting records, investment and debt management. As part of the approved fiscal year 2023 budget, the City Commission adopted limited changes to these policies to include provisions for the City's compliance with changes to Section 218.39, Florida Statutes regarding the selection of external auditors to perform annual financial audits.

It can be recalled that during the general election in November 2018, about two-thirds of the residents approved the issuance of a \$40-million General Obligation (G.O.), an indebtedness that is payable from ad valorem taxes on all taxable real and tangible personal properties within the City. The G.O. Bonds were issued in June 2020 (\$26 million) and February 2022 (\$14 million) and these will be used to fund the modernization of the City facilities such as the three (3) fire rescue stations, the municipal library, the community centers and City Park. The debt service supporting this final tranche was incorporated into the FY 2023 debt service millage rate.

On October 20, 2022, the City entered into a loan agreement with Truist Bank and issued a promissory note for \$1.5 million to finance the purchase of solid waste trucks. The loan bears an interest rate of 3.21% per annum with the principal payable in seven (7) years maturing on October 5, 2029. The costs of this loan was contemplated as part of the solid waste rate study that occurred during FY 2022, which resulted in planned adjustments of rates for FY 2023.

Changes to Financial Policies and Long-Term Financial Planning
(continued)

The City’s long-term planning is largely rooted in the Commission’s strategic plan. In FY 2021, the City Commission committed to holding a workshop to review the Strategic Plan’s Strategic Performance Areas. After some delays related to COVID-19, the workshop was held in October 2021 and based on the input from the public and Commission, the City’s Strategic Performance Areas were revised, updated, and expanded in the Spring of 2022.

Under the City Commission’s guidance, seven (7) Strategic Performance Areas (SPAs) have been identified:

- Financial Stability and Sustainability
- Infrastructure Needs
- Smart Growth and Development
- Community Wellness and Recreation
- Public Safety and Community Integrity
- Oakland Park’s Identity
- Environmental Stewardship and Sustainability

Six of the performance areas reflect updated versions of older elements, whereas the Environmental Stewardship and Sustainability performance area is a brand-new addition. Each of the above-mentioned areas has its performance goals and key intended results. The actions taken by the City reflect progress toward these goals. To effectuate the strategic plan, a business plan is developed as part of the budget to focus on furthering these strategic goals. In FY 2023, the City committed to over two hundred (200) business plan initiative (BPI) activities at a cost of approximately \$7.7 million. Major components of the program included funding for a Water & Sewer Master Plan, an ambitious replacement of City vehicles, updates to the City’s Comprehensive Plan, a West Oakland Park redevelopment study, new Fire Rescue apparatuses, cybersecurity enhancements, new sustainability initiatives, business development and marketing, and funding for non-profits among others.

The strategic positioning of Oakland Park and investment in Oakland Park is booming. Home values continue to grow faster than the countywide average and new construction continues to redefine the City, providing new housing and business opportunities. More than \$400 million in new residential and mixed-use developments are anticipated to be completed in the coming years. Oakland Park’s Centennial will occur in 2029 and we are actively “Building Our Second Century” through public investment. Including projects underway today, well over \$130 million in capital improvements are planned over the next five years. These projects will enhance the resiliency of our infrastructure and our community, improve recreational opportunities for residents, beautify the City, and more.

The investment in Oakland Park has added new properties to the take rolls and grown the values of existing properties. During the last recession, the City’s tax base was reduced by more than a third, from \$3.54 billion in FY 2008 to \$2.10 billion in FY 2013 – a loss of more than \$1.4 billion. FY 2023 marked ten years of consecutive growth in the City’s tax base and the total taxable value for FY 2023 was \$4.5 billion. For the development of the City’s FY 2024 budget, the total taxable value now was assessed at \$5.07 billion, the highest valuation in the City’s history.

Changes to Financial Policies and Long-Term Financial Planning (continued)

These positive trends bode well for the long-term financial health of the City and continued growth in the taxbase is expected as the City increasingly sees larger proposed development and redevelopment projects that are anticipated to bring mixed-use buildings to the City's downtown area and along major corridors, in addition to expanding the City's tax base. There are currently over 1,000 new residential units that are currently permitted, under construction, or have their site plans approved.

The development trend is expected to continue for Oakland Park, particularly in the City's downtown area. Investment in the downtown area is accelerating, with two mixed-use projects currently in development. The downtown area was also recommended as one of the potential stops for the Tri-Rail Coastal Link passenger service in the 2019 Regional Planning Council Station Area Master Plan. In August 2020, the City Commission adopted a resolution to express support for a commuter rail platform to be located in the downtown area, which would positively enhance City's economy, encouraging investment and attracting more interest in development. The City is directly promoting the downtown through the strategic use of City properties in the area. Long-time vacant lots along Dixie Highway owned by the City are now part of an approved public-private partnership that will see the development of a two-building mixed-use development linked by a bridge. The new development, dubbed "Sky" will bring structured parking, office, commercial, and residential to the downtown. The City will also relocate City Hall operations into the 1st floor and the top story of the South building. Funding for the City's tenant improvements are estimated at approximately \$10 million and on February 29, 2024 the City closed on financing with TD Bank to fund the cost of these improvements. The financing consisted of a \$8.7 million taxable loan with an interest rate of 5.01% and a tax-exempt loan of \$1.56 million with an interest rate of 3.96%. Both loans reach final maturity on July 15, 2028. To ensure financial flexibility, both loans allow for penalty free pre-payment of up to 25% of the outstanding principal every year.

The land housing the current City Hall is also located in the downtown area; with the movement of City operations to the Sky Building, this land will be freed up for additional redevelopment. This area for redevelopment is immediately adjacent to the area identified as a future commuter rail stop along the Florida East Coast Railway line. In 2022, the City Commission approved a development agreement that provides for the sale of City property on this site to create a new downtown mixed-use development. This development, dubbed "Horizon of Oakland Park" includes residential and commercial uses, entertainment space, a Woonerf (living street), commuter rail platform enhancements, and more. Existing park amenities will not be lost, as the current Greenleaf Park will be recreated immediately adjacent to the new development. Proceeds from the sale of the property are planned to be available to reduce the outstanding principal of the Sky Building.

Diligent monitoring of City finances never ceases. Operations and staffing are reviewed frequently to find additional efficiencies and cost savings. The City continues to adjust assessments and other rates as needed to maintain the stability of operations and maintain momentum for implementing long-range plans, including ones related to infrastructure improvements. Adopted budgets remain fiscally conservative and budget amendments are prepared to accommodate unanticipated changes. Through careful planning and investments, the City is prepared to go the distance needed to achieve its goals: Oakland Park is truly a City on the Move.

Independent Audit

In accordance with Florida Statutes Section 218.39, the City has engaged the firm of BCA Watson Rice LLP to perform the independent audit of the City's financial statements. The Independent Certified Public Accountant's report is included in the financial section of this Annual Comprehensive Financial Report.

Awards

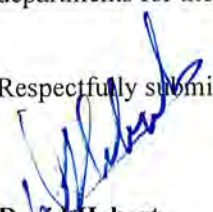
The Governmental Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its Annual Comprehensive Financial Report for the fiscal year ended September 30, 2022. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for the preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Annual Comprehensive Financial Report, whose contents conform to program standards. This report must satisfy both generally accepted accounting principles in the United States and applicable legal requirements.

A Certificate of Achievement is valid for one year only. We believe that our current 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.

Acknowledgments

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Financial Services Department and the City's audit firm, BCA Watson Rice LLP. We express our appreciation to them for their support in planning, conducting, and attesting to the financial operations of the City responsibly and progressively. We would also like to thank the various operating departments for their timely contributions in the writing of this report.

Respectfully submitted,

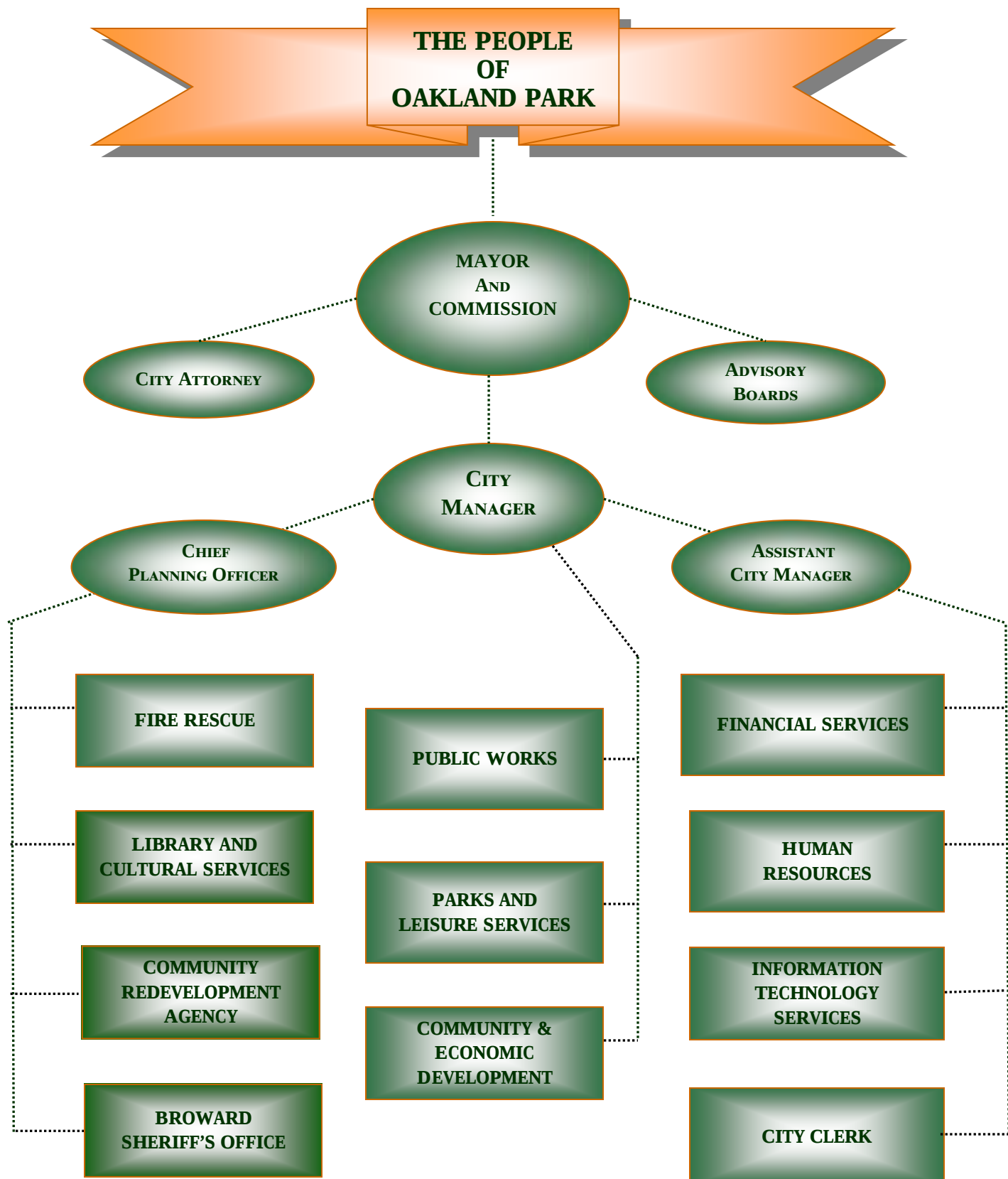


David Hebert
City Manager



Andrew Thompson, CGFO
Chief Financial Officer

CITY OF OAKLAND PARK ORGANIZATIONAL CHART



CITY OF OAKLAND PARK, FLORIDA

Commission - Manager Form of Government

LIST OF CURRENT PRINCIPAL OFFICIALS

CITY COMMISSION

MITCH ROSENWALD

Mayor

TIM LONERGAN

Vice Mayor

STEVEN ARNST

Commissioner

AISHA GORDON

Commissioner

LETITIA NEWBOLD

Commissioner

SENIOR EXECUTIVE TEAM

DAVID HEBERT

City Manager

DONALD J. DOODY

City Attorney

ALLYSON LOVE

Assistant City Manager

ANDREW THOMPSON, CGFO

Chief Financial Officer

ANA ALVAREZ

Chief Planning Officer

RENEE SHROUT

City Clerk

STEPHEN SCOTT

Human Resources Director

STEPHEN KRIVJANIK

Fire Chief

HEIDI BURNETT

Library & Cultural Services Director

ALBERT CARBON

Public Works Director

BRYNT JOHNSON

Engineering and Building Services Director

BRAD OSTROFF

Parks & Leisure Services Interim Director

PETER SCHWARZ

Community and Economic Development Director

ANA MURILLO-QUIGLEY

Police Chief - BSO



Government Finance Officers Association

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

Presented to

**City of Oakland Park
Florida**

For its Annual Comprehensive
Financial Report
for the Fiscal Year Ended

September 30, 2022

Christopher P. Morill

Executive Director/CEO



OUR VISION

Oakland Park – A hometown choice for excellence in people, public service, and community.

OUR MISSION

We strive every day to deliver – in a friendly, courteous, reliable, and responsive manner – a diverse set of efficient and effective City services that exceed the expectations of our residents, businesses, and employees.

OUR VALUES

Our actions are guided by the following principles:

RESPECT

We value all members of our diverse community and will treat everyone with the highest respect.

INTEGRITY

The highest standards of honesty and fairness are the foundations of all policies and decisions.

SERVICE

We work together to satisfy the needs of our entire community in the most effective and efficient way possible.

EXCELLENCE

We are committed to excellence through hard work, innovation, creativity, and continuous improvement.

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT



3350 SW 148th Avenue, Suite 127 phone: 954.847.1600
Miramar, FL 33027 fax: 800.698.1440
www.watsonrice.com

INDEPENDENT AUDITOR’S REPORT

Honorable Mayor and
Members of the City Commission
City of Oakland Park, Florida

Opinions

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 Oakland Park, Florida, as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City of Oakland Park, Florida’s basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Oakland Park, Florida, as of September 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Pension Trust Funds for the Police and Firefighters Pension Plan, which represent 60 percent, 59 percent, and 67 percent, respectively, of the assets, net position, and additions of the total Pension Trust Funds as of September 30, 2023, and the respective changes in financial position for the year then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Pension Trust Funds for the Police and Firefighters Pension Plan are based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to audits contained in Government Auditing Standards issued by the Comptroller General of the United States (Government Auditing Standards). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Oakland Park, Florida, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of a Matter

As discussed in Notes 1.d.11 to the financial statements, the City adopted Governmental Accounting Standards Board (GASB) Statement No. 96, Accounting for Subscription-based Information Technology Arrangements (SBITA) as of October 1, 2022. As a result, the City recognized obligations for SBITAs with terms exceeding one year in the amount of \$771,374 in the statement of net position and \$1,039,602 as an other financing source in the statement of revenues, expenditures and changes in fund balances (includes any renewal and cancellation periods representing the future payments that the City is obligated to make in exchange for access to software through the subscription-based service). The liability is measured at its present value taking into account the total contractual payments and its applicable discounts or incentives provided by the arrangements. Our opinions are not modified with respect to this matter”.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States (Government Auditing Standards), we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Oakland Park, Florida's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Oakland Park, Florida's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting

for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

Other Information

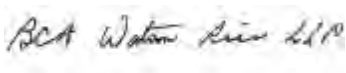
Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor’s report thereon. Our opinions on the basic financial statements do not cover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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 2024 on our consideration of the City of Oakland Park’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 of Oakland Park’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 of Oakland Park’s internal control over financial reporting and compliance.

Miramar, Florida
March 31, 2024



MANAGEMENT'S DISCUSSION AND ANALYSIS

Rounding Disclaimer:

Due to rounding, numbers presented in the succeeding pages may not add up precisely to the totals provided, and percentages may not precisely reflect the absolute figures.

CITY OF OAKLAND PARK, FLORIDA

MANAGEMENT’S DISCUSSION AND ANALYSIS FISCAL YEAR 2023

The management of the City of Oakland Park (the “City”) has included this section in the Annual Comprehensive Financial Report (ACFR) in accordance with the Governmental Accounting Standards Board (GASB) Statement No. 34. It is intended to provide readers of this report with a general overview of the financial activities of the City during fiscal year 2023. The information in this section should be considered in conjunction with additional information that is furnished in the letter of transmittal, the City’s financial statements, the notes to financial statements, and other required supplemental information.

This discussion and analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the City’s financial activity, (c) identify changes in the City’s financial position, (d) identify any material deviations from the financial plan, and (e) identify individual fund issues or concerns. The information contained within this section should be considered only a part of a greater whole. Due to rounding, minor differences may appear between the numbers used in the analyses and the condensed financial information.

FINANCIAL HIGHLIGHTS

The following are the highlights of the financial condition and activities as of and for the fiscal year ended September 30, 2023:

- The City’s total assets plus deferred outflow of resources exceeded its total liabilities plus deferred inflow of resources by \$212.3 million. This amount represents the City’s total net position posting an increase of \$19.6 million or 10.2% over last year. Of this amount, the increase in the unrestricted portion of the net position is \$2.9 million or 9.0% over last year. This reflects the overall positive results of operations during the year for both governmental and business-like activities.
- For governmental activities, the City’s \$76.7 million revenues exceeded the \$67.2 million expenses. After a loss on sale of capital assets of about \$0.2 million, the resulting change in net position is \$9.5 million. The various factors contributing to the positive outcome are discussed further in the succeeding sections.
- The City’s business-type activities recognized \$42.4 million revenues and about \$32.3 million expenses posting a positive change in net position of \$10.1 million. This amount is \$6.9 million or 218.7% higher compared to last year partly due to the recognition of capital grants of about \$4.6 million.
- At the General Fund (GF) level, revenues surpassed the expenditures by about \$8.8 million. With other financing use of \$0.4 million, the net change in fund balance is \$8.3 million which is 7.5% higher than last year’s \$7.7 million. Included in this fiscal year’s change in fund balance is about \$2.6 million from the proceeds of the sale of certain capital assets, *primarily a piece of real estate property*, and \$1.0 million for the recognition of subscription-based information technology arrangements (SBITA) financing relative to the implementation of GASB Statement No. 96.
- The Oakland Park Community Redevelopment Agency (OPCRA), a fiscally dependent component unit of the City, increased its fund balance by \$0.1 million bringing its fund balance to about \$0.5 million. The OPCRA is primarily funded by operating transfers from the City.
- The Capital Projects Fund posted a decrease in fund balance of \$12.8 million as the City continues to spend funds for various construction and capital improvement projects. The various projects are funded by different sources such as transfers from the GF, capital grants and contributions, surtax funds, and the proceeds of the 40-million General Obligation (G.O.) bonds issued in the past couple of years.

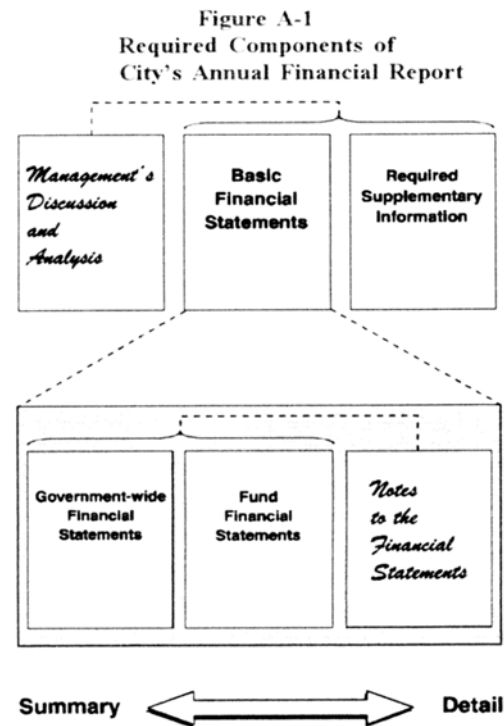
CITY OF OAKLAND PARK, FLORIDA

MANAGEMENT’S DISCUSSION AND ANALYSIS FISCAL YEAR 2023

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts—*management’s discussion and analysis* (this section), the *basic financial statements and the notes to the financial statements*, *required supplementary information* and an additional section that presents *combining statements* for nonmajor governmental funds and capital assets used in the operations of governmental activities. The basic financial statements include two kinds of statements that present different views of the City:

- The first two statements are *government-wide financial statements* that provide both long-term and short-term information about the City’s overall financial status.
- The remaining statements are *fund financial statements* that focus on individual parts of the City government and reports the City’s operations in more detail than the government-wide statements.
 - *Governmental funds* statements tell how general government services, such as parks and recreation, were financed in the short term as well as what remains for future spending.
 - *Proprietary funds* statements offer short-term and long-term financial information about the activities the government operates like businesses, such as utilities (water and sewer), solid waste and stormwater systems.
 - *Fiduciary funds* statements report assets held in a trustee capacity for others and, therefore, cannot be used to support the government’s own programs.



The financial statements also include *notes* that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of *required supplementary information* that further explains and supports the information in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and are related to one another.

In addition to these required elements, we have included a section with the combining statements that provide details about our nonmajor governmental funds, each of which is added together and presented in single columns in the basic financial statements.

CITY OF OAKLAND PARK, FLORIDA

MANAGEMENT’S DISCUSSION AND ANALYSIS FISCAL YEAR 2023

OVERVIEW OF THE FINANCIAL STATEMENTS (continued)

Government-wide financial statements: The *government-wide financial statements* are designed to provide readers with a broad overview of the City’s finances similar to a private-sector business.

The *Statement of Net Position* presents information on all of the City’s assets and deferred outflows and total liabilities and deferred inflows, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *Statement of Activities* presents information showing how the City’s net position changed during the most recent fiscal year. All changes are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) and from other functions that are intended to recover all or a significant portion of their costs through user fees and charges for services (*business-type activities*). The government activities of the City of Oakland Park include public works, engineering, parks and recreation, library, community development, fire rescue, community enhancement, police services provided by the Broward’s Sheriff Office, and general administration services. The business-type activities of the City include the water and sewer systems, the solid waste operations and the stormwater system. The government-wide financial statements are on pages 25 and 26 of this report.

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

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds and governmental activities*.

CITY OF OAKLAND PARK, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR 2023

OVERVIEW OF THE FINANCIAL STATEMENTS (continued)

The City of Oakland Park maintains several individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund which is always considered to be a major fund. The CRA Fund, although quantitatively non-major, is presented as a major fund. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report. Budgetary comparison statements have been provided for the General Fund and the CRA Special Revenue Fund to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 27 to 30 of this report.

Proprietary funds: The City maintains one type of proprietary fund. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water and sewer, solid waste and stormwater operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary funds financial statements provide separate information for the water and sewer, solid waste and stormwater operations, all of which are considered to be major funds of the City.

The basic proprietary fund financial statements can be found on pages 31 to 33 of this report.

Fiduciary funds: Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on pages 34 to 35 of this report.

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 36 to 118 of this report.

Other information: In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information*, which includes information concerning the City's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on pages 119 to 137 of this report.

The combining statements referred to earlier in connection with non-major governmental funds is presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 138 to 145 of this report.

CITY OF OAKLAND PARK, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR 2023

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Our analysis of the financial statements of the City begins below. The Statement of Net Position and the Statement of Activities report information about the City's activities that will help answer questions about the position of the City. Both fiscal years 2023 and 2022 are presented for comparison.

Statement of Net Position:

As noted earlier, net position may serve as a useful indicator over time of a government's financial strength. The table below summarizes Oakland Park's net position as of September 30, 2023 and 2022:

	City of Oakland Park, Florida Net Position (In Thousands)					
	2023			2022		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Assets						
Current and other assets	\$ 96,235	\$ 44,995	\$ 141,230	\$ 107,796	\$ 40,975	\$ 148,771
Capital assets	111,466	129,849	241,315	94,047	120,982	215,029
Total assets	207,701	174,844	382,545	201,843	161,957	363,800
Deferred outflows of resources	21,935	3,584	25,519	30,564	4,660	35,224
Liabilities						
Accounts payable and other liabilities	20,536	8,264	28,800	28,039	4,911	32,950
Long-term liabilities	101,296	56,614	157,910	105,256	58,160	163,416
Total liabilities	121,832	64,878	186,710	133,295	63,071	196,366
Deferred inflows of resources	7,786	1,315	9,101	8,607	1,430	10,037
Net Position						
Net investment in capital assets	80,762	86,251	167,013	73,773	80,465	154,238
Restricted	9,550	1,159	10,709	5,605	1,105	6,710
Unrestricted	9,706	24,825	34,531	11,127	20,546	31,673
Total net position	\$ 100,018	\$ 112,235	\$ 212,253	\$ 90,505	\$ 102,116	\$ 192,621

CITY OF OAKLAND PARK, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR 2023

GOVERNMENT-WIDE FINANCIAL ANALYSIS (continued)

Statement of Net Position: (continued)

There are six (6) basic transactions that will affect the comparability of the Statement of Net Position summary presentation:

- 1) Net results of activities will impact current assets and unrestricted net position;
- 2) Borrowing for capital will increase current assets and long-term debt;
- 3) Spending or lack of spending of borrowed proceeds will affect current assets and capital assets;
- 4) Spending of non-borrowed current assets on new capital will reduce current assets, increase capital assets, reduce unrestricted net position, and increase net investment in capital assets;
- 5) Principal payment on debt will reduce current assets and long-term debt, and increase net investment in capital assets; and
- 6) Depreciation will reduce capital assets and the net investment in capital assets.

As can be seen in the table on the previous page, the City's total net position is \$212.2 million as of the end of FY 2023 reflecting an increase of \$19.6 million or 10.2% over last fiscal. This increase reflects an overall favorable operating results during the year. For instance, the City generated property taxes and interest income more than what was anticipated. This and other factors will be explained in more detail under the Statement of Activities section.

The City's total assets increased by \$18.7 million representing about 5.15% increase compared to last year. The largest growth is reflected in capital assets showing approximately \$26.3 million more or 12.2% higher than last year. This increase is due to the capital spending for various improvement projects that will modernize the City's facilities. The increase in capital assets is offset by a decrease in current and other assets by \$7.5 million or 5% less when compared to last year and that decrease in current assets is particularly evident in the cash account as funds are spent for the capital improvements.

Deferred outflow of resources decreased by \$9.7 million or 27.6% less than last year. This is primarily due to the changes relating to pensions. The City is contributing to three (3) pension plans, two of which are City-sponsored. The decrease in deferred outflow relating to pensions are made up of the following: General Employees Pension Plan (\$2.7 million), Police & Firefighters Retirement System (\$5.5. million) and the City's proportionate share from the Florida Retirement System (\$1.5 million).

The City's total liabilities decreased by about \$9.7 million or 4.9% less than the last fiscal year. A substantial portion of the decrease is attributable to some of the American Rescue Plan Act (ARPA) funds received in prior years (unearned revenues) which were realized as revenue relative to \$9.3 million of those ARPA funds being spent on projects during the year. In addition, the City made debt service payments totaling \$6.8 million during the year and a loan of \$1.5 million was issued for the purchase of solid waste vehicles effectively reducing the bank loans by a net of \$5.3 million. It can be noted that accounts payable ballooned by \$5.3 million driven by the ongoing construction and other capital improvement projects. Other notable changes in the liabilities include the recognition of subscription liability by about \$0.8 million, reduction of net pension liability by about \$1.0 million, decrease in accrued interest payable by \$0.3 million and recognition of arbitrage rebate payable of about \$0.1 million.

CITY OF OAKLAND PARK, FLORIDA

MANAGEMENT’S DISCUSSION AND ANALYSIS FISCAL YEAR 2023

GOVERNMENT-WIDE FINANCIAL ANALYSIS (continued)

Statement of Net Position: (continued)

Deferred inflow of resources decreased by \$0.9 million or 9.3% less than last year. This decrease is attributable to the changes in the pension plans. As mentioned in the previous page, the City is a sponsor of two (2) closed pension plans and currently contributing to the Florida Retirement System (FRS). The decrease in the deferred inflow relating to pensions is as follows: General Employees’ Pension Plan (\$0.4 million), Police & Firefighters Retirement System (\$0.5 million), and the City’s proportionate share in the Florida Retirement System (\$0.1 million).

The City’s net position is heavily weighted on its investment in capital assets such as lands, buildings, equipment and infrastructure. For fiscal year 2023, the net position in this category is 78.7% of the combined net position or \$167.0 million of which \$80.8 million is governmental activities and \$86.2 million is business-type activities. The City uses these capital assets to provide services to residents. Consequently, these assets are *not* available for future spending. It should be noted that the resources needed to repay the debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Another portion of the City’s combined net position are resources of the government that are not spendable or subject to external restrictions on how they may be used. This represents 5.0% of the combined net position and amounted to \$10.7 million. A large portion (\$9.5 million) of the restricted net position is identified with the governmental activities while the remainder (\$1.2 million) relates to business-type activities.

The remaining balance of the net position is the *unrestricted* which portion may be used to meet the government’s ongoing obligations and projects to residents and creditors. As of the end of FY 2023, the combined unrestricted net position is \$34.5 million or 16.3% of the total. Of this amount, the governmental activities accounts for 28.1% at \$9.7 million while business-type activities accounts for 71.9% at \$24.8 million.

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CITY OF OAKLAND PARK, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR 2023

GOVERNMENT-WIDE FINANCIAL ANALYSIS (continued)

Statement of Activities:

The following table reflects the City's revenues and expenses for fiscal year 2023 compared to fiscal year 2022, with the resulting change in net position:

City of Oakland Park, Florida Changes in Net Position (in Thousands)						
	2023			2022		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Revenues:						
Program revenues:						
Charges for services	\$ 16,209	\$ 36,194	\$ 52,403	\$ 17,167	\$ 32,865	\$ 50,032
Operating grants/contributions	2,904	-	2,904	1,833	2	1,835
Capital grants/contributions	3,993	4,563	8,556	774	-	774
General revenues						
Property taxes	28,502	-	28,502	24,665	-	24,665
Franchise fees	3,554	-	3,554	3,144	-	3,144
Utility taxes	5,941	-	5,941	5,214	-	5,214
Communication service taxes	1,373	-	1,373	1,330	-	1,330
Local option gas taxes	771	-	771	792	-	792
Local business taxes	143	-	143	519	-	519
Premium taxes	1,059	-	1,059	659	-	659
Transportation surtax	898	-	898	226	-	226
Intergovernmental	6,002	-	6,002	5,983	-	5,983
Investment earnings	4,812	1,711	6,523	806	249	1,055
Miscellaneous revenue	694	-	694	643	-	643
Total revenues	76,855	42,468	119,323	63,755	33,117	96,872
Expenses:						
General government	5,656	-	5,656	2,694	-	2,694
Public safety	35,868	-	35,868	32,434	-	32,434
Public works	9,476	-	9,476	8,804	-	8,804
Engineering & community development	7,947	-	7,947	7,094	-	7,094
Culture/recreation	6,527	-	6,527	5,313	-	5,313
Water & Sewer	-	20,368	20,368	-	19,157	19,157
Solid Waste	-	8,026	8,026	-	7,076	7,076
Stormwater	-	3,955	3,955	-	3,708	3,708
Interest on long-term debt	1,679	-	1,679	1,651	-	1,651
Total expenses	67,152	32,349	99,501	57,990	29,942	87,932
Increase in net position	9,513	10,119	19,632	5,765	3,175	8,940
Net position, beginning	90,505	102,116	192,621	84,740	98,941	183,681
Net position, end of year	<u>\$ 100,018</u>	<u>\$ 112,235</u>	<u>\$ 212,253</u>	<u>\$ 90,505</u>	<u>\$ 102,116</u>	<u>\$ 192,621</u>

CITY OF OAKLAND PARK, FLORIDA

MANAGEMENT’S DISCUSSION AND ANALYSIS FISCAL YEAR 2023

GOVERNMENT-WIDE FINANCIAL ANALYSIS (continued)

Statement of Activities: (continued)

The following information is presented to assist the reader in understanding the different types of factors that can affect the results of operations. Examples of events that may impact the revenues are as follows:

- 1) **Economic conditions** can reflect a declining, stable or growing environment and have a substantial impact on property, non-ad valorem assessments, sales, gas, or other tax revenues as well as consumer spending habits.
- 2) The City Commission has significant authority to set **increases or decreases in the City’s rates** (water, wastewater, stormwater, solid waste, fire assessment, permitting, user fees, etc.).
- 3) **Changing patterns in intergovernmental and grant revenues** (both recurring and non-recurring) can significantly change and impact the annual comparisons.
- 4) **Market impacts on investment income** may cause investment revenues to fluctuate from last year.

Other factors that may impact the expenses are presented below:

- 1) **Introduction of new programs or increase in the City’s boundary** can have a substantial impact on property, non-ad valorem assessments, sales, gas, or other tax revenues as well as consumer spending habits for building permits, user fees and consumption.
- 2) **Changes in service demand levels** can cause the City to increase or decrease authorized staffing. Staffing costs (salary and related benefits) represent 35.0% of the City’s operating costs.
- 3) **Salary increases** such as cost of living, performance increases and market adjustments can impact personal service costs.
- 4) **Inflation** can impact the cost of goods and services. The City is a major consumer of certain commodities such as chemicals, supplies, fuels and parts. Some functional expenses may experience unusual commodity-specific increases not reflected in the Consumer Price Index measure of inflation.

As can be noted in the chart on the next page, there are two primary contributors to governmental revenues (exclusive of transfers) – the property taxes and charges for services. Total revenues from governmental activities increased by \$13.1 million or 20.6% when compared to last fiscal year. While the City’s reduced its operating millage rate from last year’s 5.8890 mills to 5.8550 mills for FY 2023, Ad Valorem revenue for operations increased by about \$2.8 million or 12.4% higher compared to last year. This resulted from a 13.3% growth of the City’s total taxable property values bringing in approximately \$25.5 million tax revenues from the \$4.5 billion taxable properties in FY 2023.

Charges for services in governmental activities at \$16.2 million represent 21.1% of revenues. This revenue stream includes various fees for different government services such as for fire protection, building permit reviews, among others. In comparison to FY 2022 when a new historic high of \$5.5 million in building permit revenues was generated, FY 2023’s building permit revenues decreased by \$2.1 million as the permitting phase for construction of new housing developments has shifted to actual construction. As noted previously, building permit revenues are restricted and can only be utilized to support costs related to the permitting and building inspection functions.

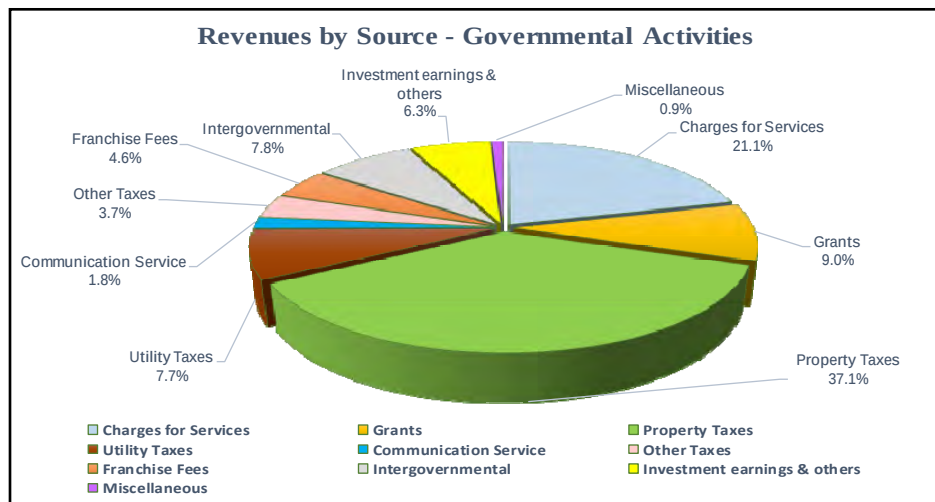
CITY OF OAKLAND PARK, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR 2023

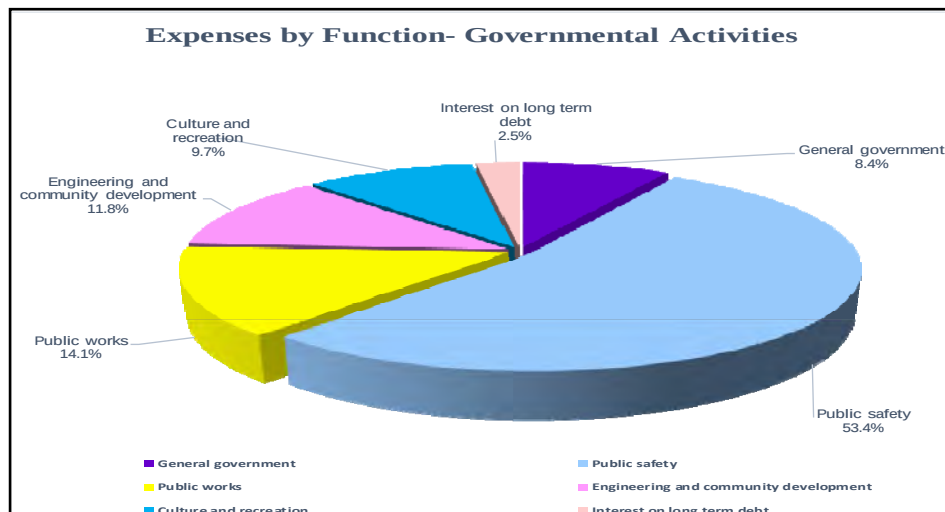
GOVERNMENT-WIDE FINANCIAL ANALYSIS (continued)

Statement of Activities: (continued)

In addition to the consistent major revenue contributors described in the previous page, the operating and capital grants realized by governmental activities during the year were \$6.9 million or 9.0% of the total governmental activities revenues. This represents an increase of \$4.3 million compared to last year. This increase is attributable to the recognition of ARPA and other grant funds that are utilized for capital spending in conjunction with the G.O. bond proceeds to upgrade some city infrastructure, parks and fire station.



During 2023, total expenses in governmental activities increased by about \$9.2 million while business-type activities increased by \$2.4 million. On the chart below, governmental expenses are largely weighted in one function, public safety which consists of police (provided by Broward Sheriff's Office) and fire rescue services. At about \$35.9 million, public safety is 53.4% of total governmental activities due to the inherent high cost of providing this critical service.



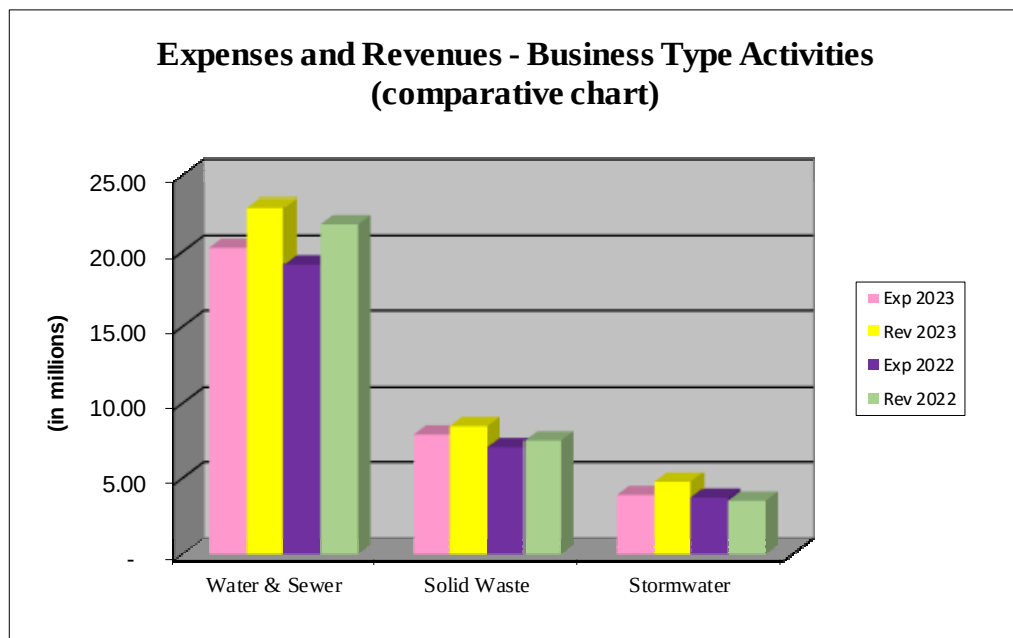
CITY OF OAKLAND PARK, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR 2023

GOVERNMENT-WIDE FINANCIAL ANALYSIS (continued)

Statement of Activities: (continued)

The revenues generated by the business-type activities are derived primarily from one source, that is charges for sales and services. The charges for services represent the fees charged by each of the City's enterprise funds, as follows: \$22.9 million for Water and Sewer, \$8.5 million for Solid Waste and \$4.8 million for Stormwater. Charges for services for all three (3) enterprise funds amounted to approximately \$36.2 million and had a combined increase of about \$3.3 million or 10.1% over last fiscal year. Factors attributing to the revenue performance of the enterprise funds are discussed on page 15 under the Proprietary funds section.



The combined operating expenses of the business-type activities for the fiscal year is \$32.3 million of which \$20.4 million or about 63.0% is Water and Sewer; \$8.0 million or 24.8% is Solid Waste; and about \$4.0 million or 12.2% is Stormwater. All enterprise funds experienced increases in the operating costs during the year. The average cost increase for providing utilities, solid waste and stormwater maintenance services is 8.0% mainly attributable to inflationary cost of purchased goods and contracted services plus the wages and benefits cost increases.

Further discussions are provided under the Financial Analysis of the City's Major Funds section in the following pages which are further divided between governmental and proprietary funds.

CITY OF OAKLAND PARK, FLORIDA

MANAGEMENT’S DISCUSSION AND ANALYSIS FISCAL YEAR 2023

FINANCIAL ANALYSIS OF THE CITY’S MAJOR FUNDS

Governmental Funds

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

The City Commission has adopted a fiscal policy establishing minimum fund balance requirements. All fund balances in governmental funds are classified based on the level of the resource spending constraints and their purposes. As the City completed the year, the governmental funds reported combined fund balances of about \$75.1 million which reflects a decrease of \$4.3 million from last year. The decrease is driven by the \$12.8 million spending on capital improvement projects within the Capital Projects Fund. The capital projects are funded by various sources such as the \$40-million General Obligation (G.O) bonds, bank loans, impact fee funds, grants and transfers from the General Fund.

The General Fund (GF) revenues, *from both restricted and unrestricted sources*, exceeded its operating expenditures by \$8.8 million. This amount is only \$60 thousand or 0.7% more than last fiscal year. While it can be noted that revenues posted an overall net increase of \$5.0 million compared to last year, expenditures increased by the same level and almost wiped out the positive variance. It is noteworthy to indicate that the interest income yield provided a huge revenue contribution for FY 2023 at \$2.6 million which is \$2.2 million or 569% more than last year’s \$0.4 million. As previously noted, despite the reduction of the operating millage rate which was aimed at providing the residents and businesses some relief, property tax revenues posted a significant increase of \$2.8 million or 12.4% more than last year resulting from the 13.3% rise in the City’s taxable property values. Other notable changes in revenues within the General Fund, as compared to last year, are increases in franchise fees (\$0.4 million or 13.0%), utility taxes (\$0.7 million or 14.0%), grants (\$0.7 million or 43.2%), and charges for services (\$0.1 million or 1%). All revenue sources in the GF increased, except for licenses and permits, posted a decrease of \$2.1 million or 27.5% as major residential and commercial projects shift from the permitting stage to actual construction.

As mentioned, the expenditures in the General Fund increased by \$5.0 million. Of this amount, about \$1.2 million is attributable to the overall increase in wages and benefits stemming from rate adjustments in accordance with Collective Bargaining Agreements (CBA), rising retirement cost contribution rates as defined largely by the Florida Retirement System and increasing cost of health insurance. Another factor causing the increase is \$1.3 million growth in capital outlay expenditures which included the recognition of the right to use subscription-based information technology arrangements (SBITAs), the purchase of an aerial bucket truck, and the replacement of 21 units of portable radios for the Fire Rescue Department. Furthermore, the City recognized \$2.1 million in non-departmental costs relating to ARPA grant expenditures. Finally, the General Fund recognized \$0.3 million of debt service relating to the financing of the SBITAs recognized under the new GASB 96 pronouncement. The General Fund Budgetary Highlights section on page 18 will discuss more of the GF expenditures.

CITY OF OAKLAND PARK, FLORIDA

MANAGEMENT’S DISCUSSION AND ANALYSIS FISCAL YEAR 2023

FINANCIAL ANALYSIS OF THE CITY’S MAJOR FUNDS (continued)

Governmental Funds (continued)

The governmental fund balance of about \$75.1 million is made up of \$3.9 million in non-spendable funds, \$8.7 million in restricted funds, \$33.6 million of committed funds for capital projects, about \$7.8 million in funds assigned for various purposes, largely for next year’s budget at \$7.8 million, and the balance of \$21.0 million is available for any purpose as allowed by the City Commission’s adopted fiscal policies.

As previously mentioned, the Oakland Park Community Redevelopment Agency (OPCRA), a fiscally dependent component unit of the City, is primarily funded by annual transfers from the City’s General Fund. While the OPCRA fund does not meet the major fund criteria, it is presented as such to meet the City’s reporting requirement per Florida Statute Section 218.39. During FY 2023, the OPCRA reported minimal changes in revenues and expenditures. The OPCRA’s net change in fund balance is comparable to last year. Its operating revenue increased by about \$1.0 thousand or 2%; operating expenditures increased by about \$20 thousand or 4.5%; non-operating revenues (transfers-in from the City) decreased by about \$7.0 thousand or 1.3%. The OPCRA’s net change in fund balance is \$137.5 thousand which is about \$25.8 thousand or 15.8% less compared to last year which is attributable to OPCRA’s increase in operating expenditures driven mainly by wage and benefits adjustments during the year.

The Capital Projects Fund (CPF) spent about \$22.0 million on different capital improvement projects during the year as compared to only about \$8.0 million last year. The large capital projects spending is mostly out of the proceeds of the G.O. bonds issued for the City’s “Building our Second Century Program” to rehabilitate some of the City’s aging facilities. Among the major projects that have been ongoing are two (2) fire stations, a community center, and parks and other facilities. The fund balance of the CPF decreased by \$12.8 million or 45.7% less than last year. The remaining fund balance is \$33.6 million is available to support the rest of the capital improvement projects.

Proprietary Funds

The City’s proprietary funds provide the same type of information found in the government-wide financial statements, for business-type activities, but in more detail.

The combined net position for the enterprise funds is \$112.2 million, of which \$24.8 million is unrestricted. Among the City’s three enterprise funds, the Water and Sewer and the Stormwater funds have significant investments in capital assets which are required to run the daily operations. The Water and Sewer Fund had the bulk of the unrestricted net position at \$16.3 million, Solid Waste Fund had about \$4.2 million and Stormwater Fund had about \$4.4 million. This amount reflects an increase of \$4.3 million in the unrestricted net position as compared to the last fiscal year. The operating result for each fund is discussed below:

Water and Sewer (W&S) Fund

Operating and non-operating revenues surpassed both operating and non-operating expenses by about \$8.2 million. Operating revenues of approximately \$23.0 million reflects an increase of \$1.1 million or 5.0% increase over prior year. This increase is partly due to the automatic rate adjustments implemented by the City to cover for pass-through cost changes of the water and wastewater purchased from the City of Fort Lauderdale and Broward County (wastewater only) and for changes in consumer price index (CPI).

CITY OF OAKLAND PARK, FLORIDA

MANAGEMENT’S DISCUSSION AND ANALYSIS FISCAL YEAR 2023

FINANCIAL ANALYSIS OF THE CITY’S MAJOR FUNDS (continued)

Proprietary Funds (continued)

Water and Sewer (W&S) Fund (continued)

Operating expenses of \$19.2 million (inclusive of non-cash depreciation) reflect an increase of 6.2% or \$1.1 million over last year due mainly to the overall higher cost of goods and services including the increase in personnel cost. The resulting operating income was slightly down by \$26 thousand compared to last year at \$3.7 million. However, the higher interest rates during the year boosted the interest income to \$1.0 million compared to last year’s \$0.1 million. In addition, the City recognized \$4.5 million of capital grants bringing the change in net position an increase of \$5.3 million or 187.3% over last year and ended up at \$8.2 million, as previously mentioned.

Solid Waste Fund

Operating revenues increased by about \$1.0 million or 12.8% over last year. The revenue growth is mostly due to a 10.0% rate increase in the residential solid waste assessment, increasing from \$255 per residence to \$280.50 per residence. This is coupled with the same 10.0% rate increase for commercial solid waste services. Both rate charges were intended to stabilize the fund and maintain the fund balance above the minimum level of reserves set by Commission policy. Despite the increases, the rates for both residential and commercial services remain below the City’s 2012 rates for these services. Operating expenses of the Solid Waste Fund for the year reflected an increase of 12.6% or about \$ 0.9 million compared to the prior year. This is attributable to the increase in personnel costs especially overtime of the previous fiscal year due to staffing shortages and the higher cost of labor due to the implementation of various retention measures. The overall increase in most operating expenses is attributable to the increase in the cost of goods and services.

Stormwater Fund

Operating revenues for the stormwater fund increased by about \$1.3 million due to the increase in the assessment rate from \$84 per equivalent residential unit (ERU) to \$114 per ERU in FY 2023. The rate increase was necessary to stabilize the fund and maintain the fund balance above the minimum level to be able to provide funds for the planned stormwater infrastructure upgrade to implement the Stormwater Master Plan. Operating expenses increased by about \$0.3 million or 7.8% which is also attributable to the overall increase of the maintenance of the stormwater infrastructure.

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CITY OF OAKLAND PARK, FLORIDA

MANAGEMENT’S DISCUSSION AND ANALYSIS FISCAL YEAR 2023

GENERAL FUND BUDGETARY HIGHLIGHTS

The adopted budget for FY 2023 was formulated and approved with continued optimism as the economy has emerged again from the uncertainties of the last couple of years.

The FY 2023 adopted budget of the General Fund was approximately \$66.0 million, representing an increase of about \$3.0 million (4.7%) over the FY 22 adopted budget. Supplemental appropriations during the year amounted to about \$7.6 million, bringing the final budget to \$73.5 million.

The General Fund expenditures of \$62.2 million, excluding transfers out, were \$7.2 million below the final budget of about \$69.4 million. Much of this variance is due to the timing of the expenditure recognition when some of the goods and services procured during the year are yet to be delivered in the next fiscal year. *Please refer to the General Fund Budget Highlights section for further details.*

Property tax continued to represent the largest source of revenue for the General Fund, making up 35.9% of all revenues. Property tax is based on two main elements: 1) the assessed property tax base, and 2) the millage rate set by Commission. The certified data provided by the Property Appraiser shows that the City’s property tax base has expanded for the tenth time since 2007, increasing by \$528 million (13.30%) over last year. The City’s property tax base was \$4.5 billion, which is 27.3% above the peak tax base prior to the Great Recession. An operating millage rate of 5.8550 mills was adopted for FY 2023, a decrease of 0.034 mills (.58%) from FY 22. The FY 2023 millage rate is the lowest rate adopted in twelve (12) years and the eighth millage rate reduction within a nine-year period. This operating millage rate generated \$25.5 million (including penalties for late payment). City taxes only comprise a small portion of what appears on residents’ tax bills; about 31% of the tax bill represents the City’s levies and the rest is paid to other taxing authorities, such as Broward County, the School Board, and other special taxing districts.

Overall, revenue performance compared to the final budget is very favorable. Actual total revenue is about \$71.0 million, over by \$6.7 million against the final budget or a favorable variance of 10.48%. This is an indication of continued economic recovery for the state, regional, and local economies. A large portion of the incremental revenue generated during the year is attributable to the higher interest earnings. The majority of the City’s revenues performed better over the past year and posted favorable variances against the final budget. The biggest performers are:

- intergovernmental revenues posted \$1.0 million or 20.9% over budget due to increased collection of sales and fuel taxes;
- licenses and permit fees provided also about \$1.0 million or 21.3% over budget due to the continued emergence of residential and commercial construction projects within the City (these revenues are restricted by State law and can only be utilized and qualifying expenditures related to permitting and building code enforcement);

CITY OF OAKLAND PARK, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR 2023

GENERAL FUND BUDGETARY HIGHLIGHTS (continued)

- franchise fees which are primarily from Florida Power & Light (FPL) were about \$0.8 million or 29.0% over budget. The increase in franchise fee revenue is consistent with FPL's increasing revenues;
- utility tax posted \$0.7 million over budget relative to the City's increase in utility revenues;
- charges for services posted \$0.5 million or 3.5% over budget due to higher than expected revenues from ambulance and emergency transport supplemental revenues; and
- property taxes were \$0.4 million over budget due to the collection of tax penalties from late payments.

The General Fund expenditures of \$62.2 million, excluding transfers out, were about \$7.2 million below the final budget of about \$69.4 million, a positive variance of 10.4%. Much of this variance is due to the timing of the expenditure recognition when some of the goods and services procured during the year are yet to be delivered in the next fiscal year.

Of the \$7.2 million positive variance mentioned in the previous paragraph, \$2.4 million is attributable to the Fire Rescue Department whose budget for the purchase of replacement fire rescue vehicles are still available due to supply issues. The unspent funds, including the encumbered funds, will be rolled into FY 2024.

The Public Works department, which in the General Fund is composed of several divisions, posted a total positive variance of about \$1.2 million or 12.2% against their final budget. The positive variance in each division resulted in budgetary savings, and are explained as follows:

- Streets Maintenance Division: \$0.3 million savings are from unused professional services budget related to a software implementation which slowed down due to some hiccups in the implementation. The Division also saved some funds from road repairs and maintenance and materials and supplies costs. In addition, the Division has not touched its appropriation for vehicle purchases to replace old and inefficient ones due to ongoing supply issues;
- Parks Maintenance Division: A \$0.3 million positive variance is also due to unspent funds for the purchase of replacement vehicles. These funds will be rolled into the next fiscal year;
- Building Maintenance Division: \$0.2 million savings is from lower-than-anticipated repairs and maintenance of city facilities during the year;
- Fleet Division: While the Division ended up with savings of \$0.3 million, their final budget was adjusted upwards by 26% from the original budget due to increasing cost of fuel, vehicle parts, and overall vehicle repairs. The total expenditures of the Division are actually 109% over the prior year.

CITY OF OAKLAND PARK, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR 2023

GENERAL FUND BUDGETARY HIGHLIGHTS (continued)

The Engineering & Building Services Department which is made up of two (2) divisions had a total favorable variance of \$0.9 million or 18.69% against the final budget. The savings are explained below:

- Engineering and Construction Management Division: \$0.3 million savings is from the re-allocation of professional services cost to another department/division; and
- Building and Permitting Division: \$0.6 million savings due to lower than anticipated contracted cost for building plan and permit reviews relative to the decline in the building permit applications compared to the prior year.

Community and Economic Development Department, which includes Planning and Zoning, and Community Enhancement (Code Enforcement) divisions had a total positive variance of \$0.6 million or 21.11% against the final budget. Their savings resulted from the following:

- Planning and Zoning Division: \$0.2 million savings are due to lower than anticipated professional services costs related to planning studies; and
- Community Enhancement Division: \$0.4 million are primarily unspent funds for the purchase of vehicles which did not happen due to supply issues. The unused funds will be rolled into the next fiscal year.

Within the Culture and Recreation function, the two (2) applicable departments had a total favorable variance of \$0.4 million or 8.18% against the final budget, which are shown below:

- Library and Cultural Services Department: \$0.1 million savings is due to a staffing vacancy and overall lesser spending for operating supplies by instead using grant funds; and
- Parks and Recreation Department: \$0.3 million in savings resulted from less-than-anticipated spending for contracted services.

General government which covers various departments had a favorable variance against the final budget of \$1.5 million. The breakdown by department is discussed below:

- City Commission: \$0.1 million savings is mainly attributable to unused funds for a professional services agreement which will roll into the next fiscal year;
- City Manager's Office: \$0.1 million savings is from a temporary vacancy of the assistant manager's position. In addition, expenditures for professional services and travel were lower than expected;
- City Clerk: \$0.1 million savings attributable to lesser advertising and contracted services costs;
- Human Resources: about \$0.1 million in savings attributable to a vacancy in the department as well as savings from a lesser number of position testing and advertising due to improved retention;
- Financial Services: \$0.1 million savings largely from personnel cost due to vacancies, and savings in professional services and contracted services;
- Information Technology Services: \$0.3 million savings is mainly from vacancies, and from reduction in the costs of subscriptions for application software; and

CITY OF OAKLAND PARK, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR 2023

GENERAL FUND BUDGETARY HIGHLIGHTS (continued)

- Non-departmental Division: \$0.7 million savings is from unspent contingency and reserved funds.

The overall favorable variance resulted in an excess of revenues over expenditures of about \$8.8 million. After other financing sources/(uses) of (\$0.4) million, the net change in fund balance is about \$8.4 million. While this net change in fund balance may be indicative of very strong operating results, much of this change is not available for use and also reflects costs that were offset with one-time revenue streams. Of the \$8.4 million change, it must be noted that \$3.6 million is not available for spending as \$1.6 million is restricted for Florida building code enforcement and \$2.0 million is for the prepayment of the annual leasing cost at the new City Hall space. Much of the remaining change in fund balance reflects purchases, such as vehicles, that could not be made in FY 2023, but will be made in FY 2024.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital assets:

As of September 30, 2023, the City-wide investment in capital assets is \$241.3 million, an increase of about \$26.3 million over last year. This includes the recognition of depreciation expense of \$6.8 million. The City's net capital assets as of the end of FY 2023 and 2022, are shown on the table below:

	Capital Assets (Net of Depreciation) (In Thousands)					
	2023			2022		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Land and easements	\$ 15,632	\$ 436	\$ 16,068	\$ 18,372	\$ 436	\$ 18,808
Construction in progress	24,233	17,602	41,834	3,712	8,392	12,104
Intangible	4	-	4	11	-	11
Buildings	10,968	-	10,968	11,340	-	11,340
Improvements other than buildings	13,567	17	13,584	14,439	19	14,458
Machinery and equipment	2,584	4,196	6,780	2,472	3,271	5,742
Infrastructure	43,767	107,534	151,300	43,702	108,864	152,566
Right to use assets - SBITA	710	65	774	-	-	-
Total	<u>\$ 111,466</u>	<u>\$ 129,849</u>	<u>\$ 241,313</u>	<u>\$ 94,047</u>	<u>\$ 120,981</u>	<u>\$ 215,029</u>

The City's adopted capital budget for FY 2023 was \$30.2 million which provided for \$10.1 million spending for streetscapes, \$1.6 million for parks, \$13.9 million for facilities, \$0.9 million for water & sewer system improvements, and \$3.6 million for stormwater system improvements. The City uses loan proceeds, internal funds as well as grant funds to finance these projects. During the year, completed construction projects for governmental and business-type activities amounted to \$1.4 million and \$1.0 million, respectively.

Additional information on the City's capital assets can be found in Note 6 starting on page 64.

CITY OF OAKLAND PARK, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS

FISCAL YEAR 2023

CAPITAL ASSETS AND DEBT ADMINISTRATION (continued)

Debt Administration:

Between the governmental activities and business-type activities, the City had a total debt of \$109.3 million (including unamortized bond premium/discount) as of the end of FY 2023. This balance reflects the principal payments, additional indebtedness made during the year. Comparative balances between FY 2023 and FY 2022 are reflected in the table below:

	Outstanding Debt (In Thousands)					
	2023			2022		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Loans payable	\$ 13,077	\$ 14,453	\$ 27,530	\$ 14,827	\$ 21,166	\$ 35,992
General obligation bonds	37,340	-	37,340	38,630	-	38,630
Revenue bonds	-	35,759	35,759	-	30,459	30,459
Financed purchases	238	111	349	409	329	738
Bond premium (discount)	7,325	1,025	8,351	7,750	1,090	8,840
Other liabilities	43,315	5,266	48,582	44,620	5,233	49,853
Total	<u>\$ 101,296</u>	<u>\$ 56,614</u>	<u>\$ 157,910</u>	<u>\$ 106,236</u>	<u>\$ 58,278</u>	<u>\$ 164,513</u>

More detailed information about the City's liabilities is presented in Note 7, Long-term Debt beginning on page 66 of the notes to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The State of Florida, by constitution, does not have a State personal income tax and, therefore, the State operates primarily using sales, gasoline, and corporate income taxes. Local governments (cities, counties, school boards, and special districts) primarily rely on property and a limited array of other permitted taxes (telecommunication, gasoline, utilities, business, etc.) and fees (franchise, building permits, charges for services, etc.) to fund their governmental activities. There are a limited number of State-shared revenues and recurring and one-time grants from the state, local, and federal governments. For the business type and certain governmental activities (building inspections, recreational programs, etc.), the user pays a related fee or charge associated with the service.

The Florida legislature continues to consider various proposals relating to property tax relief and communications services tax rate reductions that 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 levels. Furthermore, the City is committed to build a diversified and stable revenue system to minimize the dependence on property taxes.

CITY OF OAKLAND PARK, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR 2023

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES (continued)

The City continues to emphasize a disciplined and strategic allocation of resources and fiscal prudence to ensure long-term financial sustainability while implementing the Commission's strategic vision for the community. Major emphasis continues to be placed on two elements: 1) aggressive efforts related to business attraction, redevelopment, and capital improvement, and; 2) the continuation of emphasis on community appearance, community enhancement, community facilities, and quality development. The adopted fiscal year 2024 budget includes about 230 specific business plan initiatives (BPI) valued at \$6.1 million.

The highest appropriations in FY 2024 for BPIs is for non-construction infrastructure needs at a cost of \$2.8 million; followed by community wellness and recreation at about \$1.0 million; smart growth and development ranked a close third at \$0.8 million; public safety and security is fourth at about \$0.6 million; following behind the top four are Oakland Park's identity at \$0.4 million; financial stability and sustainability at about \$0.3 million; and last but equally important is environmentally stewardship and sustainability at about \$0.2 million.

The adopted FY 2024 budget addresses key priorities identified by the City Commission and the City continues to show improvement which is representative of the economic stabilization and steady, positive growth occurring in the local and state economy. For instance, property tax values in the City continued to increase - from \$4.5 billion in FY 2023 to about \$5.1 billion currently, or a 12.94% net increase. Despite the economic challenges that were experienced in the last couple of years, the City Commission was able to reduce the operating millage rate, going down from 5.8550 mills in FY 2023 to 5.8362 in FY 2024.

The decrease in the operating millage rate is also intended in part to help reduce the impact of the City's debt service millage, which started to be levied in 2021 following the issuance of the \$40-million General Obligation Bonds. The total debt service millage rate for FY 2024 is set at 0.6338 mills, a decrease of 0.06340 mills from FY 2023. The debt service millage is expected to generate the revenue needed to fund the debt service of \$3 million for the next year. Combined with the increase in property values, the gross property tax revenues for FY 2024 operations is estimated to be \$28.1 million while the gross property tax revenues for debt service is about \$3.0 million. The expected additional Ad Valorem revenue will help to fund the cost increase of the police services contract with Broward Sheriff's Office, the projected increases in personnel costs, and the increased maintenance costs associated with new projects.

For FY 2024, a \$25 increase in the residential fire assessment rate was implemented to sustain the rising cost of providing fire rescue services, in particular growing wage and benefit costs. The expected revenue generated by the assessment will continue to fund approximately 91% of the applicable fire suppression costs of the Fire-Rescue Department. The remaining suppression costs will continue to be funded by other available General Fund revenues. Oakland Park's fire assessment rates remain low compared to the other jurisdictions in Broward County. The City's FY 2024 residential fire assessment rate of \$276 is \$70.53 below the average residential rate in Broward County of \$346.53. The FY 2024 budget included funding for a new fire assessment study, with the results anticipated to guide the rate schedule for FY 2025.

The City's residential solid waste assessment for FY 2024 was again increased from \$280.50 per residence to \$310 per residence. This increase is based on the recommendations from the rate study conducted in the past year and the anticipated increases in disposal fees. The residential increase for FY 2024 is also paired with an 11% increase in the City's commercial solid waste rate structure.

CITY OF OAKLAND PARK, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS **FISCAL YEAR 2023**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES (continued)

As part of the long-term efforts to address drainage and stormwater issues in the City, a Stormwater Master Plan was also prepared simultaneously with the stormwater rate study. As a result of both exercises, the stormwater special assessment rate was adjusted in FY 2023 to ensure fiscal stability of the fund to meet current and future projects. The stormwater rate increase during this fiscal year was only the second time over a 20-year period. The FY 23 rate remained flat for FY 2024 at \$114 per equivalent residential unit. The City has been awarded millions to fund various projects identified as part of the City's Stormwater Master Plan. Matching funds are required, which the City intends to secure through participation in the State's revolving loan fund; future rate increases are planned to fund the debt service costs of these loans.

In accordance with the City's water/sewer rate ordinance, water and sewer rates are subject to an annual change based on an automatic pass-through adjustment to reflect changes in the water and wastewater rates being charged to the City by Ft. Lauderdale and Broward County for water purchase and wastewater treatment. An annual consumer price index adjustment is also applied. The City uses a tiered consumption structure for water residential rates. As part of the FY 2024 budget, the City Commission approved funding for a rate study that will incorporate the infrastructure plan being developed as part of the Water & Sewer Master Plan underway. The results of this rate study are expected to be presented during FY 2024.

REQUESTS FOR INFORMATION

The City's financial statements are designed to present users (citizens, customers, investors, and creditors) with a general overview of the City's finances and to demonstrate the City's accountability. The financial statements are available on the City's website at www.oaklandparkfl.gov. If you have questions about the report or need additional financial information, contact Andrew Thompson, Chief Financial Officer and Financial Services Director, City of Oakland Park, 3650 NE 12 Avenue, Oakland Park, Florida 33334.



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BASIC FINANCIAL STATEMENTS

Rounding Disclaimer:

Due to rounding, numbers presented in the succeeding pages may not add up precisely to the totals provided, and percentages may not precisely reflect the absolute figures.

CITY OF OAKLAND PARK, FLORIDA			
STATEMENT OF NET POSITION			
SEPTEMBER 30, 2023			
	Governmental Activities	Business Type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 41,714,468	\$ 27,710,090	\$ 69,424,558
Accounts receivable - net	5,588,117	3,132,001	8,720,118
Inventories	58,320	343,956	402,276
Prepayments and other assets	4,747,331	120,141	4,867,472
Internal balances	(1,224,739)	1,224,739	-
Temporarily restricted:			
Cash and cash equivalents	45,352,117	12,463,658	57,815,775
Capital assets, not being depreciated	39,865,396	18,030,350	57,895,746
Capital assets, being depreciated - net	71,600,395	111,819,082	183,419,477
Total Assets	207,701,405	174,844,017	382,545,422
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflow related to pensions	21,855,540	3,280,110	25,135,650
Deferred outflow related to other post-employment benefits (OPEB)	41,903	11,167	53,070
Deferred charge on refunding	37,405	293,061	330,466
Total Deferred Outflows of Resources	21,934,848	3,584,338	25,519,186
LIABILITIES			
Accounts payable and accrued expenses	5,663,937	6,438,507	12,102,444
Customer deposits	-	1,591,653	1,591,653
Accrued interest payable	412,387	212,051	624,438
Other liabilities	590,674	-	590,674
Unearned revenues	13,869,151	21,839	13,890,990
Noncurrent liabilities:			
Due within one year			
Subscription liability	331,920	49,946	381,866
Bonds and loans payable	3,346,767	3,157,863	6,504,630
Compensated absences	353,293	41,273	394,566
Other post-employment benefits liability	47,866	13,145	61,011
Due in more than one year			
Subscription liability	372,707	16,801	389,508
Bonds and loans payable	54,633,981	48,189,874	102,823,855
Compensated absences	1,012,079	188,022	1,200,101
Net pension liability	40,201,677	4,707,382	44,909,059
Other post-employment benefits liability	909,454	249,761	1,159,215
Arbitrage rebate payable	86,341	-	86,341
Total Liabilities	121,832,234	64,878,117	186,710,351
DEFERRED INFLOWS OF RESOURCES			
Deferred inflow related to pensions	7,358,052	1,208,733	8,566,785
Deferred inflow related to OPEB	414,081	106,514	520,595
Deferred inflow related to leases	14,268	-	14,268
Total Deferred Inflows of Resources	7,786,401	1,315,247	9,101,648
NET POSITION			
Net investment in capital assets	80,761,691	86,251,220	167,012,911
Restricted for:			
Education	455,869	-	455,869
Transportation improvement	224,283	-	224,283
Public safety	231,180	-	231,180
Library	54,018	-	54,018
Parks and recreation	440,505	-	440,505
Opioid abatement	21,434	-	21,434
Florida building code enforcement	6,097,469	-	6,097,469
New city hall space	2,025,000	-	2,025,000
Debt covenants	-	1,159,228	1,159,228
Unrestricted	9,706,169	24,824,543	34,530,712
Total Net Position	\$ 100,017,618	\$ 112,234,991	\$ 212,252,609

See notes to basic financial statements.

CITY OF OAKLAND PARK, FLORIDA

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Functions/Programs							
Primary Government:							
Governmental activities:							
General government	\$ 5,655,900	\$ 231,135	\$ 2,276,493	\$ -	(3,148,272)	\$ -	\$ (3,148,272)
Public safety	35,867,737	8,638,451	-	1,540,204	(25,689,082)	-	(25,689,082)
Public works	9,475,592	-	-	1,495,542	(7,980,050)	-	(7,980,050)
Engineering and community development	7,946,847	5,882,022	-	-	(2,064,825)	-	(2,064,825)
Culture and recreation	6,527,391	1,457,731	627,085	957,592	(3,484,983)	-	(3,484,983)
Interest on long-term debt	1,678,640	-	-	-	(1,678,640)	-	(1,678,640)
Total governmental activities	67,152,107	16,209,339	2,903,578	3,993,338	(44,045,852)	-	(44,045,852)
Business-type activities:							
Water and sewer	20,367,686	22,939,633	-	4,562,763	-	7,134,710	7,134,710
Solid waste	8,025,960	8,485,717	-	-	-	459,757	459,757
Stormwater	3,955,360	4,768,933	-	-	-	813,573	813,573
Total business-type activities	32,349,006	36,194,283	-	4,562,763	-	8,408,040	8,408,040
Total primary government	\$ 99,501,113	\$ 52,403,622	\$ 2,903,578	\$ 8,556,101	(44,045,852)	8,408,040	(35,637,812)
General Revenues:							
Taxes:							
Property taxes					28,501,930	-	28,501,930
Franchise taxes					3,553,701	-	3,553,701
Utility taxes					5,941,490	-	5,941,490
Communication service taxes					1,373,532	-	1,373,532
Local option gas taxes					770,842	-	770,842
Local business taxes					142,894	-	142,894
Premium taxes					1,058,781	-	1,058,781
Transportation surtax					898,435	-	898,435
Unrestricted investment earnings					4,811,621	1,710,413	6,522,034
Intergovernmental revenue - unrestricted					6,001,617	-	6,001,617
Miscellaneous					693,669	-	693,669
Loss on sale of capital assets					(189,961)	-	(189,961)
Total general revenues and special item					53,558,551	1,710,413	55,268,964
Change in net position					9,512,699	10,118,453	19,631,152
Net position, beginning					90,504,919	102,116,538	192,621,457
Net position, ending					\$ 100,017,618	\$ 112,234,991	\$ 212,252,609

See notes to basic financial statements.

CITY OF OAKLAND PARK, FLORIDA

BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023

	Major Funds			Other	Total
	General	Special Revenue Oakland Park CRA	Capital Project	Non-Major Governmental Funds	Governmental Funds
ASSETS					
Cash and cash equivalents	33,425,301	526,655	7,464,141	298,371	41,714,468
Accounts receivable - net	4,200,432	11,382	1,323,139	53,164	5,588,117
Inventories	58,320	-	-	-	58,320
Prepayments and other assets	3,809,801	301	37,229	-	3,847,331
Temporarily restricted assets:					
Cash and cash equivalents	14,946,629	-	29,497,652	907,836	45,352,117
Total Assets	56,440,483	538,338	38,322,161	1,259,371	96,560,353
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable and accrued liabilities	\$ 2,873,219	\$ 51,209	\$ 2,727,620	\$ 11,889	\$ 5,663,937
Compensated absences	131,130	-	-	-	131,130
Other liabilities	584,674	6,000	-	-	590,674
Unearned revenues	12,820,599	-	-	213,039	13,033,638
Advances from other funds	-	-	1,224,739	-	1,224,739
Total Liabilities	16,409,622	57,209	3,952,359	224,928	20,644,118
Deferred Inflows of Resources:					
Deferred inflow related to leases	-	14,268	-	-	14,268
Unavailable revenue	120,046	-	715,467	-	835,513
Total Deferred Inflows of Resources	120,046	14,268	715,467	-	849,781
Fund Balances:					
Non-spendable (not in spendable form)					
Inventories	58,320	-	-	-	58,320
Prepayments and other assets	3,809,801	301	37,229	-	3,847,331
Restricted for:					
Florida building code enforcement	6,097,469	-	-	-	6,097,469
Education	455,869	-	-	-	455,869
Transportation improvement	224,283	-	-	11,400	235,683
Tree preservation	1,031	-	-	12,559	13,590
Opioid abatement	21,434	-	-	-	21,434
Vehicle replacement	1,174,678	-	-	-	1,174,678
Library	-	-	-	54,018	54,018
Park development	-	-	-	302,310	302,310
Parks and recreation	-	-	-	124,605	124,605
Public safety	-	-	-	173,642	173,642
Fire station facility	-	-	-	57,538	57,538
Committed for:					
Capital projects	-	-	33,617,106	-	33,617,106
Assigned to:					
Community redevelopment	-	280,212	-	-	280,212
Debt service	-	-	-	298,371	298,371
Subsequent year's budget	7,034,805	186,348	-	-	7,221,153
Unassigned	21,033,125	-	-	-	21,033,125
Total Fund Balances	39,910,815	466,861	33,654,335	1,034,443	75,066,454
Total Liabilities, Deferred Inflows and Fund Balances	\$ 56,440,483	\$ 538,338	\$ 38,322,161	1,259,371	\$ 96,560,353

See notes to basic financial statements.

CITY OF OAKLAND PARK, FLORIDA

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

Fund balances - total governmental funds (Page 27) \$ 75,066,454

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	167,561,702	
Less accumulated depreciation	<u>(56,095,911)</u>	111,465,791

Other non-current assets in governmental activities are not financial resources and, therefore, are not reported in the governmental funds 900,000

Long-term liabilities such as bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds.

Governmental notes and financed purchases	(57,980,748)	
Deferred charges on refunding amortized over the life of the bonds	37,405	
Accrued interest payable not reported in the governmental funds	(412,387)	
Compensated absences	(1,234,242)	
Subscription liability	(704,627)	
Net pension liability	(40,201,677)	
Other post-employment benefit (OPEB) obligation	(957,320)	
Arbitrage liability	<u>(86,341)</u>	(101,539,937)

Deferred inflows/outflows of resources not reported in the governmental funds to pay for current period's expenditures, but the funds exclude those assets.

Deferred outflows related to OPEB	41,903
Deferred inflows related to OPEB	(414,081)
Deferred outflows related to pension	21,855,540
Deferred inflows related to pension	<u>(7,358,052)</u>

Net position of governmental activities (Page 25) \$ 100,017,618

See notes to basic financial statements.

CITY OF OAKLAND PARK, FLORIDA

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

	<u>Major Funds</u>			<u>Other</u>	<u>Total</u>
	<u>General</u>	<u>Special Revenue</u> <u>Oakland Park</u> <u>CRA</u>	<u>Capital</u> <u>Project</u>	<u>Non-Major</u> <u>Governmental</u> <u>Funds</u>	<u>Governmental</u> <u>Funds</u>
Revenues:					
Taxes:					
Property taxes	\$ 25,474,225	\$ -	\$ -	\$ 3,027,706	\$ 28,501,931
Franchise taxes	3,553,701	-	-	-	3,553,701
Utility taxes	5,941,490	-	-	-	5,941,490
Communications service taxes	1,373,532	-	-	-	1,373,532
Local option gas taxes	770,842	-	-	-	770,842
Local business taxes	142,894	-	-	-	142,894
Premium taxes	1,058,781	-	-	-	1,058,781
Transportation surtax	-	-	898,435	-	898,435
Licenses and permits	5,574,720	-	-	984,529	6,559,249
Intergovernmental	6,001,617	-	-	-	6,001,617
Charges for services	14,994,562	-	-	26,465	15,021,027
Fines and forfeitures	403,361	-	-	8,090	411,451
Investment earnings	2,619,044	-	2,140,043	52,533	4,811,620
Grants and contributions	2,437,112	-	3,993,337	466,465	6,896,914
Miscellaneous	611,669	44,667	-	-	656,336
Total revenues	70,957,550	44,667	7,031,815	4,565,788	82,599,820
Expenditures:					
Current:					
General government	7,371,241	-	-	-	7,371,241
Public safety	31,970,953	-	-	191	31,971,144
Public works	8,013,004	-	-	-	8,013,004
Engineering and community development	6,272,841	456,743	-	-	6,729,584
Culture and recreation	4,292,979	-	-	394,871	4,687,850
Non-departmental	2,185,540	-	-	-	2,185,540
Debt service:					
Principal	334,975	-	-	3,210,310	3,545,285
Interest	2,215	-	-	2,317,884	2,320,099
Capital outlay	1,746,543	-	21,980,885	-	23,727,428
Total expenditures	62,190,291	456,743	21,980,885	5,923,256	90,551,174
Excess (deficiency) of revenues over expenditures	8,767,259	(412,076)	(14,949,070)	(1,357,468)	(7,951,355)
Other Financing Sources (Uses):					
Transfers in	29,070	549,583	2,175,960	2,336,916	5,091,529
Transfers out	(4,097,331)	-	-	(994,198)	(5,091,529)
Sale of capital assets	2,587,332	-	-	-	2,587,332
Financing of subscription-based agreements	1,039,602	-	-	-	1,039,602
Total other financing sources (uses)	(441,327)	549,583	2,175,960	1,342,718	3,626,934
Net change in fund balances	8,325,932	137,507	(12,773,110)	(14,750)	(4,324,421)
Fund balances, beginning	31,584,883	329,354	46,427,445	1,049,193	79,390,875
Fund balances, ending	\$ 39,910,815	\$ 466,861	\$ 33,654,335	\$ 1,034,443	\$ 75,066,454

See notes to basic financial statements.

CITY OF OAKLAND PARK, FLORIDA

RECONCILIATION OF THE CHANGE IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2023

Amounts reported for governmental activities in the Statement of Activities (Page 26) are different because:

Net change in fund balances - total governmental funds (page 29)	\$ (4,324,421)
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.	
Expenditures for capital outlays	23,727,428
Less current depreciation	(3,568,506)
The net effect of various transactions involving capital assets (i.e. sales and disposals decrease net position).	(2,550,000)
Loss from disposal of capital assets	(189,961)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums and discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement activities. This amount is the net effect of these differences in the treatment of long-term debt and related items:	
Principal payments of bonds/notes payable and capital leases	3,545,285
Amortization of deferred charges related to loans	419,583
The recognition of long-term debt for subscription-based information technology arrangements (SBITA) are shown as other resources in the governmental funds but are shown as increases in long-term debt in the statement of net position.	(1,039,602)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported in the governmental funds. These activities consist of:	
Change in long-term compensated absences	(6,060)
Change in accrued interest payable	308,217
Adjustment for pension expense	(6,724,065)
Adjustment for OPEB expense	1,142
Arbitrage rebate expense	(86,341)
Change in net position of governmental activities (Page 26)	\$ 9,512,699

See notes to basic financial statements.

CITY OF OAKLAND PARK, FLORIDA

STATEMENT OF FUND NET POSITION PROPRIETARY FUNDS SEPTEMBER 30, 2023

	Business-type Activities - Enterprise Funds			
	Water and Sewer	Solid Waste	Stormwater	Total
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 18,130,279	\$ 5,309,238	\$ 4,270,573	\$ 27,710,090
Accounts receivable, net	2,503,717	624,187	4,097	3,132,001
Inventories	343,956	-	-	343,956
Prepayments and other assets	57,740	35,485	26,916	120,141
Total Current Assets	21,035,692	5,968,910	4,301,586	31,306,188
Noncurrent assets:				
Restricted cash and cash equivalents	7,926,352	2,579,202	1,958,104	12,463,658
Advances to other funds	595,000	-	629,739	1,224,739
Capital assets, not being depreciated	15,571,888	950,542	1,507,920	18,030,350
Capital assets, being depreciated - net	57,779,439	2,348,524	51,691,119	111,819,082
Total Noncurrent Assets	81,872,679	5,878,268	55,786,882	143,537,829
Total Assets	102,908,371	11,847,178	60,088,468	174,844,017
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows related to pension	1,449,017	1,177,088	654,005	3,280,110
Deferred outflow related to other post-employment benefits	4,665	4,607	1,895	11,167
Deferred charges on refunding	81,205	-	211,856	293,061
Total Deferred Outflow of Resources	1,534,887	1,181,695	867,756	3,584,338
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liabilities	5,424,346	748,010	266,151	6,438,507
Accrued interest payable	156,428	14,069	41,554	212,051
Customer deposits	1,134,433	457,220	-	1,591,653
Unearned revenues	7,839	14,000	-	21,839
Current portion of:				
Subscription liability	49,946	-	-	49,946
Compensated absences	16,011	20,015	5,247	41,273
Current portion of bonds/loans payable	1,757,055	665,858	734,950	3,157,863
Total Current Liabilities	8,546,058	1,919,172	1,047,902	11,513,132
Noncurrent liabilities:				
Subscription liability	16,801	-	-	16,801
Compensated absences	72,943	91,175	23,904	188,022
Bonds payable	34,714,228	-	8,845,396	43,559,624
Loans payable	1,025,174	3,605,076	-	4,630,250
Net pension liability	2,290,707	1,725,824	690,851	4,707,382
Other post-employment benefits liability	109,539	109,654	43,713	262,906
Total Noncurrent Liabilities	38,229,392	5,531,729	9,603,864	53,364,985
Total Liabilities	46,775,450	7,450,901	10,651,766	64,878,117
DEFERRED INFLOW OF RESOURCES				
Deferred inflow related to pension	426,710	428,043	353,980	1,208,733
Deferred inflow related to OPEB	48,706	41,119	16,689	106,514
Total Deferred Inflow of Resources	475,416	469,162	370,669	1,315,247
NET POSITION				
Net investment in capital assets	39,739,847	931,059	45,580,314	86,251,220
Restricted for:				
Debt covenants	1,159,228	-	-	1,159,228
Unrestricted	16,293,317	4,177,751	4,353,475	24,824,543
Total Net Position	\$ 57,192,392	\$ 5,108,810	\$ 49,933,789	\$ 112,234,991

See notes to basic financial statements.

CITY OF OAKLAND PARK, FLORIDA

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION PROPRIETARY FUNDS FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>Business-type Activities - Enterprise Funds</u>			
	<u>Water and Sewer</u>	<u>Solid Waste</u>	<u>Stormwater</u>	<u>Total</u>
Operating revenues:				
Charges for sales and services:				
Metered water sales (pledged)	12,455,141	\$ -	\$ -	\$ 12,455,141
Sewer fees (pledged)	10,043,971	-	-	10,043,971
Residential solid waste service	-	3,035,867	-	3,035,867
Commercial solid waste service	-	5,190,493	-	5,190,493
Other charges for services	22,993	2,650	-	25,643
Stormwater fees (pledged)	-	-	4,768,933	4,768,933
Other revenues	417,528	256,707	-	674,235
Total operating revenues	<u>22,939,633</u>	<u>8,485,717</u>	<u>4,768,933</u>	<u>36,194,283</u>
Operating expenses:				
Water system operation	6,484,328	-	-	6,484,328
Sewer collection and maintenance	8,409,433	-	-	8,409,433
Solid waste collection	-	5,612,277	-	5,612,277
Stormwater system operation	-	-	1,342,592	1,342,592
Administrative support	2,741,136	1,740,260	1,279,572	5,760,968
Depreciation/amortization	1,555,600	551,689	1,107,888	3,215,177
Total operating expenses	<u>19,190,497</u>	<u>7,904,226</u>	<u>3,730,052</u>	<u>30,824,775</u>
Operating income	3,749,136	581,491	1,038,881	5,369,508
Non-operating revenues (expenses)				
Investment earnings	1,018,743	376,845	314,825	1,710,413
Interest and fiscal charges	(1,177,189)	(121,734)	(225,308)	(1,524,231)
Total non-operating revenues (expenses)	<u>(158,446)</u>	<u>255,111</u>	<u>89,517</u>	<u>186,182</u>
Income (loss) before capital grants	3,590,690	836,602	1,128,398	5,555,690
Capital grants	4,562,763	-	-	4,562,763
Changes in net position	8,153,453	836,602	1,128,398	10,118,453
Net position, beginning	<u>49,038,939</u>	<u>4,272,208</u>	<u>48,805,391</u>	<u>102,116,538</u>
Net position, ending	<u>\$ 57,192,392</u>	<u>\$ 5,108,810</u>	<u>\$ 49,933,789</u>	<u>\$ 112,234,991</u>

See notes to basic financial statements.

CITY OF OAKLAND PARK, FLORIDA

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	Business-type Activities - Enterprise Funds			
	<u>Water and Sewer</u>	<u>Solid Waste</u>	<u>Stormwater</u>	<u>Total</u>
Cash flows from operating activities:				
Cash received from customers	\$ 22,748,620	\$ 8,337,761	\$ 4,766,749	\$ 35,853,130
Cash paid to suppliers	(9,033,140)	(2,705,602)	(224,406)	(11,963,148)
Cash paid to employees	(1,994,700)	(2,285,809)	(749,928)	(5,030,437)
Cash paid for interfund services used	(2,741,136)	(1,740,260)	(1,279,572)	(5,760,968)
Net cash provided by operating activities	<u>8,979,644</u>	<u>1,606,090</u>	<u>2,512,843</u>	<u>13,098,577</u>
Cash flows from capital and related financing activities:				
Acquisition/construction of capital assets	(8,776,490)	(2,293,931)	(1,011,907)	(12,082,328)
Capital grants and contributions	4,562,763	-	-	4,562,763
Issuance of debt	-	1,504,314	-	1,504,314
Principal paid on bonds and loans payable	(1,758,478)	(723,564)	(719,446)	(3,201,488)
Interest paid on capital debt	(1,180,834)	(119,747)	(212,377)	(1,512,958)
Net cash (used in) capital and related financing activities	<u>(7,153,039)</u>	<u>(1,632,928)</u>	<u>(1,943,730)</u>	<u>(10,729,697)</u>
Cash flows from investing activities:				
Interest on investments	<u>1,018,743</u>	<u>376,845</u>	<u>314,825</u>	<u>1,710,413</u>
Net cash provided by investing activities	<u>1,018,743</u>	<u>376,845</u>	<u>314,825</u>	<u>1,710,413</u>
Net increase in cash and cash equivalents	<u>2,845,348</u>	<u>350,007</u>	<u>883,938</u>	<u>4,079,293</u>
Cash and cash equivalents, beginning	<u>23,211,283</u>	<u>7,538,433</u>	<u>5,344,739</u>	<u>36,094,455</u>
Cash and cash equivalents, ending	<u>\$ 26,056,631</u>	<u>\$ 7,888,440</u>	<u>\$ 6,228,677</u>	<u>\$ 40,173,748</u>
Displayed as:				
Unrestricted	\$ 18,130,279	\$ 5,309,238	\$ 4,270,573	\$ 27,710,090
Restricted	<u>7,926,352</u>	<u>2,579,202</u>	<u>1,958,104</u>	<u>12,463,658</u>
Total, September 30	<u>\$ 26,056,631</u>	<u>\$ 7,888,440</u>	<u>\$ 6,228,677</u>	<u>\$ 40,173,748</u>
Reconciliation of operating income to net cash provided by operating activities:				
Operating income	\$ 3,749,136	\$ 581,491	\$ 1,038,881	\$ 5,369,508
Adjustments not affecting cash:				
Depreciation and amortization	1,555,600	551,689	1,107,888	3,215,177
(Increase) decrease in assets and deferred outflows and increase (decrease) in liabilities and deferred inflows:				
Accounts receivables	(219,180)	(179,399)	(2,184)	(400,763)
Inventories	(25,906)	-	-	(25,906)
Prepaid expenses	479,808	13,150	(6,314)	486,644
Deferred outflows and inflows related to pensions	327,397	356,686	236,780	920,863
Deferred outflows and inflows related to OPEB	7,989	6,213	3,550	17,752
Accounts payable and other liabilities	2,956,376	183,474	164,385	3,304,235
Customers' deposits	28,167	17,442	-	45,609
Compensated absences	10,029	5,105	1,294	16,428
Unearned revenues	-	14,000	-	14,000
Subscription liability	66,747	-	-	66,747
Net pension liability	51,599	62,552	(27,830)	86,321
OPEB liability	(8,118)	(6,313)	(3,607)	(18,038)
Net cash provided by operating activities	<u>\$ 8,979,644</u>	<u>\$ 1,606,090</u>	<u>\$ 2,512,843</u>	<u>\$ 13,098,577</u>
Supplemental Schedule of Noncash Operating, Investing, Capital and Financing Activities:				
Deferred outflow due to refundings	\$ 5,470	\$ -	\$ 16,318	\$ 21,788
Non-cash pension expense	<u>\$ 378,996</u>	<u>\$ 419,237</u>	<u>\$ 208,950</u>	<u>\$ 1,007,183</u>
Non-cash OPEB expense	<u>\$ 129</u>	<u>\$ 100</u>	<u>\$ 57</u>	<u>\$ 286</u>

See notes to basic financial statements.

CITY OF OAKLAND PARK, FLORIDA

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2023

	Pension Trust Funds
Assets	
Cash and short-term investments	\$ 1,680,915
Receivables:	
Contributions	488,699
Accrued interest and dividends	46,291
Total receivables	534,990
Investments, at fair value:	
Equity securities	60,966,968
Corporate bonds and notes	692,602
U.S. Government and agency securities	8,484,043
Mutual funds	13,020,392
Real estate funds	13,138,607
Total investments	96,302,612
Prepaid benefit payments	5,132
Total Assets	98,523,649
Liabilities	
Accounts payable and accrued expenses	392,703
Payable for securities sold	40,592
Total Liabilities	433,295
Net Position Restricted for Pension Benefits	\$ 98,090,354

See notes to basic financial statements.

CITY OF OAKLAND PARK, FLORIDA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FIDUCIARY FUNDS FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Pension Trust Funds
Additions:	
Contributions:	
Plan members	\$ 89,795
City	2,784,991
State of Florida	1,058,781
Total contributions	<u>3,933,567</u>
Investment income:	
Investment earnings	6,243,508
Net appreciation in fair value of investments	3,250,939
Total investment income	9,494,447
Less: Investment expenses	<u>(229,594)</u>
Net investment income	9,264,853
Miscellaneous income	7,555
Total additions	<u>13,205,975</u>
Deductions:	
Pension benefits paid	10,950,047
Administrative expenses	231,427
Total deductions	<u>11,181,474</u>
Change in net position	2,024,501
Net position held in trust for pension benefits, beginning	<u>96,065,853</u>
Net position held in trust for pension benefits, ending	<u><u>\$ 98,090,354</u></u>

See notes to basic financial statements.



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NOTES TO BASIC FINANCIAL STATEMENTS

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of the City of Oakland Park, Florida’s (the “City”) significant accounting policies is presented to assist the reader in interpreting the basic financial statements and other data in this report. The policies are considered essential and should be read in conjunction with the accompanying basic financial statements.

The accounting policies of the City conform to accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. This report, the accounting systems, and the classification of accounts conform to the standards of the Governmental Accounting Standards Board (GASB), which is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

a. Reporting Entity

The City of Oakland Park, Florida is a political subdivision of the State of Florida. The City, which was incorporated on June 7, 1929, is located in Broward County and operates under the Commission-Manager form of government. The legislative branch of the City is composed of a five-member elected Commission, including a rotating mayor. The City Commission is governed by the City Charter and by State and Local laws and regulations.

The financial statements were prepared in accordance with GASB Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statements Nos. 39 and 61, which establishes standards for defining and reporting on the financial reporting entity. The financial reporting entity consists of the City, organizations for which the City is financially accountable and ultimately responsible to repay the outstanding debts of the component unit(s), and other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete.

The City is financially accountable for a component unit if it appoints a voting majority of the organization’s governing board and it can impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the City. The City may also be financially accountable for organizations that are fiscally dependent on the City if there is a potential for the organizations to provide specific financial benefits to the City or impose specific financial burdens on the City, regardless of whether the organizations have separate elected governing boards, governing boards appointed by higher levels of government, or jointly appointed boards.

Blended Component Units

Blended component units are separate legal entities that meet the component unit criteria described above and whose governing body is the same, or substantially the same, and 1) there is a financial benefit or burden relationship between the primary government and the component unit or 2) management below the level of the governing board of the primary government has operational responsibility for a component unit.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

a. Reporting Entity (continued)

Blended Component Units (continued)

The Oakland Park Community Redevelopment Agency (OPCRA) is a dependent special district established by the City Commission under the authority granted by Florida Statute 163, Section III. The OPCRA is a legally separate entity governed by a five-member board appointed by the City Commission, currently comprised of the City Commission itself, and its sole purpose is to finance and redevelop the City's designated redevelopment areas. The CRA can provide services and financial benefits to or impose financial burdens on the City.

In June 2007, the City, the OPCRA and Broward County entered into an interlocal agreement. The Agreement provides that in consideration of and to the extent that the County agrees to use its redevelopment capital program (RCP) funds to finance redevelopment projects consistent with OPCRA's Plan, the City and OPCRA forebear seeking any collection or payment of tax increment which otherwise would be due from the County pursuant to Section 163.387, Florida Statutes.

The OPCRA funding source for operations are primarily transfers from the City's General Fund.

Although the OPCRA did not meet the quantitative criteria for major fund determination set by GASB 34, it is presented as such to highlight its strategic role in achieving the City's long-term goals for growth, community revitalization and economic development.

Discretely Presented Component Units

Discretely presented component units are separate legal entities that meet the component unit criteria described above, but do not meet the criteria for blending. Currently, the City has no discretely presented component units.

b. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. 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 utility function and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned and approximate the value of services provided.

Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

b. Government-wide and Fund Financial Statements (continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. One exception in the fiduciary fund type is an agency fund that cannot be said to have a measurement focus since it does not report equity. The City does not report any agency funds. For the economic resources measurement focus, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred. When the City incurs an eligible expenditure of a grant, revenue is recognized at the time the expenditure is incurred. The City considers the availability period of grant revenues susceptible to accrual to be a year.

Debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, sales taxes, utility taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

c. *Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)*

Since the governmental fund financial statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental activities column, a reconciliation is presented on the page following each statement, which briefly explains the adjustments necessary to reconcile the governmental fund-based financial statements to the governmental activities column of the government-wide presentation.

The City reports the following major governmental funds:

- The **General Fund** is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. Revenue is derived primarily from property taxes, utility taxes, and other intergovernmental revenues.
- The Oakland Park Community Redevelopment Agency (OPCRA), a **special revenue fund**, while not meeting the criteria for major fund presentation (i.e., assets and liabilities are not at least ten percent (10%) of the totals for all governmental funds and at least five percent (5%) of the aggregate amount for all governmental and enterprise funds), is presented as such to highlight its strategic role in achieving the City's long-term goals for growth, community revitalization and economic development.

Since the OPCRA's establishment, its revenues primarily consists of transfers from the City's General Fund and its expenditures have been included in the annual budget of the City.

- **Capital Projects Fund** – is used to account for and report the financial resources that are restricted, committed, or assigned for the acquisition or construction of major capital facilities such as general and roadway improvement projects; and public parks and plazas.

Additionally, the City reports the following other non-major governmental funds:

- **Special Revenue Funds** – account for revenue sources that are legally restricted or committed to expenditures for specific purposes other than debt service or capital projects. The City's non-major special revenue funds are comprised of grants and impact fee revenues which are reported in the aggregate.
- **Debt Service Fund** – is used to account for and report the financial resources that are restricted, committed, or assigned for the periodic payment of principal and interest, and expenditures on long-term debt of governmental funds.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

c. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

The City reports the following major proprietary funds:

- The **Water and Sewer fund** is used to account for the provision of water and sewer services to the residents and the commerce of the City.
- The **Solid Waste fund** is used to account for the provision of solid waste collection, disposal, and recycling for all residential and commercial customers within the City.
- The **Stormwater fund** is used to account for the provision of stormwater management and drainage services to the residents and businesses of the City.

Additionally, the City reports **pension trust funds** which account for the activities of the City's General Employees' Pension Plan and the City's Police and Firefighters Retirement System. These fiduciary funds are not included in the government-wide financial statement because the resources of those funds are not available to support the City's programs.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes, whose purpose has not been restricted to a specific program.

The principal operating revenues of the City's water and sewer, solid waste, and stormwater enterprise funds, are charges to customers for sales and services.

The enterprise funds also recognize as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

d. Assets, Deferred Outflows/(Inflows), Liabilities, Fund Balance or Net Position

1. Deposits and Investments

The City maintains a pooled cash account for all funds. This enables the City to invest large amounts of idle cash for short periods and to optimize earnings potential. Equity in pooled cash and cash equivalents represents the amount owned by each fund of the City. Interest earned on pooled cash is allocated monthly based on the equity balances of the respective funds.

The City’s investments are reported at fair value. The City’s investment in the State Board of Administration Investment Pool – Local Government Surplus Funds Trust Fund (Florida Prime), a 2A-7 pool, is permitted to be reported at its amortized cost which is the fair value of its position in the pool, which is maintained at a constant value same as its value of the pool shares.

For the purpose of the Statement of Cash Flows for the Proprietary Fund, cash and cash equivalents mean short-term, highly liquid investments with an original maturity of three months or less. In addition, GASB Statement 31, “Accounting and Financial Reporting for Certain Investments and External Investment Pools”, requires disclosure of investments at fair value and recognition of unrealized gain or losses, if material, for investments with remaining maturities of more than one year at the time of purchase. Investments with remaining maturities of one year or less at the time of purchase are recorded at amortized cost.

2. Receivables and Payables

All receivables are reported net of an allowance for uncollectible amounts. Receivables are analyzed for their collectibility based on the terms of the agreement and the financial assessment of the creditor.

Operating revenues in the water and sewer fund are generally recognized on the basis of cycle billings rendered monthly. Revenues for services delivered during the last month of the fiscal year, that have not been read by September 30, are accrued based on meter readings for the applicable consumption period and billed in October.

Revenues and the associated receivable balances are accrued for taxes, franchise fees, and other utility services based on collections within 60 days of year-end.

All trade receivables are shown net of an allowance for uncollectible accounts. Trade account receivables over 60 days comprise the allowance for uncollectible accounts.

The City’s contracted service provider processes receivables associated with Emergency Medical Services (EMS). An allowance account is established for EMS receivables based on historical collection rates.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

d. Assets, Deferred Outflows/(Inflows), Liabilities, Fund Balance or Net Position (continued)

3. Inventories and Prepaid Costs

Inventories are valued at cost using the first-in, first-out (FIFO) method. The costs of governmental fund-type inventories and prepaid items are recorded as expenditures when consumed rather than when purchased (consumption method). Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid costs.

4. Restricted Assets

Certain proceeds from the City's enterprise fund revenue bonds and the Florida Municipal Loan Council loans, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net position because their use is limited by the applicable bond covenants.

The City's enterprise fund revenue bonds require certain reserves. The "revenue bonds reserve" account requirement is met by depositing an insurance policy to cover potential deficiencies in the City's operations that could adversely affect debt service payments.

The "renewal and replacement" account is used to account for those funds available to pay for the cost of extensions, improvements and additions to, or renewals and replacements of the capital assets of, or repairs of the system.

5. Capital Assets

Capital assets, which include land, buildings, improvements other than buildings, machinery and equipment, and infrastructure assets (e.g., roads, sidewalks, culverts, pump stations, stormwater lines, catch basins, and similar items), are reported in the applicable governmental or business-type activities columns in government-wide financial statements. A capital asset is defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life over one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. 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 the assets' lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as they are completed. Capital assets are depreciated using the straight-line method over the estimated useful lives, as shown on the table on the next page.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

d. Assets, Deferred Outflows/(Inflows), Liabilities, Fund Balance or Net Position (continued)

5. Capital Assets (continued)

<u>Estimated Useful Life by Asset Type:</u>	<u>No. of Years</u>
Buildings	50
Improvements other than buildings	20
Machinery and equipment	5 - 20
Infrastructure	50 - 65
Intangibles/ Right to use asset - SBITA	3 - 5

6. Interfund Transactions/ Due to/from Other Funds

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” or “advances to/from other funds.” Any residual balances outstanding between the governmental activities and business activities are reported in the government-wide financial statements as “internal balances”.

Transactions among City funds that would be treated as revenues and expenditures/expenses if they involved organizations external to City government are accounted for as revenues and expenditures/expenses in the funds involved.

Transactions that constitute reimbursements to a fund for expenditures initially made from it which are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the reimbursed fund.

7. Unearned Revenues

Unearned revenues include amounts collected before revenue recognition criteria are met and receivables, which, under the modified accrual basis of accounting, are measurable, but not yet available. The items consist primarily of license and permit revenues and special assessment revenues.

8. Arbitrage Rebate Liability

The Internal Revenue Service (IRS) Code and arbitrage rebate regulations require rebate to the Federal government of excess investment earnings on bond proceeds if the yield on those earnings exceeds the effective yield on the related tax-exempt bonds issued. As of September 30, 2023, the estimated arbitrage earnings on the City’s tax-exempt bond proceeds in excess of the bond yield is \$86,341. The arbitrage rebate is payable to the IRS every fifth year after the year of issuance of the tax exempt-bond when the final computation is completed. Within the five-year period, any positive arbitrage (liability) can be offset by any negative (non-liability) arbitrage.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

d. Assets, Deferred Outflows/(Inflows), Liabilities, Fund Balance or Net Position (continued)

9. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. 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. Bond issuance costs are expensed in the year they are incurred.

In the fund financial statements, governmental fund types recognize bond proceeds, premiums, and discounts, as well as bond issuance costs, during the current period. The face amount of the debt issued and the premiums are reported as other financing sources. 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.

10. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits up to certain limits and paid upon retirement or termination. A liability for these amounts is reported in the governmental funds only if they have matured – for instance, employee retirements or resignations. On the governmental activities of the government-wide statements and the proprietary fund statements, compensated absences are recognized as liability and expense in the period these are earned by the employees. Therefore, amounts not expected to be liquidated with expendable available financial resources are reported as reconciling items between the governmental fund financial statements and the government-wide presentation.

11. Subscription Liability

As required by Governmental Accounting Standards Board (GASB) Statement No. 96, *Accounting for Subscription-based Information Technology Arrangements (SBITA)*, the City recognized obligations for SBITAs with terms exceeding one year, including any renewal and cancellation periods representing the future payments that the City is obligated to make in exchange for access to software through the subscription-based service. The liability is measured at its present value taking into account the total contractual payments and its applicable discounts or incentives provided by the arrangements.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

d. Assets, Deferred Outflows/(Inflows), Liabilities, Fund Balance or Net Position (continued)

12. Deferred Outflows/(Inflows) of Resources

In addition to assets, the statement of Net Position will sometimes report a separate section below Total Assets, for *Deferred Outflows of Resources*. This represents the consumption of net assets applicable to future periods and will not be recognized as expenditures until the future period it applies. Items in this category include deferred items related to pension and the deferred charge on refunding reported on the Government-wide Statement of Net Position. A deferred charge is the difference between the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded debt or the refunding debt.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section below Total Liabilities, for *Deferred Inflows of Resources*. This represents the acquisition of net assets applicable to future periods and will not be recognized as revenue until the future period it applies. In the governmental funds, this category includes unavailable revenue, whereas in the government-wide and proprietary fund statements, it includes resources related to pension, which will be recognized as inflows of resources in the period that the amounts become available.

13. Pollution Remediation Obligation

Governmental Accounting Standards Board (GASB) Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*, does not require the City to search for pollution remediation obligation but it does require the City to reasonably estimate and report a remediation liability when the obligating events defined in GASB 49 has occurred. The Statement also allows pollution remediation outlays to be capitalized in government-wide and proprietary fund financial statements under certain criteria. When pollution remediation outlays are capitalized, no pollution remediation liability is recognized as they are being capitalized as incurred.

14. Net Position and Fund Balance

Net Position. Net position of the government-wide and proprietary funds are categorized as net investment in capital assets, restricted or unrestricted. The first category represents net position related to investment in property, plant, equipment, and infrastructure reduced by depreciation and outstanding debt used to construct or purchase capital assets and deferred inflow/outflow of resources attributable to the acquisition of those assets or related debt. The restricted category represents the balance of assets restricted by requirements of revenue bonds and other externally imposed constraints or by enabling legislation in excess of the related liabilities payable from restricted assets. All remaining amounts are considered to be unrestricted.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

d. Assets, Deferred Outflows/(Inflows), Liabilities, Fund Balance or Net Position (continued)

14. Net Position and Fund Balance (continued)

Fund Balance. In the fund financial statements, governmental funds report fund balance in categories as non-spendable, restricted, committed, assigned, and unassigned. These categories are based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in fund balances can be spent. Within the foregoing five (5) categories, the committed, assigned, and unassigned are considered unrestricted fund balances.

The City's fund balance classification policies and procedures are as follows:

- *Non-spendable fund balances* include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.
- *Restricted fund balances* are amounts that are constricted to specific purposes either by a) constraints placed on the use of resources by creditors, grantors, contributors, or laws or regulations of other governments or b) imposed by law through constitutional provisions or enabling legislation.
- *Committed fund balances* are amounts that can only be used for specific purposes pursuant to constraints imposed by the highest level of decision-making authority (the City Commission), through an ordinance (the highest form of action) or resolution. Resolutions and ordinances are considered an equally binding form of the City's highest level of formal action. The passage of a resolution or ordinance must take place before September 30th of the applicable fiscal year but the amount can be determined at a later date. A resolution or ordinance would also be required to modify or rescind the specific use or amount.
- *Assigned funds* are amounts that have constraints placed on their use by the City Manager. The authority to assign fund balance has been delegated by the Commission in the fiscal policy via a resolution to the City Manager or the Financial Services Director. Thus, the City Manager has the authority to set aside funds for the intended use of a specific purpose. This act would be part of the annual budget process or in the form of a written notification to the Finance Director. Any modifications or rescissions would be in a written notification to the Finance Director. Upon passage of a budget ordinance where fund balance is used as a source to balance the budget, that amount shall be recorded as Assigned Fund Balance.
- *Unassigned fund balance* is the residual amount of fund balance in the General Fund and deficit unassigned fund balance of other governmental funds. It represents the resources available for future spending when the amount is not a deficit.

The City's fiscal policy is to maintain an adequate General Fund balance and enterprise fund net position to provide liquidity in the event of an economic downturn or natural disaster. The City Commission has adopted the fiscal policy via a Resolution to maintain a minimum of 20% unassigned fund balance for the General Fund and a minimum of 10% of unrestricted net position for enterprise operating funds.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

e. Revenues and Expenditures/Expenses

1. Property Taxes

Property values are assessed as of January 1 of each year, at which time taxes become an enforceable lien on property. Tax bills are mailed for the City by Broward County on or about October 1 of each year and are payable with discounts of up to 4% offered for early payment. Taxes become delinquent on April 1 of the year following the year of assessment and State law provides for the enforcement of collection of property taxes by seizure of personal property or by the sale of interest-bearing tax certificates to satisfy unpaid property taxes.

Assessed values are established by the Broward County Property Appraiser. In November 1992, a Florida constitutional amendment was approved by the voters which provides for limiting the increases in homestead property valuations for ad valorem tax purposes to a maximum of 3% annually and also provides for a reassessment of market values upon changes in ownership. The County bills and collects all property taxes and remits them to the City. Procedures for the collection of delinquent taxes by Broward County are provided for in the Laws of Florida.

State statutes permit municipalities to levy property taxes at a rate of up to 10 mills (\$10 per \$1,000 of assessed taxable valuation). The tax levy of the City is established by the City Commission and the Broward County Property Appraiser incorporates the City's millage into the total tax levy, which includes the County and the County School Board tax requirements. The operating millage rate assessed by the City for the year ended September 30, 2023, was 5.8550 mills (\$5.8550 per \$1,000 of taxable assessed valuation).

2. Capital Contributions

Capital contributions are recorded in certain proprietary funds and consist primarily of capital donations from private sources or other governmental entities.

3. Operating versus Non-operating Income

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the fund's principal ongoing operations. The principal operating revenues of the City's Enterprise Funds are charges to customers for sales and services. Operating revenues for the Enterprise Funds include water and sewer, solid waste, and stormwater service fees.

Operating expenses for the Enterprise Funds include costs of sales and services, administrative fees, and depreciation. All revenues and expenses not meeting this definition are considered non-operating items.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

f. Use of Resources

When both restricted and unrestricted resources (committed, assigned, and unassigned) are available for use, it is the City's policy to use restricted resources first, unless there are legal contracts that prohibit doing so, then unrestricted resources as they are needed. When committed, assigned and unassigned resources are available for use, the City Commission has adopted a fiscal policy to use committed resources first, assigned resources second, and unassigned resources third.

g. 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 amounts reported in the financial statements and accompanying notes. Although these estimates are based on management's knowledge of current events and actions it may undertake in the future, they may ultimately differ from actual results.

h. New Accounting Pronouncements

In Fiscal Year 2023, the City adopted new statements issued by the Government Accounting Standards Board (GASB):

- **GASB Statement No. 96, *Subscription-based Information Technology Arrangements (SBITA)***

Under this Statement, a government a government generally should recognize a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability. A government should recognize the subscription liability at the commencement of the subscription term, —which is when the subscription asset is placed into service. The subscription liability should be initially measured at the present value of subscription payments expected to be made during the subscription term. Future subscription payments should be discounted using the interest rate the SBITA vendor charges the government, which may be implicit, or the government's incremental borrowing rate if the interest rate is not readily determinable. A government should recognize amortization of the discount on the subscription liability as an outflow of resources (for example, interest expense) in subsequent financial reporting periods.

The following new GASB pronouncements, which were issued after October 1, 2023, will be implemented by the City no later than the required effective date. Since the City has not elected early implementation, it has not determined the financial statement impact of these new pronouncements:

- GASB Statement No. 91, Conduit Debt Obligations;
- GASB Statement No. 94, Public-Private and Public-Public Partnerships & Availability Payment Arrangements;
- GASB Statement No. 99, Accounting Standard Fiscal Year 99 Omnibus 2022 2024;
- GASB Statement No. 100, Accounting Changes and Corrections;
- GASB Statement No. 101, Compensated Absences; and
- GASB Statement No. 102, Certain Risk Disclosures.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 2. CASH, CASH EQUIVALENTS AND INVESTMENTS

The City maintains a cash and investment pool for use by all City funds. This gives the City the ability to invest large amounts of idle cash for short periods and to maximize earning potential. Each fund type's portion of this pool is displayed on the combined balance sheet as cash and cash equivalents and investments. Income earned on pooled cash and investments is allocated to the respective funds based on monthly ending balances.

In addition to insurance provided by the Federal Depository Insurance Corporation, cash deposits are held in banking institutions approved by the State Treasurer of the State of Florida to hold public funds. Under Florida Statutes Chapter 280, Florida Security for Public Deposits Act, the State Treasurer requires every qualified public depository to deposit with the Treasurer eligible collateral. Statutes provide that if a loss to a public depository is not covered by deposit insurance and the proceeds from the sale of securities pledged by the defaulting depository, the difference will be provided by an assessment levied against other public depositories of the same type as the depository in default.

The carrying amounts of the City's cash deposits were \$6,416,524 as of September 30, 2023. Bank balance before reconciling items was \$9,717,309 at that date, the total of which is collateralized or insured with securities held by the State under the Florida Statutes Chapter 280, Florida Security for Public Deposits Act.

The City's cash equivalents include the Florida Prime, a Local Government Surplus Funds Trust Fund (LGSTF) administered by the State Board of Administration (SBA), an investment pool managed by the Florida Municipal Investment Trust, and other highly liquid institutional money market funds offered through Florida qualified public depositories and pre-approved regional banks. The institutional funds must be registered with the Securities and Exchange Commission with the highest credit quality rating from a nationally recognized statistical rating organization.

Cash equivalents in external investment pools and open-end mutual funds are not exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form. These investments are also excluded from the concentration of credit risk disclosure requirement. The City may maintain a maximum exposure of up to 50% cash deposit with a bank and up to 75% of the cash equivalents portfolio balance in one investment pool to limit the credit risk due to concentration.

Investments are reported at fair value except for the position in Florida State Board Administration's LGSTF ("Florida Prime"). Florida Prime is governed by Chapter 19-7 of the Florida Administrative Code and Chapter 215 and 218 of the Florida Statutes. These rules provide guidance and establish the policies and general operating procedures for the administration of Florida Prime. The LGSTF is not a registrant with the Securities and Exchange Commission, but the SBA Board has adopted operating procedures consistent with the requirements for a 2A-7 Fund, which permits money market funds to use amortized cost to maintain a constant net asset value (NAV) of \$1 per share.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 2. CASH, CASH EQUIVALENTS AND INVESTMENTS (continued)

The following is the City's investments as of September 30, 2023:

	Total	Weighted Average	S&P
	<u>Value</u>	<u>Maturity (WAM)</u>	<u>Rating</u>
Florida Prime	\$ 117,519,414	35 days	AAAm

As of September 30, 2023, there were no redemption fees, maximum transaction amounts, or any other requirements that serve to limit the City's daily access to 100% of its account value in Florida Prime.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in interest rates. The City's investment policy limits that no security purchases shall cause the City investment portfolio to have a duration of greater than five years.

Credit risk is the possibility that an issuer of a fixed income security will not fulfill its obligation to the holder of the investment. The City's investment policy limits the investments with authorized investment service providers and required securities purchased to meet specific credit quality criteria.

The City's investment primary objectives are safety, liquidity, and yield. In accordance with Florida Statutes, the City is limited to the following types of authorized investments:

	Maximum	Individual
	<u>(%)</u>	<u>Issue (%)</u>
United States Treasury	100	5
United States Agency	100	5
Government-sponsored Enterprise (GSE)	75	5
State & Local Government	30	5
Bank Deposits	50	50
Certificate of Deposit	30	5
Local Government Investment Pools	75	25
The State Board Administration Pool (SBA)	75	25
Money Market Mutual Funds	50	25
Repurchase Agreements	50	25

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 2. CASH, CASH EQUIVALENTS AND INVESTMENTS (continued)

Fiduciary Funds – Pension Funds

City of Oakland Park General Employees’ Pension Plan (GEPP)

The GEPP’s investment policy, as authorized by the Board of Trustees, provided for the following guidelines: (a) investment in all equity securities shall be limited to those listed on a major U.S. stock exchange and no more than 70% (at market) of the GEPP’s total asset value; (b) no more than 3% of the GEPP’s assets invested in the bonds of any one issuing company; (c) repurchase agreement may not exceed 6-month average maturity; (d) fixed income portfolio shall be comprised of securities rated A or higher by the major rating services; (e) small cap stocks are limited to no more than 10% and mid cap stocks are limited to no more than 30% of the value at cost of the fund; and (f) all stocks at purchase must have a minimum market capitalization of \$5 million.

Although the GEPP’s investment policy does not set a parameter on the duration of its fixed income securities, the weighted average maturity (WAM) of the fixed portfolio as of the September 30, 2023, is presented below. Investments of the GEPP in common stocks, mutual funds, corporate bonds and government securities are valued at quoted market prices while investments in money market funds are valued at cost. As of September 30, 2023, the following fixed income investments were held for GEPP:

	<u>Fair Value</u>	<u>Weighted Average Maturity</u>
Broad Market High Quality Bonds	\$ 3,901,786	6.90 years
Core Plus Fixed Income Fund	<u>3,583,273</u>	8.03 years
Total fixed income investment	<u>\$ 7,485,059</u>	

Investment Risks

The Plan’s investments may be subject to various risks. Among these risks are credit risk, concentration of credit risk, custodial credit risk, interest rate risk, and foreign currency risk. Due to the level of risk associated with certain investments, it is possible that changes in the values of investments may occur in the near term and that such changes could materially affect the amounts reported in the Statements of Plan Net Position.

Custodial Credit Risk: Investments in external investment pools and open-end mutual funds are not exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form. These investments are also excluded from the concentration of credit risk disclosure requirement.

Concentration of Credit Risk: The GEPP’s investment policy places investment limitations and provides target allocations to its investment managers to limit credit risk due to concentration. As of September 30, 2023, other than mutual funds, the Plan does not currently hold any securities that exceed 5% of total assets of the portfolio.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 2. CASH, CASH EQUIVALENTS AND INVESTMENTS (continued)

Fiduciary Funds – Pension Funds (continued)

City of Oakland Park General Employees’ Pension Plan (GEPP)

Credit Risk: Credit risk exists when there is a possibility the issuer, or other counterparty to an investment, may be unable to fulfill its obligations. The credit risk of a debt instrument is measured by nationally recognized statistical rating organizations (NRSRO) such as Fitch Investor Services (Fitch), Moody’s, and S&P. The Plan limits its credit risk by limiting its investments in fixed income securities to U.S. Government and agency securities or corporate bonds which meet or exceed a credit rating of “BBB” or higher. As of September 30, 2023, the GEPP’s investments on Broad Market High Quality Bond rating is AAF/S4. GASB 40 requires disclosure of credit quality ratings for investments in debt securities as well as investments in external investment pools, money market funds, and other pooled investments of fixed-income securities.

Credit Risk for FMIvT Funds

	<u>Fitch Rating</u>
Fixed Income Fund:	
FMIvT Broad Market High Quality Bond Fund	AAf/ S4
FMIvT Core Plus Fixed Income Fund	Not rated
Equity Portfolios:	<u>Rating</u>
FMIvT Diversified Large Cap Equity Portfolio	Not rated
FMIvT Diversified Small to Mid Cap Equity Portfolio	Not rated
FMIvT International Equity Portfolio	Not rated
FMIvT Core Real Portfolio	Not rated

Interest Rate Risk: Interest rate risk is the risk that changes in interest rates will adversely affect an investments fair value. The Plan limits its interest rate risk by diversifying the fixed income portfolio. The GEPP’s investment policy does not set a parameter on the duration of its fixed income securities. As of September 30, 2023, the weighted average maturity (WAM) of the fixed income portfolio is as indicated in the previous page.

Foreign currency risk: This risk refers to the risk that fluctuations in currency exchange rate may affect transactions conducted in foreign currencies as well as the carrying value of foreign investments. The GEPP’s investment policy limits the foreign investments to no more than 24% of its investment balance. The Plan has invested in international equity funds. As of September 30, 2023, the Plan’s foreign investments were 22.2% of total investments or \$8,798,925. Participating Employers’ investments in the FMIvT are not subject to foreign currency risk.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 2. DEPOSITS AND INVESTMENTS

Fiduciary Funds – Pension Funds (continued)

City of Oakland Park General Employees’ Pension Plan (GEPP) (continued)

Investment Fair Value

GASB 72 establishes a hierarchal disclosure framework which prioritizes and ranks the level of market price observability used in measuring investments at fair value. Market price observability is impacted by a number of factors, including the type of investment and the specific characteristics of the investment. Fair value represents the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Investments with readily available actively quoted prices or for which fair value can be measured from actively quoted prices generally will have a higher degree of market price observability and lesser degree of judgment used in measuring fair value.

Investments measured and reported at fair value are classified and disclosed in one of the following categories:

- Level 1 – Investments traded in active market with available quoted prices for identical assets as of the reporting date. When available, quoted prices are used to determine fair value. When quoted prices in active markets are available, investments are classified within Level 1 of the fair value hierarchy. When quoted prices in active markets are not available, fair values are based on evaluated prices received by the City’s asset manager from third party service providers.
- Level 2 – Investments not traded or active market but for which observable market inputs are available for an asset, either directly or indirectly, as of the reporting date.
- Level 3 – Investments not traded in an active market and for which no significant observable inputs are available as of the reporting date.

The Plan categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The table on the next page presents the fair value measurements of assets recognized in the accompanying statements of fiduciary net position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall as of September 30, 2023.

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CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 2. DEPOSITS AND INVESTMENTS (continued)

Fiduciary Funds – Pension Funds (continued)

City of Oakland Park General Employees' Pension Plan (continued)

	Fair Value Measurements using			<u>Total</u>
	Active	Significant		
	Markets for	Other	Significant	
	Identical	Observable	Unobservable	
	Assets	Inputs	Inputs	
	<u>(Level 1)</u>	<u>(Level 2)</u>	<u>(Level 3)</u>	
<i>Investment Type By Fair Value Level</i>				
Fixed Income Portfolio:				
Broad market high quality bond fund	\$ -	\$ 3,901,786	\$ -	\$ 3,901,786
Core plus fixed income	-	-	3,583,273	3,583,273
Total fixed income portfolio	-	3,901,786	3,583,273	7,485,059
Equity Portfolio				
High quality growth portfolio	-	-	-	-
Diversified value portfolio	-	11,665,543	-	11,665,543
Russell 1000 enhanced index portfolio	-	-	-	-
Diversified small cap portfolio	-	6,131,378	-	6,131,378
International equity portfolio	-	8,798,925	-	8,798,925
Core real estate fund	-	-	5,494,352	5,494,352
Total equity portfolio	-	26,595,846	5,494,352	32,090,198
Total investments by fair value level	\$ -	\$ 30,497,632	\$ 9,077,625	\$ 39,575,257

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. 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.

FMIvT Core Plus Fixed Income Fund

This fund invests in two (2) 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, litigations trusts for both U.S. and foreign companies and governments.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 2. DEPOSITS AND INVESTMENTS (continued)

Fiduciary Funds – Pension Funds (continued)

City of Oakland Park General Employees’ Pension Plan (continued)

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.

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 quoted. The majority of the underlying securities have observable level 1 quoted pricing inputs. Most of the security prices were obtained from a pricing service, Interactive Data Corporation (IDC). The value of the portfolio’s shares of the Intech Fund investment are determined based on the net asset value provided by the Intech Fund, which was calculated in accordance with generally accepted accounting principles. While most of the underlying asset values are based on quoted market prices, the net asset value of the portfolio is not publicly quoted.

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.

FMIvT International Equity Portfolio

This portfolio invests in two underlying funds, the Investec International Dynamic Equity Fund, LLC (Investec Fund) and the Wells Capital Management 525 Market Street Fund, LLC (Wells Fund), shares of which are not publicly quoted. Both Funds invest in stocks sold on U.S. and international exchanges, all of which have observable level 1 quoted pricing inputs. The value of the shares of the Investec Fund and Wells Fund investment are determined based on the net asset value provided by the Funds, which was calculated in accordance with generally accepted accounting principles.

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 were determined based on quarterly real estate appraisals, which were calculated in accordance with generally accepted accounting principles.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 2. DEPOSITS AND INVESTMENTS (continued)

Fiduciary Funds – Pension Funds (continued)

City of Oakland Park Retirement System for Police and Firefighters (RSP&F)

The RSP&F’s investment policy is established and may be amended by the Board of Trustees as regards to the allocation of investment assets. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully-funded status for the benefit provided through the Plan. The Board is authorized to acquire and retain every kind of property, real and personal or mixed, and every kind of investment specifically including, but not limited to bonds and other corporate obligations, and stocks – preferred or common. The investment policy statement was last amended in October 2013. The following was the Board’s adopted asset allocation policy as of September 30, 2023:

	Target Allocation Range	
	Min	Max
Domestic equity	40%	50%
Foreign equity	10%	20%
Fixed income	20%	30%
Treasury inflation-protected securities	0%	10%
Global bonds	0%	10%
Real estate	0%	20%
Cash and cash equivalents	Minimal	

Interest Rate Risk: As a means of limiting its exposure to interest rate risk, the RSP&F diversify its investment by security type and institution, and limits holdings in any one type of investment with any one issuer with various duration and maturities. The RSP&F’s investment policy does not set a parameter on the duration of its investment.

Information about the sensitivity of the fair values of the RSP&F’s investment to market interest rate fluctuations is provided by the table on the next page that shows the distribution of the RSP&F’s investment by maturity as of September 30, 2023:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in years)</u>		
		<u>1 to 5</u>	<u>6 to 10</u>	<u>More Than 10</u>
Corporate Bonds	\$ 692,602	\$ -	\$ 692,602	\$ -
U.S. Treasuries	3,494,319	1,435,676	2,058,643	-
Fixed Income Funds	5,535,333	3,228,859	952,411	1,354,063
U.S. Agencies	4,989,724	-	-	4,989,724
Total Fixed Income Securities	<u>\$ 14,711,978</u>	<u>\$ 4,664,535</u>	<u>\$ 3,703,656</u>	<u>\$ 6,343,787</u>

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 2. DEPOSITS AND INVESTMENTS (continued)

Fiduciary Funds – Pension Funds (continued)

City of Oakland Park Retirement System for Police and Firefighters (RSP&F)

Credit Risk: The RSP&F’s investment policy utilizes portfolio diversification in order to control this risk. The following table discloses credit ratings by investment type at September 30, 2023, as applicable:

	<u>Fair Value</u>	<u>% of Portfolio</u>
Quality rating of credit securities		
Aaa*	\$ 5,373,280	37%
Aa	1,492,361	10%
A	296,339	2%
A1	157,168	1%
A3	535,435	4%
Bbb	686,558	5%
Bb	525,054	4%
B	318,512	2%
Unrated government securities	<u>5,327,271</u>	<u>36%</u>
Total Fixed Income Securities	<u>\$ 14,711,978</u>	<u>100%</u>

* Aaa securities are U.S Treasury securities guaranteed by the U.S. government.

Concentration of Credit Risk is the risk of losses that may occur from having a large portion of the Plan’s holding in a particular investment relative to the overall portfolio. GASB Statement 40 and GASB Statement 67, require disclosure of investments (other than those issued or guaranteed by the U.S. Government) in any one organization that represent 5% or more of total investments or fiduciary net position.

At September 30, 2023, investments in the following mutual funds represented more than 5% of the Plan’s net position: Euro Pacific Growth Fund (14.5%) and Vanguard Equity Income Fund (18.3%). At September 30, 2023, investments in the following real estate fund represented more than 5% of the Plan’s net position: Prime Property Fund (13.1%).

Foreign Currency Risk is the risk that fluctuations in currency exchange rate may affect transactions conducted in currencies other than U.S. dollars and the carrying value of foreign investments. The Plan’s exposure to foreign currency risk derives mainly from its investments in international equity funds. The investment policy limits the foreign investments to no more than 30% of the Plan’s investment balance. As of September 30, 2023, the foreign investments were 16% of the total.

Custodial Credit Risk: Consistent with the RSP&F’s investment policy, the investments are held by custodial bank and registered in the RSP&F’s name. All of the RSP&F’s deposits are insured and or collateralized by a financial institution separate from the RSP&F’s depository financial institution. The Plan is only exposed to custodial credit risk for uncollateralized cash and cash equivalents that are not covered by federal depository insurance.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 2. DEPOSITS AND INVESTMENTS (continued)

Fiduciary Funds – Pension Funds (continued)

City of Oakland Park Retirement System for Police and Firefighters (RSP&F) (continued)

Investment Valuation

The Plan categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The Plan has the following recurring fair value measurements as of September 30, 2023:

	Fair Value Measurements using			
	Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Unobservable Inputs (Level 3)	Total
<i>Investment Type By Fair Value Level</i>				
Equity securities				
Domestic common stock	\$ 25,290,967	\$ -	\$ -	\$ 25,290,967
International common stock	610,110	-	-	610,110
Equity mutual funds	8,470,045	-	-	8,470,045
Total equity securities	<u>34,371,122</u>	<u>-</u>	<u>-</u>	<u>34,371,122</u>
Debt Securities:				
Corporate bonds	-	692,602	-	692,602
U.S. treasury securities	3,494,319	-	-	3,494,319
U.S. agency securities	-	4,989,724	-	4,989,724
Fixed income mutual funds	5,535,333	-	-	5,535,333
Total debt securities	<u>9,029,652</u>	<u>5,682,326</u>	<u>-</u>	<u>14,711,978</u>
Total investments by fair value level	<u>\$ 43,400,774</u>	<u>\$ 5,682,326</u>	<u>\$ -</u>	49,083,100
<i>Investments measured at the net asset value (NAV) *</i>				
Real estate fund				7,644,255
Total investments measured at NAV				<u>7,644,255</u>
Money market funds (exempt)				<u>1,442,030</u>
Total investments				<u>\$ 58,169,385</u>

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

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 2. DEPOSITS AND INVESTMENTS (continued)

Fiduciary Funds – Pension Funds (continued)

City of Oakland Park Retirement System for Police and Firefighters (RSP&F) (continued)

Investment Valuation (continued)

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 at the measurement date. The Plan categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels based on the extent to which inputs used in measuring fair value are observable in the market as follows:

Level 1- Inputs to the valuation methodology are based upon quoted prices for identical assets in active markets.

Level 2- Inputs to the valuation methodology are based upon observable inputs for the assets either directly or indirectly, other than those considered Level 1 inputs, which may include quoted prices for identical assets in markets that are not considered to be active, and quoted prices of similar assets in active or inactive markets.

Level 3- Inputs to the valuation methodology are based upon unobservable inputs. The following is a description of the valuation methodologies used for assets measured at fair value.

- Common stocks: Valued at the closing price reported on the New York Stock Exchange.
- Mutual funds: Valued at the daily closing price as reported by the Plan. Mutual funds held by the Plan are open-ended mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (“NAV”) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.
- Government securities: Valued using pricing models maximizing the use of observable inputs for similar securities.
- Corporate bonds: Valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing the value on yields currently available on comparable securities of issuers with similar credit ratings. When quoted prices are not available for identical or similar bonds, the bond is valued under a discounted cash flows approach that maximizes observable inputs, such as current yield of similar instruments, but includes adjustments for certain risks that may not be observable, such as credit and liquidity risks or a broker quote, if available.
- Real estate funds: Valued at the net asset value of shares held by the Plan at year end. The Plan has investments in private market real estate investments for which no liquid public market exists.
- Money market funds: Valued at the floating net asset value of shares held by the Plan at year end.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 2. DEPOSITS AND INVESTMENTS (continued)

Fiduciary Funds – Pension Funds (continued)

City of Oakland Park Retirement System for Police and Firefighters (RSP&F) (continued)

Investment Valuation (continued)

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

*Investment Measured at the net asset value (NAV) **

	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency (if currently eligible)</u>	<u>Redemption Notice Period</u>
Real estate fund **	\$ 7,644,255	\$ -	Quarterly	One Quarter
Total investments measured at NAV	<u>\$ 7,644,255</u>	<u>\$ -</u>		

**** Real estate fund:** The fund is an open-end, real estate investment fund investing primarily in core office, apartment, mall, and resort properties located through the United States. The investment is valued at NAV and may be redeemed quarterly with notice provided a quarter in advance.

Debt securities: Debt securities consist primarily of negotiable obligations of the U.S. government and U.S. government-sponsored agencies, corporations, securitized offerings backed by residential and commercial mortgages, Treasury Inflation Protected Securities (TIPS) and foreign debt securities. These securities can typically be valued using the close or last traded price on a specific date (quoted prices in active markets). When quoted prices are not available, fair value is determined based on valuation models that use inputs that include market observable inputs. These inputs included on valuation models that use quotes, cash flows, maturity, credit ratings, and other assumptions based upon the specifics of the investment's type.

Equity securities: These include domestic and international equities. Domestic securities traded on a national securities exchange are valued at the last reported sale price on the last business day of the fiscal year. Securities traded in the over-the-counter market and listed securities for which no sale was reported on that date are valued at the last reported bid price.

International equities are valued based upon quoted foreign market prices and translated into U.S. dollar at the exchange rate in effect at September 30, 2023. Securities which are not traded on a national security exchange are valued by the respective fund manager or other third parties based on yields currently available on comparable securities of issuers with similar credit ratings.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 3. RECEIVABLES AND PAYABLES

Accounts receivable balances as of September 30, 2023, were as follows:

	Accounts	Taxes	Other Government	Allowance for Uncollectible Accounts	Net
Government Activities					
General fund	\$ 16,847,478	\$ 2,289,940	\$ 92,600	\$ (15,029,585)	\$ 4,200,432
Community Redevelopment Agency	64,726	-	-	(53,344)	11,382
Capital projects fund	-	-	1,323,139	-	1,323,139
Non-major funds	-	-	53,164	-	53,164
Total Government Activities	<u>\$ 16,912,203</u>	<u>\$ 2,289,940</u>	<u>\$ 1,415,739</u>	<u>\$ (15,082,929)</u>	<u>\$ 5,588,117</u>
Business-type Activities					
Water & sewer	\$ 3,494,715	\$ -	\$ -	\$ (990,998)	\$ 2,503,717
Solidwaste	1,166,778	-	945	(543,535)	624,187
Stormwater	248,311	-	-	(244,214)	4,097
Total Business-type Activities	<u>\$ 4,909,804</u>	<u>\$ -</u>	<u>\$ 945</u>	<u>\$ (1,778,748)</u>	<u>\$ 3,132,001</u>

Accounts payable and accrued liabilities balances as of September 30, 2023, were as follows:

	Vendors	Salaries and Benefits	Other Governments	Total
Government Activities				
General fund	\$ 1,889,924	\$ 954,222	\$ 29,073	\$ 2,873,219
Community Redevelopment Agency	45,582	5,441	186	51,209
Capital projects fund	2,727,620	-	-	2,727,620
Non-major funds	4,064	7,825	-	11,889
Total Government Activities	<u>\$ 4,667,190</u>	<u>\$ 967,488</u>	<u>\$ 29,259</u>	<u>\$ 5,663,937</u>
Business-type Activities				
Water & sewer	\$ 5,365,948	\$ 58,398	\$ -	\$ 5,424,346
Solidwaste	696,788	51,221	-	748,010
Stormwater	247,273	18,878	-	266,151
Total Business-type Activities	<u>\$ 6,310,009</u>	<u>\$ 128,497</u>	<u>\$ -</u>	<u>\$ 6,438,507</u>

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 4. INTERFUND BALANCES AND TRANSFERS

The composition of interfund balances as of September 30, 2023 consisted of the following:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Purpose</u>
<i>Advances From/ To Other Funds:</i>			
Water and Sewer fund	Capital Projects fund	\$ 595,000	Property purchase
Stormwater fund	Capital Projects fund	629,739	Property remediation
		<u>\$ 1,224,739</u>	

Interfund transfers for the year ended September 30, 2023 consisted of the following:

	<u>Transfers Out:</u>			<u>Purpose</u>
	<u>General Fund</u>	<u>Non-Major Funds</u>	<u>Total</u>	
Transfer In:				
General fund	\$ -	\$ 29,070	\$ 29,070	Admin share for grant management
CRA fund	549,583	-	549,583	For program expenditures
Capital Projects fund	1,230,145	945,815	2,175,960	For capital expenditures
Non-Major funds	<u>2,336,916</u>	<u>-</u>	<u>2,336,916</u>	For debt service expenditures
Total	<u>\$ 4,116,644</u>	<u>\$ 974,885</u>	<u>\$ 5,091,529</u>	

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CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 5. RESTRICTED ASSETS

The City's restricted assets as of September 30, 2023, are as follows:

<u>Nature</u>	<u>Government Activities</u>			<u>Total</u>
	<u>General Fund</u>	<u>Capital Project Fund</u>	<u>Non-Major Governmental Funds</u>	
BSO* agreement for Police Officers paid time off	\$ 131,130	\$ -	\$ -	\$ 131,130
American Rescue Plan Act (ARPA) funds	13,640,821	-	-	13,640,821
Vehicle replacement funds	1,174,678	-	-	1,174,678
Public Works facility funds	-	2,181,930	-	2,181,930
Capital projects funds	-	26,610,255	-	26,610,255
Surtax funds	-	705,467	-	705,467
Park improvement funds	-	-	410,738	410,738
Tree preservation funds	-	-	12,559	12,559
Fire station facility funds	-	-	57,538	57,538
Public safety grant funds	-	-	175,188	175,188
Library grant funds	-	-	154,163	154,163
Mobility fee fund	-	-	11,400	11,400
Parks and recreation grant funds	-	-	86,250	86,250
Total Government Activities	<u>\$ 14,946,629</u>	<u>\$ 29,497,652</u>	<u>\$ 907,836</u>	<u>\$ 45,352,117</u>

* Broward Sheriffs Office

<u>Nature</u>	<u>Business-type Activities</u>			<u>Total</u>
	<u>Water & Sewer Fund</u>	<u>Solidwaste Fund</u>	<u>Stormwater Fund</u>	
Customers deposits	\$ 1,134,433	\$ 457,220	\$ -	\$ 1,591,653
Renewal and replacement reserve	1,159,228	-	-	1,159,228
Vehicle purchase funds	-	442,207	-	442,207
Public Works facility funds	5,632,692	1,679,774	1,958,104	9,270,570
Total Business-type Activities	<u>\$ 7,926,352</u>	<u>\$ 2,579,201</u>	<u>\$ 1,958,104</u>	<u>\$ 12,463,658</u>

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 6. CAPITAL ASSETS – GOVERNMENTAL ACTIVITIES

The following is a summary of changes in capital assets for the fiscal year ended September 30, 2023, in the governmental activities:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land and easements	\$ 18,372,277	\$ -	\$ (2,739,961)	\$ 15,632,316
Construction in progress	3,710,962	21,980,885	(1,458,767)	24,233,080
Total assets not being depreciated	<u>22,083,239</u>	<u>21,980,885</u>	<u>(4,198,728)</u>	<u>39,865,396</u>
Capital assets being depreciated:				
Intangible - software	250,989	-	-	250,989
Buildings	18,352,907	-	-	18,352,907
Improvements other than buildings	29,977,435	310,877	-	30,288,312
Machinery and equipment	14,794,972	706,942	(369,543)	15,132,371
Infrastructure	61,484,236	1,147,889	-	62,632,125
Right to use assets - SBITA	-	1,039,602	-	1,039,602
Total other capital assets at historical cost	<u>124,860,539</u>	<u>3,205,310</u>	<u>(369,543)</u>	<u>127,696,306</u>
Less accumulated depreciation for:				
Intangible - software	(239,727)	(7,303)	-	(247,030)
Buildings	(7,013,127)	(371,492)	-	(7,384,619)
Improvements other than buildings	(15,538,828)	(1,182,186)	-	(16,721,014)
Machinery and equipment	(12,322,853)	(595,823)	369,543	(12,549,133)
Infrastructure	(17,782,413)	(1,082,414)	-	(18,864,827)
Right to use assets - SBITA	-	(329,288)	-	(329,288)
Total accumulated depreciation and amortization	<u>(52,896,948)</u>	<u>(3,568,506)</u>	<u>369,543</u>	<u>(56,095,911)</u>
Net capital assets being depreciated	<u>71,963,591</u>	<u>(363,196)</u>	<u>-</u>	<u>71,600,395</u>
Governmental activities capital assets, net	<u>\$ 94,046,830</u>	<u>\$ 21,617,689</u>	<u>\$ (4,198,728)</u>	<u>\$ 111,465,791</u>

Depreciation expense charged by governmental function are as follows:

General government	294,492
Public safety	471,203
Public works	1,615,212
Engineering and community development	92,810
Culture and recreation	1,094,789
Total depreciation expense - Governmental Activities	<u>\$ 3,568,506</u>

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 6. CAPITAL ASSETS – BUSINESS TYPE ACTIVITIES

The following is a summary of changes in capital assets for the fiscal year ended September 30, 2023, in the business-type activities:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land and easements	\$ 435,982	\$ -	\$ -	\$ 435,982
Construction in progress	8,391,740	10,214,296	(1,011,668)	17,594,368
Total assets not being depreciated	<u>8,827,722</u>	<u>10,214,296</u>	<u>(1,011,668)</u>	<u>18,030,350</u>
Capital assets being depreciated:				
Intangible - software	15,446	-	-	15,446
Buildings	92,394	-	(92,394)	-
Improvements other than buildings	33,501	-	-	33,501
Machinery and equipment	9,347,035	1,849,993	(1,253,817)	9,943,211
Infrastructure	150,686,207	1,011,669	-	151,697,876
Right to use assets - SBITA	-	117,919	-	117,919
Total capital assets being depreciated	<u>160,174,583</u>	<u>2,979,581</u>	<u>(1,346,211)</u>	<u>161,807,953</u>
Less accumulated depreciation for:				
Intangible - software	(15,446)	-	-	(15,446)
Buildings	(92,394)	-	92,394	-
Improvements other than buildings	(14,212)	(2,274)	-	(16,486)
Machinery and equipment	(6,076,168)	(825,226)	1,153,938	(5,747,456)
Infrastructure	(41,821,806)	(2,334,761)	-	(44,156,567)
Right to use assets - SBITA	-	(52,916)	-	(52,916)
Total accumulated depreciation and amortization	<u>(48,020,026)</u>	<u>(3,215,177)</u>	<u>1,246,332</u>	<u>(49,988,871)</u>
Capital assets being depreciated, net	<u>112,154,557</u>	<u>(235,596)</u>	<u>(99,879)</u>	<u>111,819,082</u>
Business-type activities capital assets, net	<u>\$ 120,982,279</u>	<u>\$ 9,978,700</u>	<u>\$ (1,111,547)</u>	<u>\$ 129,849,432</u>

Depreciation expense in each enterprise fund are as follows:

Water and sewer	\$ 1,555,600
Solidwaste	551,689
Stormwater	<u>1,107,888</u>
Total depreciation expense - Business-type Activities	<u><u>\$ 3,215,177</u></u>

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 7. LONG-TERM DEBT

The various bank loans, financed purchases and bonds were issued to finance vehicle purchases and capital outlay projects, and to refund outstanding loans and other obligations of the City. Following are the various long-term indebtedness of the City:

Financed Purchases

In 2013, the City entered into a Master Financed Purchase Agreement with US Bancorp Government Leasing and Finance, Inc. In November 2014, the City entered into the first amendment to the agreement for the purchase of three (3) fire ambulances, one (1) truck and two (2) solid waste front loaders in the amount of \$1,251,291 with interest rate at 2.392%. Upon final payment in 2024, title to the capital assets will revert to the City.

In January 2017, the City entered into the second amendment to the agreement for the purchase of four (4) solid waste trucks in the amount of \$1,100,000 with interest rate at 1.79%. Upon final payment in 2024, title to the capital assets will revert to the City.

On June 15, 2018, the City entered into the third amendment of the agreement for the purchase of a firetruck in the amount of \$599,611 with interest rate at 3.01%. Upon final payment in 2025, title to the capital assets will revert to the City.

The following is the schedule of the future minimum payments under the financed purchase agreements together with the present value of the net minimum payments as of September 30, 2023:

	Governmental Activities	Business-Type Activities
Year ending September 30:		
2024	\$ 180,242	\$ 112,192
2025	64,292	-
Total minimum financed purchase payments	244,534	112,192
Less: amount representing interest	(6,137)	(1,532)
Present value of minimum financed purchase payment	<u>\$ 238,397</u>	<u>\$ 110,660</u>

The asset type and amounts as of September 30, 2023, are as follows:

	Governmental Activities	Business-Type Activities
Asset type:		
Machinery and equipment	\$ 2,048,379	\$ 1,595,370
Less: Accumulated depreciation	(1,634,239)	(1,344,076)
Net book value	<u>\$ 414,140</u>	<u>\$ 251,294</u>

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 7. LONG-TERM DEBT (continued)

Bank Loans

a. Capital One – Series 2007 Term Loan

On October 19, 2007, the City entered into a loan agreement with Wachovia Bank and issued a 20-year promissory note for \$4,000,000. The loan was used as partial reimbursement of the acquisition of the new municipal building, which will house the Oakland Park Division of the Broward Sheriff's Office and various City offices.

Principal payments are due on October 1st of each year with interest payments due on October 1st and April 1st, and the final payment is due on October 1, 2027. The loan bears interest at a fixed rate of 4.47% per annum. As security for loan repayment, the City covenants and agrees to appropriate in its annual budget the amounts of legally available non-ad valorem revenues attributable to the General Fund sufficient to satisfy its annual debt service requirements under the loan agreement. In February 2015, the loan was assigned to Capital One Bank.

The loan agreement contains a provision that when the maximum federal corporate rate (MFCR) becomes less than 35%, the interest rate is adjusted to reflect the effect based on the margin rate factor. Relative to the decrease in the MFCR from 35% to 21% on January 1, 2018, the effective interest rate of this loan was adjusted from 4.47% to 5.43% effective April 1, 2018.

The following table shows the debt service requirements of the above loan as of September 30, 2023:

Fiscal Year Ending September 30:	Principal	Interest	Total
2024	\$ 245,943	\$ 66,338	\$ 312,281
2025	256,936	52,685	309,621
2026	268,420	38,422	306,842
2027	280,420	23,521	303,941
2028	292,955	7,954	300,909
	<u>\$ 1,344,674</u>	<u>\$ 188,921</u>	<u>\$ 1,533,594</u>

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 7. LONG-TERM DEBT (continued)

Bank Loans (continued)

b. Truist Bank – 2014 Term Loan

In June 2014, the City entered into a loan with SunTrust and issued a 15-year promissory note for \$1,495,000 at 2.88% interest to refund the balance of Florida Municipal Loan Council (FMLC) Revenue bonds, Series 2004A. The outstanding balance of the FMLC loan of \$1,445,000 was retired on July 3, 2014. The new loan principal payments are due on July 1st of each year with interest payments due on July 1st and January 1st. The final principal payment is due on July 1, 2029. As security for the loan, the City covenants and agrees to appropriate in its annual budget amounts of non-ad valorem revenues sufficient to satisfy its annual debt service requirements under the loan agreement.

The loan agreement contains a provision that when the maximum federal corporate rate (MFCR) becomes less than 35%, the interest rate is adjusted to reflect the effect based on the margin rate factor. Relative to the decrease in the MFCR from 35% to 21% on January 1, 2018, the effective interest rate was adjusted to the maximum of 3.32% from 2.88%.

The following table shows the debt service requirements of the above loan as of September 30, 2023:

Fiscal Year Ending September 30:	Principal	Interest	Total
2024	\$ 105,000	\$ 22,410	\$ 127,410
2025	110,000	18,924	128,924
2026	110,000	15,272	125,272
2027	115,000	11,620	126,620
2028	115,000	7,802	122,802
2029	120,000	3,984	123,984
	<u>\$ 675,000</u>	<u>\$ 80,012</u>	<u>\$ 755,012</u>

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CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 7. LONG-TERM DEBT (continued)

Bank Loans (continued)

c. Branch Banking & Trust Company (BB&T) Loan 2016

On July 22, 2016, the City entered into a loan with Branch Banking & Trust (BB&T) and issued a 7-year promissory note for \$745,000 at 1.57% interest for the purchase of firefighting equipment including a ladder truck. The new loan principal payments are due on October 1st of each year with interest payments due on April 1st. The final principal payment is due on October 1, 2023. As security for loan repayment, the City covenants and agrees to appropriate in its annual budget the amounts of non-ad valorem revenues sufficient to satisfy its annual debt service requirements under the loan agreement.

The following table shows the debt service requirements of the above loan as of September 30, 2023:

Fiscal Year Ending September 30,	Principal	Interest	Total
2024	\$ 110,000	\$ 864	\$ 110,864
	<u>\$ 110,000</u>	<u>\$ 864</u>	<u>\$ 110,864</u>

d. Florida Community Bank Loan 2018

On August 3, 2018, the City entered into a loan with Florida Community Bank (FCB) and issued a 10-year promissory note for \$1,660,000 at 3.15% interest for the acquisition of a piece of land for municipal purposes. The new loan principal payments are due every December 1st of the year with interest payments due on December 1st and June 1st. The final principal payment is due on December 1, 2028. As security for loan repayment, the City covenants and agrees to appropriate in its annual budget the amounts of non-ad valorem revenues sufficient to satisfy its annual debt service requirements.

The following table shows the debt service requirements of the above loan as of September 30, 2023:

Fiscal Year Ending	Principal	Interest	Total
2024	\$ 160,000	\$ 30,713	\$ 190,713
2025	165,000	25,594	190,594
2026	175,000	20,239	195,239
2027	180,000	14,648	194,648
2028	185,000	8,899	193,899
2029	190,000	2,993	192,993
	<u>\$ 1,055,000</u>	<u>\$ 103,086</u>	<u>\$ 1,158,086</u>

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 7. LONG-TERM DEBT (continued)

Bank Loans (continued)

e. JP Morgan Chase Loan 2019

On January 10, 2019, the City entered into a loan agreement with JP Morgan Chase and issued a 7-year promissory note for \$1,399,700 at 3.01% interest for the purchase of solid waste trucks. Loan principal and interest payments are due on the 1st day of each month for the next seven years with the final principal payment due on January 1, 2026. As security for loan repayment, the City covenants and agrees to appropriate in its annual budget the amounts of non-ad valorem revenues sufficient to satisfy its annual debt service requirements under the loan agreement. Principal and interest payments made during the year were \$221,845. Following is the remaining debt service requirements as of September 30, 2023:

<u>Fiscal Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 209,694	\$ 12,151	\$ 221,845
2025	289,438	6,214	295,652
	<u>\$ 499,132</u>	<u>\$ 18,365</u>	<u>\$ 517,497</u>

f. Wells Fargo Capital Strategies – Series 2021

On June 4, 2021, the City entered into a loan agreement with Wells Fargo Capital Strategies, LLC and issued a 10-year promissory note for \$9,337,980 at 1.45% interest to refund the balance of the original Stormwater loan Series 2010 with Branch Banking & Trust (BB&T). On the same date, the outstanding balance of the BB&T loan of \$9,159,815 was retired and the liability for the 2010 loan had been removed from the balance sheet. The reduction in the interest rate creates a debt service payment savings of \$929,773 over the remaining years of the loan. The new loan principal payments are due every November 1st of the year with interest payments due on November 1st and May 1st. The final principal payment is due on November 1, 2030. As security for loan repayment, the City covenants and agrees to appropriate in its annual budget the amounts of non-ad valorem revenues sufficient to satisfy its annual debt service requirements under the loan agreement.

Following is the remaining debt service requirements as of September 30, 2023:

<u>Fiscal Year Ending</u>	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Totals</u>	
<u>September 30:</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 641,146	\$ 73,549	\$ 270,868	\$ 31,073	\$ 912,014	\$ 104,621
2025	651,093	64,180	275,070	27,115	926,163	91,294
2026	659,483	54,679	278,615	23,100	938,098	77,779
2027	669,810	45,041	282,978	19,029	952,788	64,070
2028	678,398	35,267	286,606	14,899	965,004	50,166
2029-2031	2,092,993	45,789	884,238	19,345	2,977,230	65,134
	<u>\$ 5,392,922</u>	<u>\$ 318,505</u>	<u>\$ 2,278,375</u>	<u>\$ 134,561</u>	<u>\$ 7,671,297</u>	<u>\$ 453,064</u>

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 7. LONG-TERM DEBT (continued)

Bank Loans (continued)

g. Webster Bank, National Association (N.A.) – Series 2021 Refunding Loan

On November 5, 2021, the City entered into a loan agreement with Webster Bank, N.A. (formerly known as Sterling National Bank) and issued a promissory note for \$4,511,056 to refinance the balance of the Series 2011 Stormwater Assessment Bonds. The loan was issued with an interest rate of 2.19% and payable in 20 years, maintaining the same maturity as the refunded Stormwater Assessment Bonds Series 2011. Annual principal and interest payments on the loan are expected to require less than 20% of net revenues. Customer net revenue for the fiscal year was \$3,501,995.

The loan principal payments are due every August 1st of the year with interest payments due every February 1st and August 1st through 2041. Principal and interest paid for the current year were \$283,477.

The following table shows the debt service requirements of the Series 2021 loan as of September 30, 2023:

Fiscal Year Ending	Principal	Interest	Total
2024	192,520	90,926	283,446
2025	196,236	86,710	282,946
2026	199,889	82,412	282,301
2027	202,767	78,035	280,801
2028	209,342	73,594	282,936
2029-2033	1,105,192	297,649	1,402,841
2034-2038	1,234,357	171,149	1,405,506
2039-2041	811,562	35,840	847,401
	<u>\$ 4,151,865</u>	<u>\$ 916,313</u>	<u>\$ 5,068,178</u>

Defeased Debt

On February 1, 2022, the City defeased the Series 2011 Stormwater bonds through the proceeds of the above loan with Webster Bank Series 2021 of \$4,511,056. The net proceeds of \$4,415,000 (after payment of \$48,500 issuance costs and \$47,556 escrow payment) were placed in an irrevocable trust to provide for the debt service payment for the Series 2011 bonds on February 1, 2022. As a result, the outstanding balance of the Stormwater Series 2011 bonds of \$4,415,000 bonds are considered to be in-substance defeased and the liability for these bonds have been removed from the balance sheet. The Series 2011 Stormwater bonds were refunded to reduce its interest rate which creates a debt service payment savings of \$1,122,588 or an average of \$56,839.90 each year for approximately 19.75 years, the remaining years of the debt.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 7. LONG-TERM DEBT (continued)

Bank Loans (continued)

h. Webster Bank, National Association (N.A.) – Series 2021 Vehicle Loan

On November 23, 2021, the City entered into a loan agreement with Webster Bank, N.A. (formerly Sterling National Bank) and issued a six and half-year promissory note for \$2,992,400 at an interest rate of 1.31%. The loan is to replace Fire Rescue and other City vehicles. The loan principal and interest payments are due on the first day of each month beginning January 1, 2022 through July 1, 2028. As security for loan repayment, the City covenants and agrees to appropriate in its annual budget the amounts of non-ad valorem revenues sufficient to satisfy its annual debt service requirements under the loan agreement.

The following table below shows the debt service requirements of the Series 2021 loan with Webster Bank as of September 30, 2023.

<u>Fiscal Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 448,379	\$ 26,430	\$ 474,810
2025	454,289	20,521	474,810
2026	460,276	14,534	474,810
2027	466,342	8,468	474,810
2028	393,308	2,365	395,673
	<u>\$ 2,222,594</u>	<u>\$ 72,319</u>	<u>\$ 2,294,912</u>

h. Webster Bank, National Association (N.A.) – Series 2022

On April 21, 2022, the City entered into three (3) loan agreements with Webster Bank, N.A. and issued 16-year promissory notes with a total value of \$16.03 million bearing an interest rate of 2.28%. The loans will finance the construction of a Public Works building. The principal payments are due every August 1st of the year with interest payments due on August 1st and February 1st through the final principal payment of August 1, 2037. As security for the loan payable by the governmental funds, the City covenants and agrees to appropriate in its annual budget the amounts of non-ad valorem revenues sufficient to satisfy its annual debt service requirements while net revenues and pledge accounts secured the portions payable by Water and Sewer and Stormwater Funds.

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CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 7. LONG-TERM DEBT (continued)

Bank Loans (continued)

h. Webster Bank, National Association (N.A.) – Series 2022 (continued)

The table below shows the debt service requirements of the Series 2022 loan with Webster Bank as of September 30, 2023.

Fiscal Year Ending September 30:	Governmental Activities		Business-type Activities		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	181,351	67,300	733,393	272,164	914,744	339,464
2025	185,486	63,165	750,114	255,443	935,600	318,608
2026	189,715	58,936	767,217	238,340	956,932	297,276
2027	194,040	54,611	784,709	220,848	978,750	275,458
2028	198,464	50,186	802,601	202,956	1,001,065	253,142
2029-2033	1,062,297	180,958	4,295,982	731,804	5,358,279	912,762
2034-2037	940,397	54,207	3,803,014	219,215	4,743,411	273,422
	<u>\$ 2,951,750</u>	<u>\$ 529,362</u>	<u>\$ 11,937,031</u>	<u>\$ 2,140,770</u>	<u>\$ 14,888,780</u>	<u>\$ 2,670,133</u>

j. Truist Bank – Series 2023 Solid Waste Vehicle Loan

On October 21, 2022, the City entered into a loan agreement with Truist Bank and issued a seven-year promissory note for \$1,504,314 at an interest rate of 3.21%. The loan is used to finance the replacement of solid waste trucks. The loan principal and interest payments are due on the fifth day of each month beginning on December 5, 2022, through October 5, 2029. As security for loan repayment, the City covenants and agrees to appropriate in its annual budget the amounts of non-ad valorem revenues sufficient to satisfy its annual debt service requirements under the loan agreement.

The following table below shows the debt service requirements of the Series 2022 loan with Webster Bank as of September 30, 2023.

Fiscal Year Ending	Principal	Interest	Total
2024	\$ 203,014	\$ 40,106	\$ 243,120
2025	209,628	33,492	243,120
2026	216,457	26,663	243,120
2027	223,508	19,612	243,120
2028	230,789	12,331	243,120
2029 - 2030	258,513	4,867	263,380
	<u>\$ 1,341,910</u>	<u>\$ 137,070</u>	<u>\$ 1,478,980</u>

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 7. LONG-TERM DEBT (continued)

General Obligation Bonds, Series 2020 and Series 2022

On June 11, 2020, the City issued \$26,000,000 of the \$40-million General Obligation (G.O.) Bonds which was approved by the residents at the general election in November 2018. Subsequently on February 24, 2022, the remaining \$14,000,000 G.O. Bonds were issued. The bonds were issued with a total premium of \$8,497,304 and all proceeds are to be used to fund the modernization of the City facilities such as the three (3) fire rescue stations, the municipal library, the community centers and the City park. The bonds are payable from ad valorem taxes on all taxable real and tangible personal property within the City. There is no direct limitations imposed by the Florida Constitution or the Florida Statutes on the amount of debt that the City can issue.

The Series 2020 Bonds have an outstanding balance of \$23,740,000 due in varying installments through 2040 which bear interest rates from 4.0% to 5.0% with interest payable semi-annually on February 1 and August 1 of each year, beginning in February 2021. The bonds maturing prior to February 1, 2031 are not subject to optional redemption prior to maturity while the bonds maturing on or after February 1, 2031 are subject to redemption prior to maturity, at the option of the City from any funds legally available for such purpose, on or after February 1, 2030, in whole or in part on any date, and if in part in any order of maturity selected by the City, and by lot within a maturity if less than an entire maturity is to be redeemed, at the redemption price of par plus accrued interest to the redemption date.

The Series 2022 Bonds have an outstanding balance of \$13,600,000 due in varying installments through 2042 which bear interest rates from 4.0% to 5.0% with interest payable semi-annually on February 1 and August 1 of each year, beginning on February 1, 2023. The bonds maturing prior to February 1, 2033 are not subject to optional redemption prior to maturity while the bonds maturing on or after February 1, 2033 are subject to redemption prior to maturity, at the option of the City from any funds legally available for such purpose, on or after February 1, 2032, in whole or in part on any date, and if in part in any order of maturity selected by the City, and by lot within a maturity if less than an entire maturity is to be redeemed, at the redemption price of par plus accrued interest to the redemption date. The debt service requirements of the G.O. Bonds as of September 30, 2023, are as follows:

Fiscal Year Ending	Series 2020		Series 2022		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 935,000	\$ 1,043,625	\$ 450,000	\$ 623,750	\$ 1,385,000	\$ 1,667,375
2025	980,000	995,750	470,000	601,250	1,450,000	1,596,999
2026	1,030,000	945,500	495,000	577,750	1,525,000	1,523,250
2027	1,080,000	892,750	520,000	553,000	1,600,000	1,445,750
2028	1,135,000	837,375	545,000	527,000	1,680,000	1,364,375
2029-2033	6,580,000	3,254,500	3,180,000	2,196,250	9,760,000	5,450,750
2034-2038	8,230,000	1,602,600	4,045,000	1,326,250	12,275,000	2,928,850
2039-2042	3,770,000	152,200	3,895,000	396,800	7,665,000	549,000
	<u>\$ 23,740,000</u>	<u>\$ 9,724,300</u>	<u>\$ 13,600,000</u>	<u>\$ 6,802,050</u>	<u>\$ 37,340,000</u>	<u>\$ 16,526,349</u>

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 7. LONG-TERM DEBT (continued)

Revenue Bonds

a. Water and Sewer Revenue Bonds, Series 2010

On August 23, 2010, the City issued \$3,370,000 tax-exempt bonds of Series 2010A taxable bonds, Water and Sewer Revenue Bonds. The proceeds of the bonds and other funds made available through the refunding program are be used to (1) pay capital expenditures of water and wastewater system improvements, (2) to refund and defeased the Utility System Revenue Refunding and Improvement Bonds, Series 1994, totaling \$1,533,024, (3) to purchase a debt service reserve and insurance policies for the Series 2010 bonds, and (4) to pay the costs of issuance. The portion of the net proceeds from the issuance of the bonds attributed to the defeasance were deposited with an escrow agent to provide for the interest and principal payments on the old bonds. All of the defeased bonds were subsequently called in October 2010.

The Series 2010A Bonds are composed of serial and term bonds. The serial bonds are due in varying annual installments from the year 2011 through 2020 and the term bonds are due in 2025. Series 2010A Bond interest rates vary from 2.0% to 4.0% with interest payable semi-annually. Interest payments are due on March 1 and September 1 of each year, beginning in 2011. The Series 2010 Bonds are limited obligations of the City, payable solely from water and sewer revenues of the Utility system. Net revenues are defined as the excess of the system's gross revenues over the operating costs.

The covenants of the Series 2010 Bond Ordinance require that certain accounts be maintained as follows:

- Reserve Fund – Deposits sufficient to restore in not more than 12 equal monthly payments the funds on deposit therein to an amount equal to the reserve fund requirement. In lieu of this fund, the City has purchased with Assured Guaranty Municipal Corporation, surety bond for 2010A series to meet the reserve requirement and a bond insurance policy to guarantee the principal and interest payments.
- Renewal and Replacement Fund – The Ordinance requires that the City establish a renewal and replacement fund equal to 5% of the gross revenue of the preceding fiscal year or such other greater or lesser sum recommended by the consulting engineer. Whenever the balance is less than the requirement, the City shall deposit into or credit to the fund the lesser of the balance of all moneys remaining in the revenue fund or 2% of the deposits to the revenue fund during the current month, to the extent necessary to equal the renewal and replacement fund requirement. Excess moneys in the fund may be withdrawn by the City and deposited in the revenue fund. The City is in compliance with the renewal and replacement fund requirement.

The City had covenanted in the Ordinance to fix, establish and maintain and collect such rates and/or impact fees, and to revise the same to the extent necessary, so that the rates and/or impact fees will always provide in each fiscal year either (i) net revenues which are at least equal to 110% of the debt service requirement of the Bonds for such fiscal year plus 100% of the amount required to restore any deficiency in the reserve fund and to reimburse all providers of reserve fund insurance policies or letters of credit for amounts owing thereto or (ii) net revenues which are at least equal to 100% of the debt

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 7. LONG-TERM DEBT (continued)

Revenue Bonds (continued)

a. Water and Sewer Revenue Bonds, Series 2010 (continued)

service requirement for such fiscal year plus 100% of the amount required to restore any deficiency in the reserve fund and to reimburse all providers of reserve fund insurance policies or letters of credit for amounts owing thereto plus, and which, together with the expansion project percentage of impact fees, are at least equal to 120% of the debt service requirement for such fiscal year plus 100% of the amount required to restore any deficiency in the reserve fund and to reimburse all providers of reserve fund insurance policies or letters of credit for amounts owing thereto. The City is in compliance with this requirement.

The City is required by the bond resolution to establish, maintain and collect reasonable charges for the services furnished by the Utility System and it will adjust such charges as needed so that the gross revenues in each fiscal year will always be sufficient to pay 115% of the debt service requirements becoming due in the fiscal year on all bonds, in addition to the requirements to cover the cost of operations and maintenance and pay 100% of all reserve requirements set forth above. The City is in compliance with this requirement.

Annual principal and interest payments on the remaining Series 2010A bonds are expected to require less than 20% of net revenues. Payments for principal and interest made during the year for the remaining 2010A amounted to \$53,000. Customer net revenue for the year was \$8,140,199.

The debt service for the remaining 2010A Series as of September 30, 2023 is as follows:

<u>Fiscal Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 50,000	\$ 4,000	\$ 54,000
2025	50,000	2,000	52,000
	<u>\$ 100,000</u>	<u>\$ 6,000</u>	<u>\$ 106,000</u>

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CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 7. LONG-TERM DEBT (continued)

Revenue Bonds (continued)

b. Water and Sewer Revenue Bonds, Series 2012

On September 6, 2012, the City issued \$17,175,000 of Series 2012 Water and Sewer Revenue Bonds. The proceeds of the bonds are used to pay capital expenditures of water and wastewater improvements and to pay costs of issuance. The 2012 Bonds are issued on parity with the City's outstanding Water and Sewer Revenue Bonds, Series 2010.

The Series 2012 Bonds are composed of serial and term bonds. The serial bonds are due in varying annual installments from the year 2013 through 2025 and the term bonds are due in varying installments from the year 2032 through 2042. Interest rates on the serial bonds vary from 3.0% to 3.5% with interest payable semi-annually. The term bonds carry interest rates varying from 3.5% to 3.875% with interest payable semi-annually. The Series 2012 Bonds are limited obligations of the City, payable solely from water and sewer revenues of the Utility system. Net revenues are defined as the excess of the system's gross revenues over the operating costs.

The 2012 Bonds were issued on parity with the Series 2010 Bonds. The City had covenanted in the Ordinance to fix, establish and maintain and collect such rates and/or impact fees, and to revise the same to the extent necessary, so that the rates and/or impact fees will always provide in each fiscal year either (i) net revenues which are at least equal to 110% of the debt service requirement of the Bonds for such fiscal year plus 100% of the amount required to restore any deficiency in the reserve fund and to reimburse all providers of reserve fund insurance policies or letters of credit for amounts owing thereto or (ii) net revenues which are at least equal to 100% of the debt service requirement for such fiscal year plus 100% of the amount required to restore any deficiency in the reserve fund and to reimburse all providers of reserve fund insurance policies or letters of credit for amounts owing thereto plus, and which, together with the expansion project percentage of impact fees, are at least equal to 120% of the debt service requirement for such fiscal year plus 100% of the amount required to restore any deficiency in the reserve fund and to reimburse all providers of reserve fund insurance policies or letters of credit for amounts owing thereto. The City is in compliance with this requirement.

Annual principal and interest payments on the bonds are expected to require less than 15% of net revenues. Principal and interest paid for the current year were \$836,075. Customer net revenue for the year was \$8,140,199.

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CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 7. LONG-TERM DEBT (continued)

Revenue Bonds (continued)

b. Water and Sewer Revenue Bonds, Series 2012 (continued)

Following is the debt service requirement as of September 30, 2023:

<u>Fiscal Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	330,000	515,225	845,225
2025	345,000	505,325	850,325
2026	415,000	494,975	909,975
2027	440,000	480,450	920,450
2028	465,000	465,050	930,050
2029-2033	2,755,000	2,061,875	4,816,875
2034-2038	3,665,000	1,495,125	5,160,125
2039-2042	5,480,000	607,600	6,087,600
	<u>\$ 13,895,000</u>	<u>\$ 6,625,625</u>	<u>\$ 20,520,625</u>

c. Storm water Assessment Bond, Series 2015

On August 7, 2015, the City issued \$2,145,530 of Series 2015 Stormwater Assessment Bond, a single issue. The proceeds of the bonds were used to (1) reimburse capital expenditures incurred for drainage improvement and (2) pay costs of issuance. The term of the bond is 15 years at an interest rate of 2.64% with interest payable semi-annually. Principal and interest paid for the current year were \$175,232.

The following table shows the debt service requirements of the Stormwater Assessment Bond Series 2015 as of September 30, 2023:

<u>Fiscal Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 146,020	\$ 29,218	\$ 175,238
2025	149,870	25,363	175,233
2026	153,830	21,406	175,236
2027	157,890	17,345	175,235
2028	162,060	13,177	175,237
2029-2030	337,060	13,406	350,466
	<u>\$ 1,106,730</u>	<u>\$ 119,915</u>	<u>\$ 1,226,645</u>

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 7. LONG-TERM DEBT (continued)

Revenue Bonds (continued)

d. Water and Sewer Revenue Bonds, Series 2017

On October 19, 2017, the City issued \$6,511,296 Water and Sewer Revenue Bonds, Series 2017, a single issue. The proceeds of the bonds are used to pay a major portion of the cost to improve the City's water and wastewater system. The term of the bond is 15 years at an interest rate of 2.02% with interest payable semi-annually on April 1 and October 1 of each year and principal due October 1 of each year. The final principal payment is due on October 1, 2032. An average of \$508,945 in water and sewer revenues is not being available for other uses by the City each for the next fifteen (15) years. Total principal and interest paid during the year was \$504,901.

The following table shows the debt service requirements of the Water and Sewer Bond 2017 Series as of September 30, 2023:

<u>Fiscal Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 416,694	\$ 88,042	\$ 504,736
2025	425,112	79,540	504,651
2026	433,699	70,866	504,565
2027	442,460	62,017	504,476
2028	451,397	52,989	504,386
2029-2033	2,397,498	123,009	2,520,507
	<u>\$ 4,566,859</u>	<u>\$ 476,462</u>	<u>\$ 5,043,321</u>

e. Water and Sewer Revenue Bonds, Series 2019

On October 16, 2019, the City issued \$10,730,000 of Series 2019 Water and Sewer Revenue Bonds to refund the Build America Bonds (BABs), Series 2010B with a premium of \$1,429,481. The outstanding balance of the BABs Series 2010B of \$11,515,000 was retired on September 1, 2020. The Series 2010B bonds were considered defeased as of the date of retirement and the liability for those bonds had been removed from the balance sheet. The advance refunding generated a net benefit of \$1,564,638 in cash flow savings and \$1,212,564 in economic gain.

The Series 2019 Bonds were issued on parity with the City's outstanding Water and Sewer Revenue Bonds - Series 2010A, Series 2012 and Series 2017 Bonds and are composed of serial and term bonds. The serial bonds are due in varying annual installments from the year 2021 through 2030 and the term bonds are due in varying installments from the year 2032 through 2040. Interest rate on the serial bonds is 5% payable semi-annually while the term bonds carry interest rates varying from 3% to 4% with interest also payable semi-annually. The Series 2019 Bonds are limited obligations of the City, payable solely from water and sewer revenues of the Utility system. Net revenues are defined as the excess of the system's gross revenues over the operating costs.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 7. LONG-TERM DEBT (continued)

Revenue Bonds (continued)

e. Water and Sewer Revenue Bonds, Series 2019 (continued)

The City had covenanted in the Ordinance to fix, establish and maintain and collect such charges the services of the System, and to revise the same to the extent necessary, as will always provide in each fiscal year either (i) Net Revenues which are at least equal to 110% of the Debt Service Requirement of the Bonds for such fiscal year plus 100% of the amount required to restore any deficiency in the reserve fund and to reimburse all providers of Reserve Fund Insurance Policies or Letters of Credit for amounts owing thereto or (ii) Net Revenues which are at least equal to 100% of the Debt Service Requirement on the Bonds for such fiscal year plus 100% of the amount required to restore any deficiency in the Reserve Fund and to reimburse all providers of Reserve Fund Insurance Policies or Letters of Credit for amounts owing thereto and Net Revenues plus the Expansion Percentage of Impact Fees which are at least equal to 120% of the debt service requirement on the bonds for such fiscal year plus 100% of the amount required to restore any deficiency in the reserve fund and to reimburse all providers of Reserve Fund Insurance Policies or Letters of Credit for amounts owing thereto. The City is in compliance with this requirement.

Annual principal and interest payments on the bonds are expected to require less than 15% of net revenues. Principal and interest payments for the current year were \$778,100. Customer net revenue for the current year was \$8,140,199.

The following table shows the debt service requirements of the Water & Sewer Revenue Bonds, Series 2019, as of September 30, 2023:

<u>Fiscal Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 390,000	\$ 389,600	\$ 779,600
2025	410,000	370,100	780,100
2026	430,000	349,600	779,600
2027	455,000	328,100	783,100
2028	475,000	305,350	780,350
2029-2033	2,140,000	977,100	3,117,100
2034-2038	3,885,000	749,350	4,634,350
2039-2040	1,475,000	66,750	1,541,750
	<u>\$ 9,660,000</u>	<u>\$ 3,535,950</u>	<u>\$ 13,195,950</u>

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CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2023

NOTE 7. LONG-TERM DEBT (continued)

Subscription-based Information Technology Arrangements (SBITAs)

The City entered into various subscription-based information technology arrangements (SBITAs, commonly known as *software*). The SBITA agreements have initial terms varying from two (2) to seven (7) years and contain one or more renewal periods at the City’s option. The City has generally included these renewal periods in the SBITA term when it is reasonably certain that the City will exercise the renewal option. Certain SBITAs require additional payments for other items such as training, support services, and variable payments that are not dependent upon an index or rate, or are not fixed in substance, which are expensed as incurred. As the interest rate in the City’s SBITAs are not readily determinable, the City utilizes its incremental borrowing rate (IBR) to discount the SBITA payments. The IBRs range from .2850% to 3.1790%.

Total principal and interest payments during the year were \$337,190 for governmental activities and \$52,506 for business-type activities. The annual principal and interest requirements of the subscriptions payable as of September 30, 2023, are as follows:

Fiscal Year Ending	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2024	\$ 331,920	\$ 11,827	\$ 343,747	\$ 49,946	\$ 1,129	\$ 51,075
2025	169,681	8,662	178,343	16,801	524	17,325
2026	59,868	6,138	66,006	-	-	-
2027	55,747	4,572	60,319	-	-	-
2028	45,821	2,960	48,781	-	-	-
2029	41,590	1,501	43,091	-	-	-
	<u>\$ 704,627</u>	<u>\$ 35,660</u>	<u>\$ 740,287</u>	<u>\$ 66,747</u>	<u>\$ 1,653</u>	<u>\$ 68,400</u>

The book value of the right to use SBITA assets as of September 30, 2023, is as follows:

	Governmental Activities	Business-Type Activities	Total
Right to use asset - SBITA:			
Cost	\$ 1,039,602	\$ 117,919	\$ 1,157,521
Accumulated depreciation	<u>(329,288)</u>	<u>(52,916)</u>	<u>(382,204)</u>
Net book value	<u>\$ 710,314</u>	<u>\$ 65,003</u>	<u>\$ 775,317</u>

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 8. CHANGES IN LONG-TERM DEBT

Governmental Activities

Long-term liability activities for governmental activities during the year were as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Financed purchases:					
US Bank 2014	\$ 163,006	-	\$ (80,530)	\$ 82,476	\$ 82,346
US Bank 2018	245,762	-	(89,841)	155,921	92,602
Notes payable:					
Series 2007 Capital One	1,580,093	-	(235,419)	1,344,674	245,943
Series 2016 Branch Banking & Trust Co.	220,000	-	(110,000)	110,000	110,000
Series 2018 Florida Community Bank	1,210,000	-	(155,000)	1,055,000	160,000
Series 2021 Wells Fargo (Refunding loan)	6,022,587	-	(629,665)	5,392,922	641,146
Series 2021 Webster Bank	2,665,141	-	(442,547)	2,222,594	448,379
Series 2022 Webster Bank	3,129,058	-	(177,308)	2,951,750	181,351
General Obligations:					
Series 2020	24,630,000	-	(890,000)	23,740,000	935,000
Series 2022	14,000,000	-	(400,000)	13,600,000	450,000
Total financed purchases, notes and bonds payable	53,865,647	-	(3,210,310)	50,655,337	3,346,767
Add: bond premium	7,750,276	-	(424,865)	7,325,411	-
Net financed purchases, notes and bonds payable	61,615,923	-	(3,635,175)	57,980,748	3,346,767
Other liabilities:					
Subscription liability	-	1,039,602	(334,975)	704,627	331,920
Compensated absences	1,359,309	75,997	(69,934)	1,365,372	353,293
Net pension liability	41,251,759	-	(1,050,082)	40,201,677	-
Other post-employment benefits (OPEB) liability	1,029,467	-	(72,147)	957,320	47,866
Arbitrage liability	-	86,341	-	86,341	-
Total other liabilities	43,640,535	1,201,940	(1,527,138)	43,315,337	733,079
Total	\$ 105,256,458	\$ 1,201,940	\$ (5,162,313)	\$ 101,296,085	\$ 4,079,846

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 8. LONG-TERM DEBT (continued)

Business-type Activities

Long-term liability activities for business-type activities during the year were as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>One Year</u>
Financed purchases:					
Series 2014 Solid Waste (US Bank)	\$ 109,111	\$ -	\$ (53,904)	\$ 55,207	\$ 55,207
Series 2017 Solid Waste (US Bank)	219,907	-	(164,454)	55,453	55,453
Notes payable:					
Series 2014 Water & Sewer (Truist Bank)	775,000	-	(100,000)	675,000	105,000
Series 2019 Solidwaste (Chase Bank)	702,622	-	(203,490)	499,132	209,694
Series 2022 WS/S/S PW Campus (Webster Bank)	12,654,075	-	(717,044)	11,937,031	733,393
Series 2023 Solid Waste (Truist Bank)	-	1,504,314	(162,404)	1,341,910	203,014
Bonds payable:					
Series 2010A Water & Sewer refunding (US Bank)	150,000	-	(50,000)	100,000	50,000
Series 2012 Water & Sewer bonds	14,205,000	-	(310,000)	13,895,000	330,000
Series 2017 Water & Sewer bonds	4,975,303	-	(408,444)	4,566,859	416,694
Series 2019 Water & Sewer refunding bonds	10,030,000	-	(370,000)	9,660,000	390,000
Series 2015 Stormwater bonds	1,248,990	-	(142,260)	1,106,730	146,020
Series 2021 Stormwater refunding loan (Wells Fargo)	2,544,393	-	(266,018)	2,278,375	270,868
Series 2022 Stormwater refunding loan (Webster Bank)	4,340,290	-	(188,425)	4,151,865	192,520
Total financed purchases, notes and bonds payable	51,954,691	1,504,314	(3,136,443)	50,322,562	3,157,863
Add: bond premium	1,090,220	-	(65,045)	1,025,175	-
Net financed purchases, notes and bonds payable	53,044,911	1,504,314	(3,201,488)	51,347,737	3,157,863
Other liabilities:					
Subscription liability	-	117,919	(51,172)	66,747	49,946
Compensated absences	212,867	16,765	(337)	229,295	41,273
Net pension liability	4,621,058	86,324	-	4,707,382	-
Other post-employment benefits (OPEB) liability	280,944	-	(18,038)	262,906	13,145
Total other liabilities	5,114,869	221,008	(69,547)	5,266,330	104,364
Total	\$ 58,159,780	\$ 1,725,322	\$ (3,271,035)	\$ 56,614,067	\$ 3,262,227

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2023

NOTE 9. EMPLOYEE RETIREMENT PLANS

The City's employee retirement plans include two (2) single-employer defined benefit plans, namely: the General Employees' Pension Plan (GEPP) and the Retirement System for Police and Firefighters (RSP&F), a cost-sharing multi-employer defined benefit plan, the Florida Retirement System Pension Plan (FRS PP) and three (3) defined contribution plans, the 401(a) Executive Plan, the General Employee 401(a) Plan and the FRS Investment Plan. Employees of the City must participate in the Plan appropriate to their positions.

Significant Accounting Policies

For purposes of measuring the net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the GEPP, the RSP&F, the FRS PP and the FRS Health Insurance Subsidy Program (HIS) and additions to/deduction from the FRS PP and FRS HIS fiduciary net position have been determined on the same basis as they are reported by FRS PP and HIS. The plans are accounted for on the accrual basis of accounting.

Plan member contributions are recognized in the period in which the contributions are due. City contributions are recognized when due pursuant to the actuarial valuation. State contributions to the RSP&F are recognized as revenue in the period in which they are approved by the State. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. The preparation of these schedules requires estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, deferred inflows of resources and changes therein, including appropriate disclosures at the date of the financial statements. Actual results could differ from those estimates.

Defined Benefit Pension Plans

a. Florida Retirement System Pension Plan

General Information

In October 2007, the City joined the FRS to provide retirement and survivor benefits to all new hired general employees. On that date, the employees that were in the GEPP plan had the option of making a one-time election of remaining in the GEPP plan or transferring to the FRS plan. The City's general employees hired after October 2007 participate in the Florida Retirement System (FRS). As provided by Chapters 121 and 112, Florida Statutes, the FRS provides two (2) cost-sharing, multiple-employer defined benefit plans administered by the Florida Department of Management Services, Division of Retirement, including the FRS Pension Plan ("Pension") and the Retiree Health Insurance Subsidy ("HIS Plan").

Under Section 121.4501, Florida Statutes, the FRS also provides a defined contribution plan ("Investment Plan") alternative to the FRS Pension Plan, which is administered by the State Board of Administration ("SBA"). As a general rule, membership in the FRS is compulsory for all employees working in a regularly established position for a State agency, County government, District school board, State university, Community college, or a participating City or special district within the State

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

a. Florida Retirement System Pension Plan (continued)

General Information (continued)

of Florida. The FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefits are established by Chapter 121, Florida Statutes, and Chapter 60S, Florida Administrative Code. Amendments to the law can be made only by an act of the Florida State Legislature.

The State of Florida annually issues a publicly available financial report that includes financial statements and required supplementary information for the FRS. The latest available report may be obtained by writing to the State of Florida Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, Florida 32315-9000, or from the website:

www.dms.myflorida.com/workforce_operations/retirement/publications.

As required by Governmental Accounting Standards Board Statement No. 68, Accounting and Financial Reporting for Pensions, this report includes the City's share of the collective net pension liability and associated pension expense, deferred outflows/(inflows) of resources in the system's cost-sharing, multiple employer defined benefit plans.

Plan Description

The FRS Pension Plan is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program ("DROP") for eligible employees. The general classes of membership are as follows:

- Regular Class
- Special Risk Class
- Elected Officials Class
- Senior Management Service Class

Benefits Provided

Benefits under the Pension Plan are computed on the basis of age, average final compensation, and service credit. For Pension Plan members enrolled before July 1, 2011, Regular class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service. Vested members with less than 30 years of service may retire before age 62 and receive reduced retirement benefits. Senior Management Service class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 2.0% of their final average compensation based on the five highest years of salary for each year of credited service.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

a. Florida Retirement System Pension Plan (continued)

For Plan members enrolled on or after July 1, 2011, the vesting requirement is extended to eight years of credited service for all these members and increasing normal retirement to age 65 or 33 years of service regardless of age for Regular and Senior Management Service. Also, the final average compensation for all these members will be based on the eight (8) highest years of salary.

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the Pension Plan before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is three percent (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 three percent (3%) determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by three percent. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

In addition to the above benefits, the DROP program allows eligible members to defer receipt of monthly retirement benefit payments while continuing employment with a FRS employer for a period not to exceed 60 months after electing to participate. Deferred monthly benefits are held in the FRS Trust Fund and accrue interest. There are no required contributions by DROP participants.

Contributions

Effective July 1, 2011, all enrolled members of the FRS, other than DROP participants, are required to contribute three percent (3%) of their salary to the FRS. In addition to member contributions, governmental employers are required to make contributions to the FRS based on state-wide contribution rates established by the Florida Legislature. These rates are updated as of July 1 of each year. The employer contribution rates by job class for the periods from October 1, 2022 through June 30, 2023 and from July 1, 2023 through September 30, 2023, respectively, were as follows: Regular – 11.91% and 13.57%; Senior Management Service – 31.57% and 34.52%; and Special Risk – 27.83% and 32.67%. These employer contribution rates include 1.66% HIS Plan subsidy for the periods October 1, 2022 through June 30, 2023 and 2.00% from July 1, 2023 through September 30, 2023, respectively.

The City's contributions to the Pension Plan totaled \$2,309,185 for the fiscal year ended September 30, 2023 with covered payroll of \$20,140,501.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

a. Florida Retirement System Pension Plan (continued)

Net Pension Liability (NPL)

At September 30, 2023, the City reported a liability of \$19,127,108 for its proportionate share of the Pension Plan’s NPL which was measured as of June 30, 2023, and the total pension liability (TPL) used to calculate the NPL was determined by an actuarial valuation as of June 30, 2023. The City’s proportionate share of the NPL was based on the City’s fiscal year 2023 contributions relative to the contributions of all participating members. At September 30, 2023, the City’s proportionate share was 0.048001576 percent, which was an increase of 0.001321211 percent from its proportionate share measured as of June 30, 2023.

The components of the City’s proportionate share in the NPL as of September 30, 2023, were as follows:

	<u>Amount</u>
Total pension liability	\$ 108,581,582
Plan fiduciary net position	<u>(89,454,474)</u>
Total net pension liability	<u>\$ 19,127,108</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>82.38%</u>

The fiduciary net position used by the actuary to determine the collective net pension liability was determined on the same basis used by the plan. Detailed information regarding the Pension Plan’s fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Annual Comprehensive Financial Report.

Actuarial Assumptions

The total pension liability actuarial valuation was determined using the following actuarial assumption, applied to all period included in the measurement:

Valuation date	July 1, 2022
Measurement date	June 30, 2023
Actuarial cost method	Individual entry age normal
Inflation	2.40 %
Salary increases	3.25%, average, including inflation
Investment rate of return	6.70%, net of pension plan investment expense, including inflation
Mortality rate	PUB 2010 base table varies by member category and sex, projected generationally with Scale MP-2018

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

a. Florida Retirement System Pension Plan (continued)

Long-Term Expected Rate of Return

The long-term expected rate of return assumption of 6.70 percent consists of two building block components: 1) an inferred real (in excess of inflation) return of 4.20 percent, which is consistent with the 4.48 percent real return from the capital market outlook model developed by the FRS consulting actuary, Milliman; and 2) a long-term average annual inflation assumption of 2.40 percent as adopted in October 2023 by the FRS Actuarial Assumption Conference. In the opinion of the FRS consulting actuary, both components and the overall 6.70 percent return assumption were determined to be reasonable and appropriate per Actuarial Standards of Practice. The 6.70 percent reported investment return assumption is the same as investment return assumption chosen by the 2023 FRS Actuarial Assumption Conference for funding policy purposes.

For reference, the table below contains a summary of the Pension actuarial assumptions for each of the asset classes in which the plan was invested at that time based on the long-term target asset allocation. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

Asset class	Target Allocation (1)	Annual		
		Arithmetic Return	Compound Annual Return	Standard Deviation
Cash	1.0%	2.9%	2.9%	1.1%
Fixed income	19.8%	4.5%	4.4%	3.4%
Global equity	54.0%	8.7%	7.1%	18.1%
Real estate (property)	10.3%	7.6%	6.6%	14.8%
Private equity	11.1%	11.9%	8.8%	26.3%
Strategic investments	3.8%	6.3%	6.1%	7.7%
Assumed inflation - mean			2.4%	1.4%

Discount Rate

The discount rate used to measure the total pension liability was 6.70%. The Pension 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 calculation the total pension liability is equal to the long-term expected rate of return. The 6.70 percent rate of return assumption used in the June 30, 2023, calculations was determined by the consulting actuary, Milliman, to be reasonable and appropriate per Actuarial Standard of Practice Number 27 (ASOP 27). For additional information regarding the depletion date projection, refer to the 2022 GASB 67 Supplement to the FRS Actuarial Valuation on the Publications page of the Division of Retirement's website at www.frs.myflorida.com.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

a. Florida Retirement System Pension Plan (continued)

Changes in the Net Pension Liability

	Total pension liability (A)	Fiduciary net position (B)	Net pension liability (A)-(B)
Balances, beginning of the year	\$ 104,371,959	\$ 86,511,515	\$ 17,860,444
Changes for the year:			
Service cost	1,329,702	-	1,329,702
Interest on total pension liability	6,879,370	-	6,879,370
Effect of plan changes	639,816	-	639,816
Effect of economic/demographic gains or losses	1,509,401	-	1,509,401
Benefit payments & refunds	(6,148,666)	(6,148,666)	-
Employer contributions	-	2,309,185	(2,309,185)
Member contributions	-	378,667	(378,667)
Net investment income	-	6,416,756	(6,416,756)
Administrative expenses	-	(12,983)	12,983
Net changes	4,209,623	2,942,959	1,266,664
Balances, end of the year	\$ 108,581,582	\$ 89,454,474	\$ 19,127,108

The schedule of changes in the City's NPL and related ratios, and the schedule of contributions which are presented as required supplementary information following the notes to the financial statements, are shown in multi-year trend information.

Sensitivity of the City's Proportionate Share of the NPL to Changes in the Discount Rate

The following represents the City's proportionate share of the NPL calculated using the discount rate of 6.70%, as well as the City's proportionate share of the NPL if it were calculated using a discount rate that is one percentage point lower (5.70%) or one percentage point higher (7.70%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
City's proportionate share of the net pension liability (asset)	\$ 32,672,997	\$ 19,127,108	\$ 7,794,353

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2023

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

a. Florida Retirement System Pension Plan (continued)

Pension Expense, Deferred Outflow/(Inflow) of Resources Related to Pensions

For the fiscal year ended September 30, 2023, the City recognized pension expense of \$5,194,200, as shown below. In addition, the City reported deferred outflows/(inflows) of resources (DOR/DIR) related to pensions from the following sources:

Description	Pension Expense	Deferred Outflows of Resources	Deferred Inflows of Resources
Service cost	\$ 1,329,702	\$ -	\$ -
Interest cost	6,879,370	-	-
Effect of plan changes	639,817		
Administrative expenses	12,983	-	-
Member contributions	(378,667)	-	-
Expected investment return, net	(5,681,786)	-	-
Recognition of deferred inflows/outflows of resources:			
Recognition of economic/demographic gains or losses	561,798	-	-
Recognition of assumption changes or inputs	952,725	-	-
Recognition of investment gains or losses	(354,447)	-	-
Net amortization of employer-specific amounts			
due to changes in employer proportion	1,232,705	2,367,563	-
Net difference between projected and actual earnings		798,800	-
Difference between expected and actual experience	-	1,795,870	-
Effect of changes in assumptions/ inputs	-	1,246,864	-
Contribution subsequent to measurement date	-	710,339	-
Total	\$ 5,194,200	\$ 6,919,436	\$ -

The City’s contributions to the Pension Plan made subsequent to the measurement date amounting to \$710,339 is treated as deferred outflow of resources and will be recognized as a reduction of the NPL in the next fiscal year. Other amounts reported as deferred outflows/(inflows) of resources related to the Pension Plan will be recognized in pension expense in the following years:

Year Ending:	Amount
2024	\$ 1,687,763
2025	552,792
2026	3,422,148
2027	439,716
2028	106,678
Total	\$ 6,209,097

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

a. Florida Retirement System Pension Plan (continued)

Payables to the Pension Plan

At the end of the fiscal year, the City reported a payable in the amount of \$225,021 for outstanding contributions to the Pension Plan required for the fiscal year ended September 30, 2023.

b. Florida Retirement System - Health Insurance Subsidy (HIS) Plan

Plan Description

The 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 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

For the fiscal year ended September 30, 2023, 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 these benefits, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions

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. For the fiscal year ended September 30, 2023, the HIS contribution was 1.66% for the period October 1, 2022 through June 30, 2023 and 2.00% from July 1, 2023 through September 30, 2023. The City contributed 100% of its statutorily required contributions for the current and preceding three years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or cancelled.

The City's total contributions to the HIS Plan totaled \$245,726 for the fiscal year ended September 30, 2023 with covered payroll of \$15,060,710.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

b. Florida Retirement System - Health Insurance Subsidy (HIS) Plan (continued)

Net Pension Liability (NPL)

At September 30, 2023, the City reported a liability of \$5,932,439 for its proportionate share of the HIS Plan's net pension liability. The NPL was measured as of June 30, 2023, and the total pension liability used to calculate the NPL was determined by an actuarial valuation as of July 1, 2022. The City's proportionate share of the NPL was based on the City's fiscal year 2023 contributions relative to the contributions of all participating members. At September 30, 2023, the City's proportionate share was .0037354793 percent, which was an decrease of 0.000269689 percent from its proportionate share measured as of June 30, 2023.

The components of the City's proportionate share in the NPL as of September 30, 2023, were as follows:

	<u>Amount</u>
Total pension liability	\$ 6,187,130
Plan fiduciary net position	(254,691)
Net pension liability	<u>\$ 5,932,439</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>4.12%</u>

Actuarial Assumptions

The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation date	July 1, 2022
Measurement date	June 30, 2023
Actuarial cost method	Individual entry age
Inflation	2.40 %
Salary increases	3.25%, average, including inflation
Mortality rates	Generational PUB-2010 with Projection Scale MP-2018

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

b. Florida Retirement System - Health Insurance Subsidy (HIS) Plan (continued)

Discount Rate

The discount rate used to measure the total pension liability (TPL) was 3.65%. In general, the discount rate for calculating the TPL is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Changes in the Net Pension Liability

	Total Pension Liability (A)	Fiduciary Net Position (B)	Net Pension Liability (A)-(B)
Balances, beginning of the year	\$ 4,156,455	\$ 199,986	\$ 3,956,469
Changes for the year:			
Service cost	77,806	-	77,806
Interest on total pension liability	146,389	-	146,389
Effect of plan changes	2,090,486	-	2,090,486
Effect of economic/demographic gains or losses	-	-	-
Effect of assumption changes or inputs	(84,327)	-	(84,327)
Benefit payments & refunds	(199,679)	(199,679)	-
Employer contributions	-	245,726	(245,726)
Member contributions	-	83	(83)
Net investment income	-	8,654	(8,654)
Administrative expenses	-	(79)	79
Net changes	2,030,675	54,705	1,975,970
Balances, end of the year	\$ 6,187,130	\$ 254,691	\$ 5,932,439

The schedule of changes in the City’s NPL and related ratios, and the schedule of contributions which are presented as required supplementary information following the notes to the financial statements, are shown in multi-year trend information.

Pension Plan Fiduciary Net Position

The fiduciary net position used by the actuary to determine the collective NPL of the HIS Program was determined on the same basis used by the plan. Detailed information regarding the HIS Plan’s fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Annual Comprehensive Financial Report.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

b. Florida Retirement System - Health Insurance Subsidy (HIS) Plan (continued)

Sensitivity of the City's Proportionate Share of the NPL to Changes in the Discount Rate

The following shows the City's proportionate share of the NPL calculated using the discount rate of 3.65%, as well as the City's proportionate share of the NPL if it were calculated using a discount rate that is one percentage lower (2.65%) or one percentage higher (4.65%) than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
City's proportionate share of the net pension liability	\$ 767,987	\$ 5,932,439	\$ 5,239,826

Pension Expense, Deferred Outflow/(Inflow) of Resources Related to Pensions

For the fiscal year ended September 30, 2023, the City recognized pension expense of \$2,581,419. In addition, the City reported deferred outflows/(inflows) of resources related to pensions from the following sources:

<u>Description</u>	<u>Pension Expense</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Service cost	\$ 77,806	\$ -	\$ -
Interest cost on total pension liability	146,389	-	-
Effect of plan changes	2,090,486	-	-
Member contributions	(83)	-	-
Expected investment return	(7,888)	-	-
Administrative expenses	79	-	-
Difference between expected and actual experience	-	86,847	13,924
Effect of assumptions changes	-	155,962	514,066
Net difference between projected and actual earnings	-	3,064	-
Recognition of deferred (inflows) outflows of resources:			
Recognition of economic/demographic (gains) or losses	29,757	-	-
Recognition of assumption changes	(111,499)	-	-
Recognition of investment (gains) or losses	1,898	-	-
Net amortization of employer-specific amounts due to changes in employer proportion	354,473	903,568	-
Contribution subsequent to measurement date	-	81,443	-
Total	<u>\$ 2,581,418</u>	<u>\$ 1,230,884</u>	<u>\$ 527,990</u>

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

b. Florida Retirement System - Health Insurance Subsidy (HIS) Plan (continued)

Pension Expense, Deferred Outflow/(Inflow) of Resources Related to Pensions

The City’s contributions to the HIS Plan made subsequent to the measurement date amounting to \$81,443 which is treated as deferred outflow of resources will be recognized as a reduction of the net pension liability in the next fiscal year. Other amounts reported as deferred outflows /(inflows) of resources related to the HIS Plan will be recognized in pension expense in the following years, as shown on the table below:

<u>Year Ending September 30:</u>	<u>Amount</u>
2024	\$ 269,259
2025	256,264
2026	138,366
2027	(5,447)
2028	(31,520)
Thereafter	<u>(5,471)</u>
Total	<u>\$ 621,451</u>

Payables to the Pension Plan

At the end of the fiscal year, the City reported a payable in the amount of \$22,973 for outstanding contributions to the HIS Plan required for the fiscal year ended September 30, 2023.

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CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

c. General Employees' Pension Plan

General Information

The City of Oakland Park General Employees' Pension Plan is a single employer defined benefit pension plan. It was established by Referendum on May 1, 1963 (collectively known as the "Referendum") as amended on September 1, 1968, as amended by Ordinances O-76-5 and O-76-25 effective April 1, 1976 and Ordinance O-77-11 effective August 13, 1977. The City amended the plan in August 2011 by ordinance O-2011-21 freezing the accrued benefits on all active participants effective October 1, 2011 and moved those participants to a 401(a) defined contribution plan. At which time, the active participants are considered 100% vested for their accrued credit as of that date. The Plan is administered by a governing board which comprises three members which comprises of City staff, to provide pension, disability, and death benefits for its employees and beneficiaries.

The GEPP Plan issues a publicly available financial report that includes financial statements and required supplementary information. These financial reports may be obtained by writing to the Board of Trustees c/o City of Oakland Park, 3650 N.E. 12th Avenue, Oakland Park, Florida 33334.

Benefits provided

Benefits under the GEPP Plan are computed on the basis of age, average final compensation, and service credit. The pension benefits is computed as 3.5% of average earnings times up to 20 years of service + 0.50% of average earnings times next 10 years of service payable at normal retirement age of 62 years old. In addition to regular retirement benefits, the Plan also provides for disability pension and pre-retirement death benefits. The disability pension is a temporary life annuity equal to two-thirds of base salary offset by social security disability benefit and worker's compensation. The pre-retirement death benefit is a lump sum payment equal to either 100% of base pay if less than 15 years of service, or 150% of base pay if at least 15 years of service. Maximum preretirement death benefit under the Plan is \$30,000.

The basic pension is computed as 3.5% of average earnings times up to 20 years of service + 0.50% of average earnings times next 10 years of service payable at normal retirement age of 62 years old. The normal date for retirement is the first day of the calendar month coinciding with or next following the participant's sixty-second birthday. Additionally, a participant may elect to retire, without reduction of benefits, after 30 years of continuous service, regardless of age. Participants may also elect retirement, with reduced benefits, within a ten-year period immediately preceding normal retirement age.

Contribution

The employer's annual required contributions to the Plan are determined as part of the most recent actuarial valuation. Members of the Plan do not contribute since the Plan is closed. The actual contributions from the City based on actuarial determination for the fiscal year was \$308,420 with covered payroll of \$2,157,981.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

c. General Employees' Pension Plan (continued)

Net Pension Liability

The components of the net pension liability of the City as of September 30, 2023, were as follows:

	<u>Amount</u>
Total pension liability	\$ 41,815,602
Plan fiduciary net position	<u>(39,814,142)</u>
Net pension liability	<u>\$ 2,001,460</u>
 Plan fiduciary net position as a percentage of the total pension liability	 <u>95.21%</u>

Actuarial assumptions

The City's net pension liability for the GEPP is measured as the total pension liability less the pension plan's fiduciary net position. The net pension liability of the plan is measured as of September 30, 2023 using an annual actuarial valuation date of October 1, 2022. The actuarial valuation used the following actuarial assumptions:

Valuation date	October 1, 2022
Measurement date	September 30, 2023
Actuarial cost method	Entry age normal
Inflation	2.76% long term
Salary increases	5% per annum
Investment rate of return	7.50% compounded
Mortality Basis	Sex-distinct rates set in PUB-2010 Headcount-weighted below median employee mortality for general employees
Retirement age	Earlier of age 62 or 30 years of service

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CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

c. General Employees' Pension Plan (continued)

Actuarial assumptions (continued)

Estimates of long term rates of return for each major asset class included in the Plan's target asset allocation as of the valuation date of October 1, 2022, are summarized in the following table:

<u>Asset class</u>	<u>Target Allocation</u>	<u>Long-term expected real rate of return</u>
Core bonds	10%	1.60%
Core plus	10%	2.10%
U.S. large cap equity	30%	4.60%
U.S. small cap equity	16%	5.50%
Non-U.S. equity	24%	6.70%
Core real estate	10%	5.00%
Total or Weighted Arithmetic Average	<u>100%</u>	<u>4.74%</u>
Membership as of actuarial valuation date:		
Receiving Benefits	174	
Deferred Vested	42	
Active participants	<u>46</u>	
	<u>262</u>	

Discount rate

The discount rate used to measure the total pension liability was 7.50% for 2023. The projection of cash flows used to determine the discount rate assumed that contributions from the City will be made at statutorily required amount, actuarially determined. Based on these assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of Plan members. Therefore, the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

c. General Employees' Pension Plan (continued)

Changes in the Net Pension Liability (Asset)

	Total pension liability (A)	Fiduciary net position (B)	Net pension liability (asset) (A)-(B)
Balances, beginning of the year	\$ 42,678,036	\$ 39,229,050	\$ 3,448,986
Changes during the year:			
Expected interest growth	3,057,190	2,816,415	240,775
Unexpected investment income (loss)	-	1,184,114	(1,184,114)
Demographic experience	(277,902)	-	(277,902)
Employer contributions	-	308,420	(308,420)
Benefit payments & refunds	(3,641,722)	(3,641,722)	-
Administrative expense	-	(82,135)	82,135
Assumption changes	-	-	-
Balances, end of the year	<u>\$ 41,815,602</u>	<u>\$ 39,814,142</u>	<u>\$ 2,001,460</u>

The schedule of changes in the City's net pension liability and related ratios, and the schedule of contributions which are presented as required supplementary information following the notes to the financial statements, are shown in multi-year trend information.

Sensitivity of the City's Net Position Liability (Asset) to Changes in the Discount Rate

The following presents the net pension liability of the City calculated using the discount rate of 7.5% for 2023, as well as what the employer net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Total Pension Liability	\$ 45,477,385	\$ 41,815,602	\$ 38,669,010
Less: Fiduciary Net Position	<u>(39,814,142)</u>	<u>(39,814,142)</u>	<u>(39,814,142)</u>
Net Pension Liability (Asset)	<u>\$ 5,663,243</u>	<u>\$ 2,001,460</u>	<u>\$ (1,145,132)</u>

Payables to the Pension Plan

At September 30, 2023, the City had no payable for contributions to the Plan required for the fiscal year 2023.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 9. EMPLOYEE RETIREMENT PLANS (Continued)

Defined Benefit Pension Plans (continued)

c. General Employees' Pension Plan (continued)

Pension Expense, Deferred Outflow/(Inflow) of Resources Related to Pensions

For the fiscal year ended September 30, 2023, the City recognized pension expense of \$1,185,062 as shown on the table below. The City also reported deferred outflows/(inflows) of resources related to pensions from the following sources:

Description	Pension Expense	Deferred Outflows of Resources	Deferred Inflows of Resources
Balances, beginning of the year	\$ -	\$ 8,748,708	\$ 3,813,224
Changes during the year:			
Service cost	-	-	-
Other recognized changes:			
Expected growth	240,775	-	-
Investment gain (loss)	743,287	-	1,184,114
Demographic gain (loss)	(258,063)	-	277,902
Effect of economic/demographic gain (loss)	-	-	-
Administrative expenses	82,135	-	-
Assumption changes	376,928	-	-
Net amortization	-	(2,707,702)	(1,845,550)
Net changes	1,185,062	(2,707,702)	(383,534)
Balances, end of the year	\$ 1,185,062	\$ 6,041,006	\$ 3,429,690

Amounts reported as deferred outflows/(inflows) of resources related to the Plan will be recognized in pension expense in the following years:

Year Ending September 30:	Amount to be recognized
2024	\$ 565,314
2025	520,811
2026	1,762,013
2027	(236,822)
Total	\$ 2,611,316

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 9. EMPLOYEE RETIREMENT PLANS (Continued)

d. Retirement System for Police and Firefighters

General Information

The City of Oakland Park Retirement System for Police and Firefighters (RSP&F) is a single employer defined benefit pension plan which provides pension, disability, and death benefits for its employees and beneficiaries. It was established on December 3, 1975 by Ordinance O-75-15, and amended by Ordinance O-76-23 dated September 15, 1976, Ordinance O-83-23 dated December 21, 1983, Ordinance O-95-10 adopted July 5, 1995 and Ordinance O-2005-030 adopted September 7, 2005, (collectively known as the “Ordinances”). On July 5, 1995, the City passed O-95-10 that amended and restated the retirement system for police, firefighters and public safety officers of the City and repealed prior ordinances related to the RSP&F Plan. The City further amended the Plan by Ordinance O-2018-018 freezing the membership effective September 1, 2018 and members as at such date had the option to move to the Florida Retirement System (FRS). Firefighters hired on or after that date become compulsory members of FRS.

The Plan is administered by a governing board comprised of five members and issues publicly available financial reports which may be obtained by writing to the Board of Trustees c/o City of Oakland Park, 3650 N.E. 12th Avenue, Oakland Park, Florida 33334.

Benefits provided

The Plan provides for monthly pension benefits to members, police officers and firefighters, who on March 1, 2013 are within 7 years of their normal retirement date, beginning at normal retirement age of 42 with 20 years continuous service or age 55 with 10 years of continuous service or age 58 regardless of length of service. The Plan permits early retirement on the first day of any month following the earlier of the member's 50th birthday and the completion of 10 years of continuous service or 20 years of continuous service. The Plan also provides certain disability and death benefits. For firefighters hired on or after March 1, 2013 and firefighters who, on March 1, 2013 are not within 7 years of the normal retirement date, the normal retirement date shall be 52 with 25 years continuous service or age 55 with 10 years of continuous service.

For firefighters who retired prior to June 20, 2007 and police officers, the normal monthly retirement benefit will be equal to 3% of the member's average monthly earnings for each year of continuous service, subject to a maximum benefit of 75% of average monthly earnings. Average monthly earnings is defined as the higher of the monthly average of the member's compensation for the best thirty-six (36) consecutive month period out of the last 120 consecutive months, or the average of the best five (5) of the last ten (10) years of service. Average monthly earnings include base pay and longevity pay and do not include overtime, bonuses, holiday premiums, vacation premiums, and any other non-regular payments. Effective October 1, 2003, up to three hundred (300) hours of overtime pay per year shall be included in final average earnings for police officers. For members who complete more than 37½ years of service, accrual of benefits shall recommence at the rate of 2% for each year of creditable service.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

d. Retirement System for Police and Firefighters (continued)

Benefits provided (continued)

For firefighters who are actively employed on or after June 20, 2007 and firefighters who, on March 1, 2013 are within 7 years of the normal retirement date, the amount of benefit payable at the normal retirement date shall be 3% of the member's average monthly earnings for the first 10 years of continuous service and 4% of average monthly earnings for the next 10 years of service, and 3% of average monthly earnings for the next 5 years of continuous service, subject to a maximum benefit of 85% of average monthly earnings.

For firefighters who complete more than 42 1/2 years of service, accrual of benefits shall recommence at the rate of 2% for each year of creditable service.

Firefighters who, on March 1, 2013, are not within 7 years of the normal retirement date, the amount of benefit payable at normal retirement shall be the members' accrued benefit as of March 1, 2013, and 3% of the member's average monthly earnings for each year of continuous service after March 1, 2013 through September 30, 2018, subject to a maximum benefit of 70% of average monthly earnings. Thereafter, the amount of benefit payable at normal retirement for said firefighters shall be 2.25% of the member's average monthly earnings for each year of continuous service.

Deferred Retirement Option Plan (DROP)

Effective January 3, 2001, the Plan implemented a Deferred Retirement Option Plan ("DROP") for police officers and firefighters who are eligible for normal service retirement at age 42 and have at least 20 years creditable service. Participation in the DROP for firefighters who on March 1, 2013 are within 7 years of the normal retirement date and police officers is limited to a maximum 60 months prior to termination of employment. Participation in the DROP for firefighters hired on or after March 1, 2013 and firefighters who, on March 1, 2013, are not within 7 years of the normal retirement date is limited to a maximum 36 months prior to termination of employment. The DROP is administered by the Plan's actuary and earns interest based upon the earnings and losses of the retirement plan. Once a member enters the DROP, their monthly retirement benefit is frozen, and their monthly benefit is paid into their DROP account. Upon termination of employment, the balance in the member's DROP account, including interest, is payable to them and they also begin to receive their (frozen) monthly retirement benefit.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

d. Retirement System for Police and Firefighters (continued)

Contributions

The Plan is funded by member contributions from police officers of 8.5% and from firefighters of 8% for members hired after March 1, 2013 and 10.0% for members hired before such date, plus allowable contributions from the State of Florida under Chapters 175 and 185, Florida Statutes, and the actuarially-determined required employer contribution.

The actual contributions from the City for the fiscal year ended September 30, 2023, amounted to \$2,476,571 and the amount of covered payroll was \$1,121,717. Members' contributions were \$89,795 while County and State contributions were \$- and \$1,058,781, respectively.

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 Plan. The amounts of \$559,871 and \$498,901 from property insurance and casualty premium were recognized as revenues and expenditures during the year.

Net Pension Liability

The components of the net pension liability of the City at September 30, 2023, were as follows:

	Amount
Total pension liability	\$ 76,124,263
Plan fiduciary net position	(58,276,212)
Net pension liability	<u>\$ 17,848,051</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>76.55%</u>

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CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

d. Retirement System for Police and Firefighters (continued)

Actuarial assumptions

The City's net pension liability for the RSP&F plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of the plan is measured as of September 30, 2023, using an annual actuarial valuation as of October 1, 2022 with the following assumptions:

Actuarial cost method	Entry age normal
Inflation	3.00%
Salary increases	5.00%
Investment rate of return	6.90% compounded annually, net of pension plan investment expense
Mortality	Female: PUB-2010 Headcount Weighted Safety Healthy Retiree Female Table Male: PUB-2010 Headcount Weighted Safety Healthy Retiree Male Table

Best estimates of long-term rate of return for each major asset class included in the Plan's target asset allocation as of the valuation date are summarized in the following table:

Asset Class	Target Allocation	Long-term expected real rate of return
Domestic equity	45%	8.30%
Foreign equity	15%	8.40%
Domestic bonds	25%	4.00%
International bonds	5%	5.00%
Real estate	10%	6.55%
	<u>100%</u>	
Membership as of Actuarial Valuation Date		
Receiving benefits	149	
Active members	6	
Drop participants	7	
Total	<u>162</u>	

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

d. Retirement System for Police and Firefighters (continued)

Discount rate

The discount rate used to measure the total pension liability was 6.90% for FY 2023. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from the City will be made at statutorily required rates, actuarially determined. Based on these assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current Plan members. Therefore, the discount rate was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability

	Total pension liability (A)	Fiduciary net position (B)	Net pension liability (A)-(B)
Balances, beginning of the year	\$ 77,906,756	\$ 56,836,803	\$ 21,069,953
Changes during the year:			
Service cost	160,384	-	160,384
Interest	5,149,222	-	5,149,222
Investment income	-	5,266,275	(5,266,275)
Difference between expected and actual experience	(432,489)	-	(432,489)
Employer contributions	-	3,535,352	(3,535,352)
Employee contributions	-	89,795	(89,795)
Benefit payments & refunds	(7,302,721)	(7,302,721)	-
Assumption changes	643,111	-	643,111
Administrative expense	-	(149,292)	149,292
Net changes	(1,782,493)	1,439,409	(3,221,902)
Balances, end of the year	\$ 76,124,263	\$ 58,276,212	\$ 17,848,051

The Schedules of Changes in the City’s Net Pension Liability and related ratios and Schedule of Contributions are presented in multiyear trend information within the required supplementary information section following the notes to the financial statements.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

d. Retirement System for Police and Firefighters (continued)

Sensitivity of the City’s Net Position Liability to Changes in the Discount Rate (continued)

The following presents the net pension liability of the City calculated using the discount rate of 6.90% for 2023, as well as what the employer net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Net pension liability	<u>\$ 24,657,457</u>	<u>\$ 17,848,051</u>	<u>\$ 12,057,867</u>

Pension Expense, Deferred Outflow/(Inflow) of Resources Related to Pensions

For the fiscal year ended September 30, 2023, the City recognized pension expense of \$5,302,507 for the Retirement System of Police and Firefighters, as shown in the table below. The City also reported deferred outflows/(inflows) of resources related to pensions from the following sources.

<u>Description</u>	<u>Pension Expense</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Balances, beginning of the year	\$ -	\$ 16,415,965	\$ 5,091,689
Service cost	160,384	-	-
Changes during the year:			
Expected interest growth	5,149,222	-	-
Expected investment (gain)/loss	(3,789,713)	-	-
Investment gain (loss)	-	-	1,476,562
Demographic gain (loss)	-	-	432,489
Employee contributions	(89,795)	-	-
Administrative expenses	149,292	-	-
Assumption changes	-	643,111	-
Net amortization payments	-	(6,114,752)	(2,391,635)
Recognition of outflow (inflow) of resources	2,109,509	-	-
Recognition of outflow (inflow) of resources	1,613,608	-	-
Net changes	<u>5,142,123</u>	<u>(5,471,641)</u>	<u>(482,584)</u>
Balances, end of the year	<u>\$ 5,302,507</u>	<u>\$ 10,944,324</u>	<u>\$ 4,609,105</u>

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Benefit Pension Plans (continued)

d. Retirement System for Police and Firefighters (continued)

Pension Expense, Deferred Outflow/(Inflow) of Resources Related to Pensions (continued)

Amounts reported as deferred outflows and inflows of resources related to the Plan will be recognized in pension expense in the following fiscal years, as shown below:

Year Ending September 30:	Amounts to be recognized
2024	\$ 1,610,167
2025	1,900,652
2026	3,119,714
2027	(295,314)
Total	<u>\$ 6,335,219</u>

Payables to the Pension Plan

As at September 30, 2023, the City’s outstanding contributions payable to the Plan as required for the fiscal year 2023 was \$0.

e. Aggregate Amount for all Pension Plans

	Net Pension Liabilities	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expenses
Florida Retirement System	\$ 19,127,109	\$ 6,919,436	\$ -	\$ 5,194,200
Florida Retirement System - HIS	5,932,439	1,230,884	527,990	2,581,418
General Employees Pension Plan	2,001,460	6,041,006	3,429,690	1,185,062
Police & Firefighters Pension Plan	17,848,051	10,944,324	4,609,105	5,302,507
Grand Total	<u>\$ 44,909,059</u>	<u>\$ 25,135,650</u>	<u>\$ 8,566,785</u>	<u>\$ 14,263,187</u>

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Contribution Pension Plans

a. 401(a) Executive Plan and the 401(a) General Employee Plan

Plan Description

The City established two (2) defined contribution plans, titled the “401(a) Executive Plan”, is offered to senior management and the ‘401(a) General Employee Plan’ is offered to those employees that did not elect to move to the FRS Retirement System in 2007 when the GEPP Plan was closed to new entrants. The 401(a) Executive Plan is administered by International City Management Association Retirement Corporation (ICMA) and the 401(a) General Employee Plan is administered by the Florida Municipal Pension Trust Fund.

Funding Policy

The City contributed between 13.32% to 30.79% per contract with each 401(a) Executive Plan participant. The senior management is required to contribute 3%. The City contribution to 401(a) General Employee Plan is determined annually by the City Commission which generally follows the contribution rates set by the FRS Retirement System. Contributions are directed to individual member accounts and the individual members allocate contributions and account balances among various approved investment choices. For FY 2023, the 401(a) General Employee Plan contribution rates for the City are 11.91% for the period from October 1, 2022 through June 30, 2023, and 13.57% from July 1, 2023 through September 30, 2023; and the employees at 3%. Total contribution including employees’ share for FY23 were \$126,927 for the executive plan, and \$386,0358 for the general employees, respectively.

b. FRS Investment Plan

Plan Description

The Florida Retirement System Investment Plan is a defined contribution retirement plan qualified under Section 401(a) of the Internal Revenue Code. The Florida Legislature enacted the Plan during the 2000 legislative session, and amendments to the Plan can only be made by an act of the Florida Legislature.

The SBA administers the defined contribution plan officially titled the FRS Investment Plan. The investment Plan is reported in the SBA’s annual financial statements and in the State of Florida’s Annual Comprehensive Financial Report.

Funding Policy

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. City employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Contribution Pension Plans (continued)

b. FRS Investment Plan (continued)

Funding Policy (continued)

contributed to individual member's accounts are defined by law but the ultimate benefit depends on the performance of the investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established by the Florida Legislature.

The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Senior Management, etc.), as the Pension Plan. Contributions are directed to individual member accounts who will allocate the contributions among various approved investment choices. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.04 percent of payroll and by forfeited benefits of plan members. Allocations to the investment member's accounts based on a percentage of gross compensation by class, October 1, 2022 through June 30, 2023 and from July 1, 2023 through September 30, 2023, respectively, were as follows: Regular - 11.91% and 13.57%; Senior Management Service – 31.57% and 34.52%; and Special Risk – 27.83% and 32.67%; as established by Sec. 121.72, Fl Statutes. Total contributions including employees share for FY 2023 were \$524,560.

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the Pension Plan is transferred to the Investment Plan, the member must have the years of service required for Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Non-vested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended September 30, 2023, the information for the amount of forfeitures was unavailable from the SBA. However, management believes that these amounts, if any, would be immaterial to the City.

After termination and after an application to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lumpsum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided; the member may either transfer the account balance to the Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the Pension Plan, or remain in the Investment Plan and rely upon that account balance for retirement income.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 9. EMPLOYEE RETIREMENT PLANS (continued)

Defined Contribution Pension Plans (continued)

Contribution

For the fiscal year ended September 30, 2023, the City’s and employees’ contributions for all defined contribution plans were as follows:

	2023	2022	2021
Contribution requirement	\$ 1,037,523	\$ 886,536	\$ 811,774
Contributions made by the City (100%)			
401 (a) Plan	\$ 419,012	\$ 378,864	\$ 353,348
FRS Investment Plan	430,867	332,980	277,399
Contributions made by employees (100%)			
401 (a) Plan	93,950	94,865	113,868
FRS Investment Plan	93,694	79,826	67,160
Total contributions made	\$ 1,037,523	\$ 886,536	\$ 811,774
Total covered payroll	\$ 6,260,818	\$ 5,683,685	\$ 4,854,196
% of contribution to total covered payroll	16.57%	15.60%	16.72%

Deferred Compensation Plan

An optional deferred compensation plan is offered to employees in addition to the defined benefit and defined contribution plans. The City adopted provisions of IRS Code 457(g) and GASB Statement No. 32, Accounting and Financial Reporting for IRS Code Section 457 Deferred Compensation Plans. All assets and income of the Plan are held in trust for the exclusive benefit of participants. The City makes no investment decisions and the assets and liabilities of the Plan are not included in the City’s financial statements at September 30, 2023. During the fiscal year, the City contributes to the optional deferred compensation plan for only one member of the executive management at 3.0% of salaries. For fiscal year 2023, the amount contributed by the City was \$2,192. Members may make voluntary contributions to 457(b) up to the maximum annual contribution allowed by law.

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CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 10. OTHER POST EMPLOYMENT BENEFITS (OPEB)

General Information

Under Florida State Law, the City is required to offer retirees health and other insurance on the same basis as employees, provided that the retiree pays the full premium, for the relevant coverage; other OPEB may be eliminated at any time by the employer. The City has no formal plan that administers the City’s post-employment healthcare, dental and life insurance coverage to eligible individuals that includes all regular employees of the City who retire from active service and are eligible for retirement or disability benefits. The City subsidizes implicitly by allowing the retirees to participate in the plan.

Plan Description

The retiree health, dental and other insurance program is a single-employer (unfunded) OPEB plan. Retirees, their spouses and dependents pay 100% of the blended premium rates to obtain their elected benefits. The blended rates provide an implicit subsidy to them because on an actuarial basis, retiree healthcare costs and future claims are generally expected to result in higher costs to the employer. Retirees must make an election to participate in the Plan within 60 days of the effective date of retirement or the termination date to continue in the Plan as a retiree. The Plan does not provide for a cost of living allowance increase.

The OPEB Plan operates on a pay-as-you-go basis based on the budget and there are no assets accumulated in the Plan.

Benefits provided

The City provides post-employment benefits to retirees, the same healthcare benefits as those provided to active employees. Spouses and dependents of eligible retirees are also eligible for medical coverage. All full-time equivalent employees of the City are eligible to receive postemployment health care benefits. Four types of health plans are offered to eligible participants:

- Standard Preferred Provider Organization (PPO) Plan
- High Deductible PPO Plan
- Standard Health Maintenance Organization (HMO) Plan
- High Deductible HMO Plan

Covered Individuals

At September 30, 2023, the following number of individuals were covered by the benefit terms:

Inactive employees entitled to but not receiving benefits	-
Inactive employees and beneficiaries receiving benefits	12
Active employees	<u>228</u>
Total	<u>240</u>

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 10. OTHER POST EMPLOYMENT BENEFITS (OPEB) (continued)

Contributions

The retirees and their spouses and dependents must contribute an amount determined periodically by the insurance carrier equal to 100% of the premium rates of their elected health, dental and other insurance benefits. The City implicitly subsidizes the healthcare premium rates paid by retirees by allowing them to participate in the same health plan offered to active employees.

Total OPEB Liability

The components of the City's OPEB liability as of September 30, 2023, were as follows:

	<u>Amount</u>
Total OPEB liability	\$ 1,220,226
Plan fiduciary net position	<u>-</u>
Net OPEB liability	<u>\$ 1,220,226</u>
Plan fiduciary net position as a percentage of the total OPEB liability	<u>0.00%</u>

Actuarial Assumptions and Other Inputs

The City's OPEB liability as of September 30, 2023 was determined using the following actuary assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Valuation date	January 1, 2023
Measurement date	September 30, 2023
Discount rate	4.31%
Salary increases	3.0% per annum
Cost of living increases	Retiree contributions, health insurance premiums, and the implied subsidy have been assumed to increase in accordance with the healthcare cost trend rates.
Healthcare cost trend rates	Increases in healthcare costs are assumed to be 7.5% for FY2023 graded down by 0.5% per year to an ultimate rate of 5.0% for FY 2028 and later years.
Retirees' share of benefit-related costs	Must contribute an amount equal to 100% of the applicable health insurance premium determined periodically by the insurance carrier; there are no minimum required employer contributions.

The discount rate was based on the return on the S&P Municipal Bond 20-year High Grade Index as of the measurement date.

The mortality rates were based on PUB-2010 Mortality Table (without income adjustments) for general and public safety employees, with full generational improvements in mortality using Scale MP-2017.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 10. OTHER POST EMPLOYMENT BENEFITS (OPEB) (continued)

Changes in OPEB Liability

	Total OPEB Liability	OPEB Net Position	Net OPEB Liability
Balances, beginning of the year	\$ 1,310,411	\$ -	\$ 1,310,411
Changes during the year			
Service cost	121,640	-	121,640
Expected interest growth	31,198	-	31,198
Demographic experience	(27,301)	-	(27,301)
Benefit payments & refunds	(91,489)	-	(91,489)
Assumption changes	(124,233)	-	(124,233)
Net changes	(90,185)	-	(90,185)
Balances, end of the year	<u>\$ 1,220,226</u>	<u>\$ -</u>	<u>\$ 1,220,226</u>

Sensitivity Analysis

Sensitivity of the total OPEB liability to changes in the alternative discount rates:

The following presents the total OPEB liability of the City calculated using the discount rates that are one percentage point lower (-1) or one percentage point higher (+1) than the current rate as well as what the total OPEB liability would be at the current rate:

	1% Decrease (3.31%)	Discount Rate (4.31%)	1% Increase (5.31%)
Net OPEB liability	<u>\$ 1,314,293</u>	<u>\$ 1,220,226</u>	<u>\$ 1,135,451</u>

Sensitivity of the total OPEB liability to changes in the health care cost trends:

The following presents the total OPEB liability of the City calculated using the current healthcare cost trend rate that is one percentage point lower (-1) or one percentage point higher (+1) than the assumed healthcare cost trend rate:

	Trend Rate (- 1%)	Cost Trend Rate (7.5 %)	Trend Rate (+ 1%)
Net OPEB liability	<u>\$ 1,110,085</u>	<u>\$ 1,220,226</u>	<u>\$ 1,349,085</u>

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2023

NOTE 10. OTHER POST EMPLOYMENT BENEFITS (OPEB) (continued)

OPEB Expense, Deferred Outflow/(Inflow) of Resources Related to OPEB

In accordance with GASB 75, paragraphs 157 and 158, changes in the total OPEB liability and costs incurred by the employer related to the administration of OPEB are recognized in expense in the current measurement period, except as indicated below. For each of the following, a portion is recognized in expense in the current measurement period, and the balance is amortized as deferred outflows or inflows of resources using a systematic and rational method over a closed period, as defined below:

- Differences between expected and actual experience with regard to economic and demographic factors – amortized over the average expected remaining service life of all employees who are provided with benefits through the OPEB Plan (active and inactive employees).
- Changes of assumptions or other inputs – amortized over the average expected remaining service life of all employees who are provided with benefits through the OPEB Plan (active and inactive employees).

For the fiscal year ended September 30, 2023, the City recognized negative OPEB expense of \$1,428. In addition, the City reported deferred outflows and inflows of resources related to OPEB from the following sources:

Description	OPEB Expense	Deferred Outflow of Resources	Deferred Inflow of Resources
Balances, beginning of the year	\$ -	\$ 63,597	\$ 442,368
Changes during the year:			
Service cost	121,640	-	-
Other recognized changes in OPEB liability			
Expected interest growth	31,198	-	-
Demographic gain(loss)	(24,820)	-	27,301
Benefit payments and refunds	(91,489)	-	-
Amortization payments	-	(10,528)	(73,305)
Assumption changes	(37,957)	-	124,233
Net changes	(1,428)	(10,528)	78,229
Balances, end of the year	\$ (1,428)	\$ 53,069	\$ 520,597

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2023

NOTE 10. OTHER POST EMPLOYMENT BENEFITS (OPEB) (continued)

OPEB Expense, Deferred Outflow/(Inflow) of Resources Related to OPEB (continued)

Amounts reported as deferred outflows/(inflows) of resources related to OPEB will be recognized in the following fiscal years, as shown below:

Year Ending September 30:	Amount to be Recognized
2024	\$ (62,777)
2025	(62,777)
2026	(62,777)
2027	(62,777)
2028	(68,936)
2029-2032	(147,484)
Total	<u>\$ (467,528)</u>

There are no financial statements for the OPEB plan.

NOTE 11. POLLUTION REMEDIATION OBLIGATIONS

As of September 30, 2023, the City has the following remediation project:

3801 NE 5th Avenue – This property, while currently is the City’s fueling station, will become the site of the new City park and new City library that is funded by the General Obligation (G.O.) bonds approved by voters in 2018 for Oakland Park’s “Building our Second Century Program”.

In April 1987, the City applied with Florida Department of Environmental Protection (FDEP) Early Detection Incentive (EDI) Program. FDEP deemed the site eligible to participate in the EDI program on July 10, 1987. In 1991, the City voluntarily removed three (3) 4,000-gallon diesel fuel and one 2,000-gallon underground storage tanks (USTs). No liability was recognized for such event because the EDI program allowed for funding and cleanup assistance for the site.

Furthermore, in September 2016, FDEP completed the soil and groundwater assessment of the same site which detected concentrations of petroleum hydrocarbons above groundwater cleanup target levels on the southeast side of the USTs. A two-part environmental site assessments, which included soil and groundwater sampling, were performed to identify potential areas of environmental concern based on the history and uses of the property. On August 24, 2020, the Site Assessment Report and Remedial Action Plan resulting from the site assessments were submitted to the Environmental Engineering and Permitting Division of the Broward County Environmental Protection and Growth Management Department for review and approval. The response from the County was received on October 13, 2020.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 11. POLLUTION REMEDIATION OBLIGATIONS (continued)

After the City received the response from the County in October 2020, the City contracted the services of environmental engineers in April 2021 to perform contamination remedial activities. The cumulative cost of the ongoing remediation activities for this property is \$246,469 of which, \$45,576 was incurred during the fiscal year ended September 30, 2023. No pollution remediation liability for this site is recorded as they are being capitalized as incurred as part of the construction cost of the City park and library.

NOTE 12. COMMITMENTS AND CONTINGENCIES

a. Police Services

On October 1, 2005, the City entered into a five-year contract with the Broward Sheriff's Office (BSO) for police services. The contract was last renewed in February 2020 for another five (5) years and will expire on September 30, 2025. The original contract called for the City to pay BSO approximately \$841,593 per month for the first year, plus actual fuel usage charged by the City. Annual future increases will be based on BSO's budgeted costs but in no event will the increase be more than 5% over the budgeted costs for the preceding year. BSO is obligated to reimburse the City for any staffing shortages. For the fiscal year ended September 30, 2023, the City paid \$17,829,535 (*net of vacancy credits*).

At the date of the contract in August 2000, the City had eleven police officers that were eligible for retirement. The accrued compensated absence amount for these officers was approximately \$131,130 as of September 30, 2023, which remains the responsibility of the City. This liability is recorded in the General Fund as accrued compensated absences with the funds maintained in a separate bank account. The compensated absences liability for the remaining officers was transferred to BSO.

b. Wastewater Services Interlocal Agreement

On March 22, 2022, and November 3, 1988, the City entered into agreements with the City of Fort Lauderdale, Florida and Broward County, Florida, respectively, for the transmission, treatment and disposal of wastewater. The charges for service provided by the County include operating, maintenance and debt service charges for the facilities and the County Improvement, Repair, and Replacement Fund Surcharge. The charges are adjusted annually based on actual costs incurred in the prior year. For the fiscal year ended September 30, 2023, the City recorded expenses of \$1,362,741 and \$4,967,225 under the Broward County and the Fort Lauderdale contracts, respectively. These agreements will continue in existence and cannot be cancelled on any condition except by mutual agreement between the City, Broward County and City of Fort Lauderdale.

Management's consideration to cancel this agreement is remote. In addition, future payments under this agreement cannot be estimated.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 12. COMMITMENTS AND CONTINGENCIES (continued)

c. Construction and Other Encumbrances

Purchase Orders are issued throughout any given fiscal year to encumber funds and are liquidated upon the payment of the related invoice(s) for the delivery of the good or services ordered. The significant construction and other encumbrances outstanding as of September 30, 2023, which rolled over to the next fiscal year were as follows:

<u>Fund</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>
General fund	\$ 1,331,199	\$ -
Capital projects fund	15,218,549	-
CRA	65,254	-
Water and Sewer fund	-	13,094,744
Solid Waste fund	-	1,830,248
Stormwater fund	-	2,188,491
Total Commitments	<u>\$ 16,615,002</u>	<u>\$ 17,113,482</u>

d. Litigation

During the ordinary course of its operations, the City is party to various claims, legal actions and complaints. The City is aggressively defending each action. The ultimate liability related to these claims is not presently determinable. Furthermore, it is the opinion of the City's management and legal counsel that the final resolution of these claims and legal proceedings would not have a material adverse effect on the financial condition of the City.

e. Federally Assisted Programs – Compliance Audits

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

NOTE 13. SUBSEQUENT EVENT

Leasehold Improvement Loan

On February 22, 2024, the City entered into financing agreements with TD Bank securing two (2) loans amounting to \$10.26 million which are both structured over a 20-year term. The first loan is tax-exempt for \$1.56 million bearing an interest rate of 4.79%, and the second loan is a taxable loan for \$8.7 million bearing an interest rate of 3.78%. Both loans are intended for the interior development of a nearly completed multi-purpose building, part of which will be leased by the City to become the new City Hall. The property, previously owned by the City, was sold to a developer earlier in the fiscal year.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2023

NOTE 14. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, errors and omissions, injuries to employees and natural disasters for which the City carries commercial insurance. The City purchases commercial insurance for all types of claims with nominal deductible amount. There has not been any significant change in insurance coverage. Settled claims have not exceeded commercial coverage limitations in any of the past three fiscal years.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF OAKLAND PARK, FLORIDA

BUDGETARY COMPARISON SCHEDULE GENERAL FUND FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Taxes:				
Property	\$ 25,041,777	\$ 25,041,777	\$ 25,474,225	\$ 432,448
Franchise fees	2,710,000	2,755,300	3,553,701	798,401
Utility taxes	5,198,000	5,198,000	5,941,490	743,490
Communications service taxes	1,450,000	1,450,000	1,373,532	(76,468)
Other taxes	1,489,916	2,158,781	1,972,517	(186,264)
Licenses and permits <i>(includes restricted use building permit revenues,</i>	4,595,988	4,595,988	5,574,720	978,732
Intergovernmental	4,935,414	4,965,013	6,001,617	1,036,604
Charges for services	14,472,072	14,483,072	14,994,562	511,490
Fines and forfeitures	285,000	285,000	403,361	118,361
Investment earnings	45,000	45,000	2,619,044	2,574,044
Grants	101,389	2,551,389	2,437,112	(114,277)
Other	513,631	716,131	611,669	(104,462)
Total Revenues	<u>60,838,187</u>	<u>64,245,451</u>	<u>70,957,550</u>	<u>6,712,099</u>
Expenditures				
General Government:				
City commission	449,313	449,313	316,836	132,477
City manager	1,548,159	1,580,159	1,487,333	92,826
City clerk	768,175	727,675	632,626	95,049
Human resources	1,698,006	1,789,984	1,732,751	57,233
Legal	576,000	661,000	621,973	39,027
Financial services	1,555,975	1,472,829	1,327,492	145,337
Information technology service	1,529,035	2,089,347	1,806,133	283,214
Non-departmental	721,409	3,021,994	2,336,805	685,189
Total General Government:	<u>8,846,072</u>	<u>11,792,301</u>	<u>10,261,949</u>	<u>1,530,352</u>
Public Safety				
Police	18,233,441	18,373,507	18,328,444	45,062
Fire rescue	13,930,921	16,397,194	13,944,843	2,452,351
Total Public Safety	<u>32,164,362</u>	<u>34,770,701</u>	<u>32,273,287</u>	<u>2,497,413</u>
Public Works				
Administration	179,911	179,911	139,104	40,807
Parks maintenance	2,522,189	2,838,176	2,526,728	311,448
Street maintenance	2,511,023	2,497,809	2,180,497	317,312
Building and maintenance	1,653,663	1,740,337	1,502,851	237,486
Fleet	2,118,945	2,268,565	2,013,680	254,885
Total Public Works	<u>8,985,731</u>	<u>9,524,798</u>	<u>8,362,860</u>	<u>1,161,938</u>
Community and Economic Development				
Planning and zoning	1,162,916	1,308,333	1,100,434	207,899
Community enhancement	1,468,523	1,668,523	1,248,117	420,406
Total Community and Economic Development	<u>2,631,439</u>	<u>2,976,856</u>	<u>2,348,551</u>	<u>628,305</u>
Engineering and Building Services				
Engineering and construction management	1,780,084	1,583,205	1,240,077	343,128
Building and permitting	3,342,137	3,578,085	2,956,543	621,542
Total Engineering and Building Services	<u>5,122,221</u>	<u>5,161,290</u>	<u>4,196,620</u>	<u>964,670</u>
Culture and Recreation				
Library	934,750	1,234,750	1,120,458	114,292
Parks and recreation	3,722,890	3,934,984	3,626,566	308,418
Total Culture and Recreation	<u>4,657,640</u>	<u>5,169,734</u>	<u>4,747,024</u>	<u>422,710</u>
Total Expenditures	<u>62,407,465</u>	<u>69,395,680</u>	<u>62,190,291</u>	<u>7,205,389</u>
Excess of revenues over expenditures	<u>(1,569,278)</u>	<u>(5,150,229)</u>	<u>8,767,259</u>	<u>13,917,488</u>
Other financing sources (uses):				
Transfers in	-	48,383	48,383	-
Transfers (out)	(3,546,499)	(4,116,644)	(4,116,644)	-
Disposal of capital assets	-	-	2,587,332	2,587,332
Other financing sources - subscription agreements	5,115,777	9,218,490	1,039,602	(8,178,888)
Net Other Financing Sources (Uses):	<u>1,569,278</u>	<u>5,150,229</u>	<u>(441,327)</u>	<u>(5,591,556)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>8,325,932</u>	<u>\$ 8,325,932</u>
Fund balance, beginning			<u>31,584,883</u>	
Fund balance, end			<u>\$ 39,910,815</u>	

See notes to budgetary comparison schedule.

CITY OF OAKLAND PARK, FLORIDA

BUDGETARY COMPARISON SCHEDULE OAKLAND PARK COMMUNITY REDEVELOPMENT AGENCY FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Other revenues	\$ 44,592	\$ 44,592	\$ 43,480	\$ (1,112)
Miscellaneous income	-	-	1,187	1,187
Total revenues	<u>44,592</u>	<u>44,592</u>	<u>44,667</u>	<u>75</u>
Expenditures:				
Current:				
Community redevelopment	<u>674,175</u>	<u>770,936</u>	<u>456,743</u>	<u>314,193</u>
Total expenditures	<u>674,175</u>	<u>770,936</u>	<u>456,743</u>	<u>314,193</u>
Deficiency of revenues over expenditures	(629,583)	(726,344)	(412,076)	314,268
Other financing sources (uses):				
Other sources	80,000	176,761	-	(176,761)
Transfers in (out)	<u>549,583</u>	<u>549,583</u>	<u>549,583</u>	-
Total other financing sources	<u>629,583</u>	<u>726,344</u>	<u>549,583</u>	<u>(176,761)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	137,507	<u>\$ 137,507</u>
Fund balance, beginning			<u>329,354</u>	
Fund balance, end			<u>\$ 466,861</u>	

See notes to budgetary comparison schedule.

CITY OF OAKLAND PARK, FLORIDA

NOTES TO BUDGETARY COMPARISON SCHEDULE FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

The following procedures are used to establish the budgetary data reflected in the financial statements:

Budgetary Information

Annual appropriated budgets are adopted for the General fund, Oakland Park Community Redevelopment Agency (OPCRA, a component unit), Capital Projects fund, Grants and Impact Fee funds (special revenue funds), and Debt Service fund on a basis consistent with accounting principles generally accepted in the United States of America (GAAP), except for encumbrances which are reported as expenditures for budgetary purposes. In addition, the City prepares annual operating budgets for the enterprise funds.

In July of each year, the City Manager submits to the City Commission a proposed operating budget for the next fiscal year commencing on October 1. This budget includes proposed expenditures as well as the expected means of financing them. The Commission holds public hearings and a final budget must be prepared and adopted no later than October 1.

The appropriated budget is prepared by fund, function, and department. Only the General Fund is subject to budgetary control on a departmental level. The City Manager is authorized to transfer budgeted amounts between expenditure categories within individual departments but transfers between departments and revisions that alter the department totals must be approved by the City Commission. The Special Revenue funds, Debt Service fund, Capital Projects fund, and Enterprise funds are subject to budgetary control on an individual fund basis.

For the fiscal year ended September 30, 2023, General Fund supplemental appropriations amounted to about \$7,558,360 million while OPCRA had a budget increase of \$96,761. Individual-type amendments were not material relative to the original appropriations.

Encumbrance accounting is employed in governmental funds. All unencumbered appropriations lapse at year-end and are re-budgeted in the next fiscal year.

Budget/GAAP Reconciliation

There are no reconciling items between GAAP and Budget.

CITY OF OAKLAND PARK, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY (NPL)

FLORIDA RETIREMENT SYSTEM PENSION PLAN

LAST TEN FISCAL YEARS

(Unaudited)

<u>Year Ended</u>	<u>City's Proportion of NPL</u>	<u>City's Proportionate Share of NPL</u>	<u>City's Covered Payroll</u>	<u>% of NPL to Covered Payroll</u>	<u>% of Fiduciary Net Position to TPL</u>
2023	0.00048001576	\$ 19,127,108	\$ 20,140,501	94.97%	82.89%
2022	0.00046680366	17,386,847	18,055,872	96.29%	82.89%
2021	0.00043854856	3,312,735	16,485,084	20.10%	96.40%
2020	0.00042062262	18,230,404	15,520,218	117.46%	78.85%
2019	0.00036634160	12,616,295	13,031,210	96.82%	82.61%
2018	0.00017638560	5,312,826	6,116,174	86.87%	84.26%
2017	0.00015685038	4,639,529	5,297,747	87.58%	83.89%
2016	0.00011984992	3,026,220	3,980,721	76.02%	84.88%
2015	0.00010863684	1,403,190	3,555,253	39.47%	92.00%
2014	0.00009752654	559,055	2,411,204	23.19%	96.09%

Note:

The amounts presented for each fiscal year were determined as of the June 30 measurement date. The Plan's fiduciary net position as a percentage of the total pension liability is published in the Plan's Annual Comprehensive Financial Report.

CITY OF OAKLAND PARK, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY (NPL)

FLORIDA RETIREMENT SYSTEM - HEALTH INSURANCE SUBSIDY PROGRAM

LAST TEN FISCAL YEARS

(Unaudited)

<u>Year Ended</u>	<u>City's Proportion of NPL</u>	<u>City's Proportionate Share of NPL</u>	<u>City's Covered Payroll</u>	<u>% of NPL to Covered Payroll</u>	<u>% of Fiduciary Net Position to TPL</u>
2023	0.00037354793	\$ 5,932,438	\$ 14,803,157	40.08%	4.12%
2022	0.00037624482	3,985,034	13,714,768	29.06%	4.81%
2021	0.00034113301	4,184,509	12,078,291	34.64%	3.56%
2020	0.00030380971	3,709,468	10,546,873	35.17%	3.00%
2019	0.00027502017	3,077,200	9,200,147	33.45%	2.63%
2018	0.00019527954	2,066,861	6,379,962	32.40%	2.15%
2017	0.00017349410	1,855,079	5,531,969	33.53%	1.67%
2016	0.00014467970	1,686,182	4,467,025	37.75%	0.97%
2015	0.00012782764	1,303,641	3,878,348	33.61%	0.50%
2014	0.00011727468	1,096,547	3,480,283	31.51%	0.99%

Note: The amounts presented for each fiscal year were determined as of the June 30 measurement date. The Plan's fiduciary net position as a percentage of the total pension liability is published in the Plan's Annual Comprehensive Financial Report.

CITY OF OAKLAND PARK, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF CHANGES IN EMPLOYER NET PENSION LIABILITY
 FLORIDA RETIREMENT SYSTEM PENSION PLAN
 LAST TEN FISCAL YEARS
 (Unaudited)

	2023	2022	2021	2020
Total Pension Liability (TPL):				
Beginning balance	\$ 104,371,959	\$ 97,858,873	\$ 89,862,871	\$ 83,288,467
Changes during the year				
Service cost	1,329,702	1,230,341	1,161,482	1,113,580
Interest on total pension liability	6,879,370	6,540,916	6,013,889	5,661,130
Effect of plan changes	639,816	46,347	-	-
Effect of economic/demographic gains or losses	1,509,401	580,320	153,395	188,711
Effect of assumption changes or inputs	-	1,137,898	-	731,101
Benefit payments and refunds	(6,148,666)	(5,895,503)	(5,256,051)	(4,793,317)
Net change in total pension liability	4,209,623	3,640,319	2,072,715	2,901,205
Ending balance (a)	108,581,582	101,499,192	91,935,586	86,189,672
Plan Fiduciary Net Position:				
Beginning balance	86,511,515	94,332,702	70,855,530	68,803,205
Changes during the year				
Benefit payments and refunds	(6,148,666)	(5,895,503)	(5,256,051)	(4,793,317)
Employer contributions	2,309,185	1,991,936	1,670,681	1,397,543
Member contributions	378,667	359,079	331,775	314,817
Net investment income	6,416,756	(6,647,368)	21,030,450	2,246,086
Administrative expenses	(12,983)	(10,501)	(9,534)	(9,067)
Net change in fiduciary net position	2,942,959	(10,202,357)	17,767,321	(843,938)
Ending balance (b)	89,454,474	84,130,345	88,622,851	67,959,267
Employer Net Pension Liability, ending (a)-(b)	\$ 19,127,108	\$ 17,368,847	\$ 3,312,735	\$ 18,230,405
Covered payroll	\$ 20,140,501	\$ 18,055,872	\$ 16,485,084	\$ 15,520,218
Plan fiduciary net position as a percentage of the total pension liability	82.38%	82.89%	96.40%	78.85%
Net pension liability as a percentage of covered payroll	94.97%	96.20%	20.10%	117.46%

2019	2018	2017	2016	2015	2014
\$ 70,087,522	\$ 32,390,144	\$ 26,198,876	\$ 19,340,270	\$ 16,959,923	\$ 14,655,911
924,306	427,556	325,269	255,629	229,663	220,092
4,833,841	2,266,190	1,958,146	1,451,276	1,273,394	1,120,572
4,178	-	14,459	3,872	-	-
90,663	97,861	221,545	117,476	176,085	(43,772)
580,881	394,337	1,630,984	123,525	-	122,498
(3,981,235)	(1,830,455)	(1,546,438)	(1,273,396)	(1,108,259)	(849,871)
2,452,634	1,355,489	2,603,966	678,382	570,884	569,519
72,540,156	33,745,633	28,802,842	20,018,652	17,530,807	15,225,430
59,053,123	27,170,986	22,238,391	17,792,247	16,297,079	12,977,045
(3,981,235)	(1,830,455)	(1,546,438)	(1,273,396)	(1,108,259)	(849,871)
1,135,923	502,685	408,320	292,273	264,866	213,624
275,787	131,649	116,828	85,179	75,862	66,563
3,447,436	2,461,502	2,949,088	98,347	600,032	2,224,803
(7,173)	(3,559)	(2,877)	(2,218)	(1,963)	(1,790)
870,738	1,261,822	1,924,922	(799,815)	(169,462)	1,653,330
59,923,861	28,432,808	24,163,313	16,992,432	16,127,616	14,630,375
\$ 12,616,295	\$ 5,312,826	\$ 4,639,529	\$ 3,026,220	\$ 1,403,190	\$ 595,055
\$ 13,031,210	\$ 6,116,174	\$ 5,297,747	\$ 3,980,721	\$ 3,555,253	\$ 2,411,204
<u>82.61%</u>	<u>84.26%</u>	<u>83.89%</u>	<u>84.88%</u>	<u>92.00%</u>	<u>96.09%</u>
<u>96.82%</u>	<u>86.87%</u>	<u>87.58%</u>	<u>76.02%</u>	<u>39.47%</u>	<u>24.68%</u>

CITY OF OAKLAND PARK, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CHANGES IN EMPLOYER NET PENSION LIABILITY

FLORIDA RETIREMENT SYSTEM - HEALTH INSURANCE SUBSIDY PROGRAM (HIS)

LAST NINE FISCAL YEARS

(Unaudited)

	2023	2022	2021	2020
Total Pension Liability (TPL):				
Beginning balance	\$ 4,156,455	\$ 4,785,505	\$ 4,294,216	\$ 3,491,091
Changes during the year				
Service cost	77,805	109,421	95,742	80,668
Interest on total pension liability	146,389	103,612	95,089	122,347
Effect of plan changes	2,090,486	1,962	-	-
Effect of economic/demographic gains or losses	-	(20,400)	-	137,487
Effect of assumption changes or inputs	(84,327)	(596,482)	29,330	146,385
Benefit payments and refunds	(199,679)	(197,154)	(175,465)	(153,591)
Net change in total pension liability	2,030,674	(599,041)	44,696	333,296
Ending balance (a)	6,187,129	4,186,464	4,338,912	3,824,387
Plan Fiduciary Net Position:				
Beginning balance	199,986	170,295	129,037	91,764
Changes during the year				
Benefit payments and refunds	(199,679)	(197,154)	(175,465)	(153,591)
Employer contributions	245,726	227,660	200,518	175,071
Member contributions	83	18	19	112
Net investment income	8,654	682	360	1,615
Administrative expenses	(79)	(71)	(66)	(52)
Net change in fiduciary net position	54,705	31,135	25,366	23,155
Ending balance (b)	254,691	201,430	154,403	114,919
Employer Net Pension Liability, ending (a)-(b)	\$ 5,932,438	\$ 3,985,034	\$ 4,184,509	\$ 3,709,468
Covered payroll	\$ 14,803,157	\$ 13,714,768	\$ 12,078,291	\$ 10,546,873
Plan fiduciary net position as a percentage of the total pension liability	4.12%	4.81%	3.56%	3.00%
Net pension liability as a percentage of covered payroll	40.08%	29.06%	34.64%	35.17%

CITY OF OAKLAND PARK, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CHANGES IN EMPLOYER NET PENSION LIABILITY GENERAL EMPLOYEES PENSION PLAN LAST TEN FISCAL YEARS (Unaudited)

	2023	2022	2021
Total Pension Liability (TPL):			
Beginning balance	\$ 42,678,036	\$ 44,001,833	\$ 45,292,747
Changes during the year			
Expected interest growth	3,057,190	3,155,977	3,250,614
Demographic changes	(277,902)	(769,176)	(235,092)
Changes in assumptions	-	-	(646,728)
Benefit payments	<u>(3,641,722)</u>	<u>(3,710,598)</u>	<u>(3,659,708)</u>
Net change in total pension liability	<u>(862,434)</u>	<u>(1,323,797)</u>	<u>(1,290,914)</u>
Ending balance (a)	<u>41,815,602</u>	<u>42,678,036</u>	<u>44,001,833</u>
Plan Fiduciary Net Position:			
Beginning balance	39,229,050	48,835,681	42,191,516
Changes during the year			
Employer contributions	308,420	639,896	1,107,595
Expected interest growth	2,816,415	3,546,362	3,067,545
Unexpected investment income (loss)	1,184,114	(9,994,172)	6,205,996
Benefit payments	(3,641,722)	(3,710,598)	(3,659,708)
Administrative expenses	<u>(82,135)</u>	<u>(88,119)</u>	<u>(77,263)</u>
Net change in fiduciary net position	<u>585,092</u>	<u>(9,606,631)</u>	<u>6,644,165</u>
Ending balance (b)	<u>39,814,142</u>	<u>39,229,050</u>	<u>48,835,681</u>
Net Pension Liability (Asset), ending (a)-(b)	<u>\$ 2,001,460</u>	<u>\$ 3,448,986</u>	<u>\$ (4,833,848)</u>
Covered payroll	<u>\$ 2,157,981</u>	<u>\$ 2,246,140</u>	<u>\$ 2,286,981</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>95.21%</u>	<u>91.92%</u>	<u>110.99%</u>
Net pension liability as a percentage of covered payroll	<u>92.75%</u>	<u>153.55%</u>	<u>N/A</u>

2020	2019	2018	2017	2016	2015	2014
\$ 45,547,838	\$ 47,292,370	\$ 47,095,099	\$ 44,993,140	\$ 44,027,314	\$ 40,770,051	\$ 40,731,647
3,271,551	3,412,120	3,403,524	3,246,037	3,178,167	2,934,291	3,283,975
173,456	(1,691,558)	145,358	(206,608)	879,003	(248,412)	-
-	-	-	2,201,333	-	3,584,856	-
<u>(3,700,098)</u>	<u>(3,465,094)</u>	<u>(3,351,611)</u>	<u>(3,138,803)</u>	<u>(3,091,344)</u>	<u>(3,013,472)</u>	<u>(3,245,571)</u>
<u>(255,091)</u>	<u>(1,744,532)</u>	<u>197,271</u>	<u>2,101,959</u>	<u>965,826</u>	<u>3,257,263</u>	<u>38,404</u>
<u>45,292,747</u>	<u>45,547,838</u>	<u>47,292,370</u>	<u>47,095,099</u>	<u>44,993,140</u>	<u>44,027,314</u>	<u>40,770,051</u>
41,531,792	41,181,250	39,088,389	35,489,764	33,876,392	34,476,947	32,014,820
1,612,366	1,789,505	1,962,213	1,610,387	1,868,141	2,326,446	2,423,532
3,035,010	3,023,540	2,984,127	2,602,502	2,492,646	2,557,604	2,659,281
(206,087)	(906,290)	579,490	2,604,679	426,556	(2,393,198)	453,926
(3,700,098)	(3,465,094)	(3,351,611)	(3,138,803)	(3,091,344)	(3,013,472)	(2,999,689)
<u>(81,467)</u>	<u>(91,119)</u>	<u>(81,358)</u>	<u>(80,140)</u>	<u>(82,627)</u>	<u>(77,935)</u>	<u>(74,923)</u>
<u>659,724</u>	<u>350,542</u>	<u>2,092,861</u>	<u>3,598,625</u>	<u>1,613,372</u>	<u>(600,555)</u>	<u>2,462,127</u>
<u>42,191,516</u>	<u>41,531,792</u>	<u>41,181,250</u>	<u>39,088,389</u>	<u>35,489,764</u>	<u>33,876,392</u>	<u>34,476,947</u>
<u>\$ 3,101,231</u>	<u>\$ 4,016,046</u>	<u>\$ 6,111,120</u>	<u>\$ 8,006,710</u>	<u>\$ 9,503,376</u>	<u>\$ 10,150,922</u>	<u>\$ 6,293,104</u>
<u>\$ 2,552,847</u>	<u>\$ 2,877,185</u>	<u>\$ 3,333,110</u>	<u>\$ 3,616,327</u>	<u>\$ 4,067,102</u>	<u>\$ 4,547,339</u>	<u>\$ 4,757,815</u>
<u>93.15%</u>	<u>91.18%</u>	<u>87.08%</u>	<u>83.00%</u>	<u>78.88%</u>	<u>76.94%</u>	<u>84.56%</u>
<u>121.48%</u>	<u>139.58%</u>	<u>183.35%</u>	<u>221.40%</u>	<u>233.66%</u>	<u>223.23%</u>	<u>132.27%</u>

CITY OF OAKLAND PARK, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF CHANGES IN EMPLOYER NET PENSION LIABILITY
 POLICE AND FIREFIGHTERS RETIREMENT SYSTEM
 LAST TEN FISCAL YEARS
 (Unaudited)

	2023	2022	2021	2020
Total Pension Liability (TPL):				
Beginning balance	\$ 77,906,756	\$ 77,557,022	\$ 73,800,084	\$ 73,647,947
Changes during the year				
Service cost	160,384	145,739	145,986	118,175
Expected interest growth	5,149,222	5,289,025	5,363,578	5,512,965
Differences between expected and actual experience	(432,489)	(17,005)	508,498	209,512
Changes in assumptions	643,111	811,521	3,908,553	931,133
Benefit payments	(7,302,721)	(5,879,546)	(6,169,677)	(6,619,648)
Net change in total pension liability	(1,782,493)	349,734	3,756,938	152,137
Ending balance (a)	<u>76,124,263</u>	<u>77,906,756</u>	<u>77,557,022</u>	<u>73,800,084</u>
Plan Fiduciary Net Position:				
Beginning balance	56,836,803	71,472,577	63,640,438	61,357,225
Changes during the year				
Employer contributions	3,535,352	3,420,823	3,144,620	2,486,752
Employee contributions	89,795	109,742	103,971	102,966
Investment income	5,266,275	(12,158,744)	10,872,429	4,564,967
Unexpected investment income				1,862,123
Benefit payments	(7,302,721)	(5,879,546)	(6,169,677)	(6,619,648)
Administrative expenses	(149,292)	(128,049)	(119,204)	(113,947)
Net change in fiduciary net position	<u>1,439,409</u>	<u>(14,635,774)</u>	<u>7,832,139</u>	<u>2,283,213</u>
Ending balance (b)	<u>58,276,212</u>	<u>56,836,803</u>	<u>71,472,577</u>	<u>63,640,438</u>
Net Pension Liability, ending (a)-(b)	<u>\$ 17,848,051</u>	<u>\$ 21,069,953</u>	<u>\$ 6,084,445</u>	<u>\$ 10,159,646</u>
Covered payroll	<u>\$ 1,186,745</u>	<u>\$ 1,121,717</u>	<u>\$ 1,118,456</u>	<u>\$ 1,273,939</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>76.55%</u>	<u>72.95%</u>	<u>92.15%</u>	<u>86.23%</u>
Net pension liability as a percentage of covered payroll	<u>1503.95%</u>	<u>1878.37%</u>	<u>544.00%</u>	<u>797.50%</u>

2019	2018	2017	2016	2015	2014
\$ 74,945,653	\$ 74,437,099	\$ 69,803,871	\$ 71,184,117	\$ 68,911,765	\$ 66,605,338
111,884	381,535	362,043	516,314	518,137	557,925
5,949,655	6,033,930	6,034,650	5,629,161	5,727,406	5,780,261
(1,097,380)	(611,388)	1,469,830	(1,847,492)	(398,244)	1,074,801
-	546,026	3,643,950	-	1,878,441	-
(6,261,865)	(5,841,549)	(6,877,245)	(5,678,229)	(5,453,388)	(5,106,560)
(1,297,706)	508,554	4,633,228	(1,380,246)	2,272,352	2,306,427
73,647,947	74,945,653	74,437,099	69,803,871	71,184,117	68,911,765
62,823,563	60,448,233	58,294,508	57,128,247	58,645,609	55,001,663
2,912,789	2,739,615	2,350,995	2,175,763	2,449,834	2,708,484
119,816	353,882	368,038	368,419	394,574	404,467
5,136,667	4,956,027	6,434,826	4,419,539	1,199,339	5,738,765
(3,257,464)	315,125	-	-	-	-
(6,261,865)	(5,841,549)	(6,877,245)	(5,678,229)	(5,453,388)	(5,106,560)
(116,281)	(147,770)	(122,889)	(119,231)	(107,721)	(101,210)
(1,466,338)	2,375,330	2,153,725	1,166,261	(1,517,362)	3,643,946
61,357,225	62,823,563	60,448,233	58,294,508	57,128,247	58,645,609
\$ 12,290,722	\$ 12,122,090	\$ 13,988,866	\$ 11,509,363	\$ 14,055,870	\$ 10,266,156
\$ 1,218,521	\$ 4,317,687	\$ 3,880,334	\$ 4,233,012	\$ 4,143,754	\$ 4,568,578
<u>83.31%</u>	<u>83.83%</u>	<u>81.21%</u>	<u>83.51%</u>	<u>80.25%</u>	<u>85.10%</u>
<u>1008.66%</u>	<u>280.75%</u>	<u>360.51%</u>	<u>271.90%</u>	<u>339.21%</u>	<u>224.71%</u>

CITY OF OAKLAND PARK, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF EMPLOYER CONTRIBUTIONS
 FLORIDA RETIREMENT SYSTEM PENSION PLAN
 LAST TEN FISCAL YEARS
 (Unaudited)

Year Ended	Contractually Required Contribution	City's Contribution	Contribution Excess (Deficiency)	City's Covered Payroll	% of City Contributions to Covered Payroll
2023	\$ 2,309,185	\$ 2,309,185	-	\$ 15,060,710	15.33%
2022	1,991,936	1,991,936	-	13,815,692	14.42%
2021	1,670,681	1,670,681	-	12,486,327	13.38%
2020	1,397,543	1,397,543	-	10,932,892	12.78%
2019	1,135,923	1,135,923	-	10,224,419	11.11%
2018	502,685	502,685	-	6,338,429	7.93%
2017	408,320	408,320	-	5,913,348	6.91%
2016	292,273	292,273	-	4,549,574	6.42%
2015	264,866	264,866	-	3,878,095	6.83%
2014	213,625	213,625	-	3,347,833	6.38%

Note: The amounts presented for each fiscal year were determined as of the June 30 measurement date.

CITY OF OAKLAND PARK, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
FLORIDA RETIREMENT SYSTEM - HEALTH INSURANCE SUBSIDY PROGRAM
LAST TEN FISCAL YEARS
(Unaudited)

<u>Year Ended</u>	<u>Contractually Required Contribution</u>	<u>City's Contribution</u>	<u>Contribution Excess (Deficiency)</u>	<u>City's Covered Payroll</u>	<u>% of City Contributions to Covered Payroll</u>
2023	\$ 245,726	\$ 245,726	\$ -	\$ 15,060,710	1.63%
2022	227,660	227,660	-	13,815,692	1.65%
2021	200,518	200,518	-	12,486,327	1.61%
2020	175,071	175,071	-	10,932,892	1.60%
2019	152,716	152,716	-	10,224,419	1.49%
2018	105,901	105,901	-	6,338,429	1.67%
2017	91,818	91,818	-	5,913,348	1.55%
2016	74,158	74,158	-	4,549,574	1.63%
2015	48,864	48,864	-	3,878,095	1.26%
2014	40,174	40,174	-	3,347,833	1.20%

Note: The amounts presented for each fiscal year were determined as of the June 30 measurement date.

CITY OF OAKLAND PARK, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF EMPLOYER CONTRIBUTIONS
 GENERAL EMPLOYEES PENSION PLAN
 LAST TEN FISCAL YEARS
 (Unaudited)

<u>Year Ended</u>	<u>Employer Contributions</u>	<u>Actuarially Determined Contributions</u>	<u>Contribution Excess (Deficiency)</u>	<u>City's Covered Payroll</u>	<u>Percent of Payroll Covered</u>
2023	\$ 308,420	\$ 308,420	\$ -	\$ 2,157,981	14.29%
2022	639,896	655,637	(15,741)	2,246,140	29.19%
2021	1,107,595	1,107,595	-	2,286,981	48.43%
2020	1,612,366	1,612,366	-	2,552,847	63.16%
2019	1,789,505	1,846,600	(57,095)	2,877,185	64.18%
2018	1,962,213	1,835,540	126,673	3,333,110	55.07%
2017	1,605,846	1,610,387	(4,541)	3,616,327	44.53%
2016	1,868,141	1,863,600	4,541	4,067,102	45.82%
2015	2,326,446	2,230,002	96,444	4,547,339	49.04%
2014	2,423,532	2,519,977	(96,445)	4,757,815	52.97%

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation is as follows:

Measurement date	: September 30, 2023
Actuarial valuation date	: October 1, 2022
Actuarial assumptions:	
Actuarial cost method	: Entry age normal level percentage of pay
Discount rate	: 7.50% per annum (2.76% per annum is attributable to long-term inflation). This rate was used to discount all future benefit payments
Projected salary increases	: 5% per annum
Cost-of-living adjustments	: None assumed
Mortality basis	: Sex-distinct rates set forth in the RP-2000 Mortality Table for annuitants and non-annuitants using Scale BB
	Future generational improvements in mortality have not been reflected in the calculations.
Retirement	: Retirement is assumed to occur upon the earlier of age 62 or 30 years of service.

CITY OF OAKLAND PARK, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF EMPLOYER CONTRIBUTIONS
 POLICE AND FIREFIGHTERS RETIREMENT SYSTEM
 LAST TEN FISCAL YEARS
 (Unaudited)

<u>Year Ended</u>	<u>Employer Contributions</u>	<u>Actuarially Determined Contributions</u>	<u>Contribution Deficiency</u>	<u>City's Covered Payroll</u>	<u>Percent of Payroll Covered</u>
2023	\$ 2,476,571	\$ 2,476,571	\$ -	\$ 1,186,745	208.69%
2022	3,014,175	3,014,175	-	1,121,717	268.71%
2021	3,282,512	3,282,512	-	1,118,456	293.49%
2020	3,068,561	3,068,561	-	1,273,939	240.87%
2019	2,158,556	2,158,556	-	1,218,521	177.15%
2018	2,481,476	2,481,476	-	4,317,687	57.47%
2017	2,368,831	2,368,831	-	3,880,334	61.05%
2016	2,154,993	2,154,993	-	4,233,012	50.91%
2015	1,893,776	1,893,776	-	4,143,754	45.70%
2014	2,169,212	2,169,212	-	4,568,578	47.48%

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation is as follows:

Measurement date	:	September 30, 2023
Actuarial valuation date	:	October 1, 2022
Actuarial assumptions:		
Actuarial cost method	:	Entry age normal level percentage of pay
Discount rate	:	6.90% per annum (3.00% per annum is attributable to long-term inflation). This rate was used to discount all future benefit payments
Projected salary increases	:	5% per annum
Cost-of-living adjustments	:	None assumed
Mortality basis	:	RP 2000 Generational, 100% Annuitant White Collar, Scale BB with separate rates for males and females. No future improvements in mortality are assumed.
Retirement	:	Retirement is assumed to occur upon the earlier of age 58 or 25 years of service.

CITY OF OAKLAND PARK, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF INVESTMENT RETURNS
LAST TEN FISCAL YEARS
(Unaudited)

	Florida Retirement System	General Employees Pension Plan	Police & Fire Retirement System
Annual money-weighted rate of return, net of investment expense for fiscal year ended:			
2023	7.58%	4.74%	9.30%
2022	-7.20%	-13.65%	-17.20%
2021	30.41%	22.65%	17.60%
2020	3.35%	6.99%	11.10%
2019	5.98%	7.62%	3.30%
2018	9.28%	8.91%	9.10%
2017	13.59%	14.97%	11.90%
2016	57.00%	8.76%	8.10%
2015	3.77%	0.48%	2.10%
2014	17.57%	9.72%	10.90%

CITY OF OAKLAND PARK, FLORIDA**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN OTHER POST-EMPLOYMENT
BENEFIT (OPEB) LIABILITY AND RELATED RATIOS
LAST SIX FISCAL YEARS
(Unaudited)**

	2023	2022	2021	2020	2019	2018
Total OPEB Liability:						
Beginning balance	\$ 1,310,411	\$ 1,225,422	\$ 1,324,306	\$ 1,480,578	\$ 1,539,544	\$ 1,363,727
Changes during the year						
Service cost	121,640	124,031	106,963	119,881	119,881	130,377
Expected interest growth	31,198	25,339	45,367	56,745	58,891	46,334
Demographic changes	(27,301)	(21,072)	(186,107)	(43,393)	(47,476)	55,188
Benefit payments	(91,489)	(73,479)	(79,899)	(83,831)	(83,831)	(56,082)
Assumption changes	(124,233)	30,170	14,792	(205,674)	(106,431)	-
Net change in pension liability	(90,185)	84,989	(98,884)	(156,272)	(58,966)	175,817
Ending balance (a)	1,220,226	1,310,411	1,225,422	1,324,306	1,480,578	1,539,544
OPEB Net Position (b)	-	-	-	-	-	-
OPEB Liability, ending (a)-(b)	<u>\$ 1,220,226</u>	<u>\$ 1,310,411</u>	<u>\$ 1,225,422</u>	<u>\$ 1,324,306</u>	<u>\$ 1,480,578</u>	<u>\$ 1,539,544</u>
Covered-employee payroll	<u>\$ 16,252,257</u>	<u>\$ 15,228,101</u>	<u>\$ 14,579,761</u>	<u>\$ 13,878,362</u>	<u>\$ 13,529,498</u>	<u>\$ 13,679,407</u>
Plan fiduciary net position as a percentage of the net OPEB liability	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
OPEB liability as a percentage of covered payroll	<u>7.51%</u>	<u>8.61%</u>	<u>8.40%</u>	<u>9.54%</u>	<u>10.94%</u>	<u>11.25%</u>

Notes to Schedule:

This schedule is intended to have ten (10) years of data. Additional years will be displayed as data become available.

Plan Assets. No assets are accumulated in a trust that meets all the criterial of GASB No. 75, paragraph 4, to pay benefits.



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COMBINING AND INDIVIDUAL FUND STATEMENTS

NON-MAJOR GOVERNMENTAL FUNDS

NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for proceeds of resources that are legally restricted or committed for particular purposes and comprise of substantial inflow reported in the funds.

Grants Fund – to account for all grant monies and related program income from various grants such as firefighter’s assistance, law enforcement, federal equitable sharing, library, etc.

Impact Fee Fund – to account for impact fee related revenues from developer contributions, Downtown Mixed Use and the Federal Highway Overlay pursuant to City Ordinances.

DEBT SERVICE FUND

Debt Service funds are used to account for the accumulation of resources for, and the payment of, long-term debt principal, interest and related costs.

Debt Service Fund – to account for the accumulation of transfers from other funds for the debt services of various loan agreements.

CITY OF OAKLAND PARK, FLORIDA

COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS SEPTEMBER 30, 2023

	<u>Special Revenue</u>		<u>Debt</u>	<u>Total Nonmajor</u>
	<u>Grant</u>	<u>Impact Fee</u>	<u>Service</u>	<u>Governmental</u>
	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Funds</u>
ASSETS				
Cash and cash equivalents	\$ -	\$ -	\$ 298,371	\$ 298,371
Accounts receivable	53,164	-	-	53,164
Cash and cash equivalents, temporarily restricted	415,601	492,235	-	907,836
Total Assets	<u>\$ 468,765</u>	<u>\$ 492,235</u>	<u>\$ 298,371</u>	<u>\$ 1,259,371</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued liabilities	\$ 11,889	\$ -	\$ -	\$ 11,889
Unearned revenue	104,611	108,428	-	213,039
Total Liabilities	<u>116,500</u>	<u>108,428</u>	<u>-</u>	<u>224,928</u>
Fund Balances:				
Restricted for:				
Public safety	173,642	-	-	173,642
Library	54,018	-	-	54,018
Park development	-	302,310	-	302,310
Parks and recreation	124,605	-	-	124,605
Tree preservation	-	12,559	-	12,559
Fire station facility	-	57,538	-	57,538
Transportation	-	11,400	-	11,400
Assigned to:				
Debt service	-	-	298,371	298,371
Total Fund Balances	<u>352,265</u>	<u>383,807</u>	<u>298,371</u>	<u>1,034,443</u>
Total Liabilities and Fund Balances	<u>\$ 468,765</u>	<u>\$ 492,235</u>	<u>\$ 298,371</u>	<u>1,259,371</u>

CITY OF OAKLAND PARK, FLORIDA

COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Special Revenue		Debt	Total Nonmajor
	Grant	Impact Fee	Service	Governmental
	Fund	Fund	Fund	Funds
Revenues:				
Ad Valorem - debt service	\$ -	\$ -	\$ 3,027,706	\$ 3,027,706
Grants	466,465	-	-	466,465
Charges for services	26,465	-	-	26,465
Interest income	15,852	36,681	-	52,533
Licenses and permits	-	984,529	-	984,529
Fines and forfeitures	8,090	-	-	8,090
Total revenues	516,872	1,021,210	3,027,706	4,565,788
Expenditures:				
Current:				
Culture and recreation	394,871	-	-	394,871
Debt service:				
Principal	-	-	3,210,310	3,210,310
Interest	-	-	2,317,884	2,317,884
Total expenditures	395,062	-	5,528,194	5,923,256
Excess (deficiency) of revenues over expenditures	121,810	1,021,210	(2,500,488)	(1,357,468)
Other financing sources (uses):				
Transfers in	-	-	2,336,916	2,336,916
Transfers out	(29,070)	(965,128)	-	(994,198)
Total other financing sources	(29,070)	(965,128)	2,336,916	1,342,718
Net change in fund balance	92,740	56,082	(163,572)	(14,750)
Fund balance, beginning	259,525	327,725	461,943	1,049,193
Fund balance, ending	\$ 352,265	\$ 383,807	\$ 298,371	\$ 1,034,443

CITY OF OAKLAND PARK, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - GRANT FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Grants	\$ 36,000	\$ 546,000	\$ 466,465	\$ (79,535)
Charges for services	-	-	26,465	26,465
Investment earnings (loss)	-	-	15,852	15,852
Fines and forfeitures	-	-	8,090	8,090
Total revenues	<u>36,000</u>	<u>546,000</u>	<u>516,872</u>	<u>(29,128)</u>
Expenditures:				
Current:				
Culture and recreation	<u>36,000</u>	<u>516,930</u>	<u>394,871</u>	<u>122,059</u>
Total expenditures	<u>36,000</u>	<u>517,130</u>	<u>395,062</u>	<u>122,068</u>
Deficiency of revenues over expenditures	-	28,870	121,810	92,940
Other financing sources (uses):				
Other sources	<u>-</u>	<u>200</u>	<u>-</u>	<u>(200)</u>
Total other financing sources	<u>-</u>	<u>(28,870)</u>	<u>(29,070)</u>	<u>(200)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	92,740	<u>\$ 92,740</u>
Fund balance, beginning			259,525	
Fund balance, end			<u>\$ 352,265</u>	

CITY OF OAKLAND PARK, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - IMPACT FEE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Grants	\$ -	\$ -	\$ -	\$ -
Investment earnings (loss)	-	-	36,681	36,681
Licenses and permits	-	965,128	984,529	19,401
Total revenues	-	965,128	1,021,210	56,082
Expenditures:				
Current:				
Culture and recreation	-	-	-	-
Total expenditures	-	-	-	-
Excess of revenues over expenditures	-	965,128	1,021,210	56,082
Other financing sources (uses):				
Transfers out	-	(965,128)	(965,128)	-
Total other financing sources	-	(965,128)	(965,128)	-
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	56,082	<u>\$ 56,082</u>
Fund balance, beginning			327,725	
Fund balance, end			<u>\$ 383,807</u>	

CITY OF OAKLAND PARK, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - DEBT SERVICE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Ad Valorem - debt service	\$ 2,981,917	\$ 2,981,917	\$ 3,027,706	\$ 45,789
Total revenues	<u>2,981,917</u>	<u>2,981,917</u>	<u>3,027,706</u>	<u>45,789</u>
Expenditures:				
Debt service:				
Principal	3,308,090	3,308,090	3,210,310	97,780
Interest	<u>2,010,698</u>	<u>2,318,698</u>	<u>2,317,884</u>	<u>814</u>
Total expenditures	<u>5,318,788</u>	<u>5,626,788</u>	<u>5,528,194</u>	<u>98,594</u>
Deficiency of revenues over expenditures	(2,336,871)	(2,644,871)	(2,500,488)	144,383
Other financing sources (uses):				
Transfers in	2,336,871	2,336,871	2,336,916	45
Other sources	<u>-</u>	<u>308,000</u>	<u>-</u>	<u>(308,000)</u>
Total other financing sources	<u>2,336,871</u>	<u>2,644,871</u>	<u>2,336,916</u>	<u>(307,955)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	(163,572)	<u>\$ (163,572)</u>
Fund balance, beginning			<u>461,943</u>	
Fund balance, end			<u>\$ 298,371</u>	



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CAPITAL PROJECTS FUND

THIS FUND IS USED TO ACCOUNT FOR THE ACQUISITION AND CONSTRUCTION OF MAJOR CAPITAL FACILITIES THAT ARE FINANCED FROM GENERAL GOVERNMENT RESOURCES AND INTERGOVERNMENTAL GRANTS.

CITY OF OAKLAND PARK, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

BUDGET AND ACTUAL - CAPITAL PROJECTS FUND

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Transportation surtax	\$ -	\$ 10,750,440	\$ 898,435	\$ (9,852,005)
Investment earnings	50,000	62,773	2,140,043	2,077,270
Grants and contributions	15,245,194	12,545,910	3,993,337	(8,552,573)
Total revenues	15,295,194	23,359,123	7,031,815	(16,327,308)
Expenditures:				
Capital outlay	25,705,376	49,831,158	21,980,885	27,850,273
Total expenditures	25,705,376	49,831,158	21,980,885	27,850,273
Deficiency of revenues over expenditures	(10,410,182)	(26,472,035)	(14,949,070)	11,522,965
Other financing sources (uses):				
Issuance of debt	9,750,182	24,296,075	-	(24,296,075)
Transfers in	660,000	2,195,273	2,195,273	-
Transfers (out)	-	(19,313)	(19,313)	-
Total other financing sources	10,410,182	26,472,035	2,175,960	(24,296,075)
Net change in fund balance	\$ -	\$ -	(12,773,110)	\$ (12,773,110)
Fund balance, beginning			46,427,445	
Fund balance, end			\$ 33,654,335	

See notes to budgetary comparison schedule.

FIDUCIARY FUNDS

PENSION TRUST FUNDS

EMPLOYEE RETIREMENT FUNDS — TO ACCOUNT FOR THE ACCUMULATION OF RESOURCES TO BE USED FOR RETIREMENT BENEFITS FOR THE CITY’S GENERAL EMPLOYEES AND POLICE OFFICERS AND FIREFIGHTERS.

CITY OF OAKLAND PARK, FLORIDA

COMBINING STATEMENT OF FIDUCIARY NET POSITION

PENSION TRUST FUNDS

SEPTEMBER 30, 2023

	General Employees <u>Pension Fund</u>	Police and Firefighters <u>Pension Fund</u>	<u>Total</u>
Assets			
Cash and short-term investments	\$ 238,885	\$ 1,442,030	\$ 1,680,915
Receivables:			
Contributions and others	-	488,699	488,699
Accrued interest and dividends	-	46,291	46,291
Total receivables	-	534,990	534,990
Investments, at fair value:			
Equity securities	26,595,846	34,371,122	60,966,968
Corporate bonds and notes	-	692,602	692,602
U.S. Government and agency securities	-	8,484,043	8,484,043
Fixed income funds	7,485,059	5,535,333	13,020,392
Real estate fund	5,494,352	7,644,255	13,138,607
Total investments	39,575,257	56,727,355	96,302,612
Prepayments	-	5,132	5,132
Total assets	39,814,142	58,709,507	98,523,649
Liabilities			
Accounts payable and accrued expenses	-	392,703	392,703
Payable for securities purchased	-	40,592	40,592
Total liabilities	-	433,295	433,295
Net Position Restricted for Pensions	<u>\$ 39,814,142</u>	<u>\$ 58,276,212</u>	<u>\$ 98,090,354</u>

CITY OF OAKLAND PARK, FLORIDA

**COMBINING STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	<u>General Employees Pension Fund</u>	<u>Police and Firefighters Pension Fund</u>	<u>Total</u>
Additions			
Contributions:			
Plan members	\$ -	\$ 89,795	\$ 89,795
City	308,420	2,476,571	2,784,991
State of Florida	-	1,058,781	1,058,781
Total contributions	<u>308,420</u>	<u>3,625,147</u>	<u>3,933,567</u>
Investment income:			
Investment earnings (loss)	4,000,529	2,242,979	6,243,508
Net appreciation in fair value of investments	-	3,250,939	3,250,939
Total	<u>4,000,529</u>	<u>5,493,918</u>	<u>9,494,447</u>
Less: Investment expenses	-	(229,594)	(229,594)
Net investment income	<u>4,000,529</u>	<u>5,264,324</u>	<u>9,264,853</u>
Miscellaneous income	<u>5,604</u>	<u>1,951</u>	<u>7,555</u>
Total additions	<u>4,314,553</u>	<u>8,891,422</u>	<u>13,205,975</u>
Deductions:			
Pension benefits paid	3,647,326	7,302,721	10,950,047
Administrative expenses	82,135	149,292	231,427
Total deductions	<u>3,729,461</u>	<u>7,452,013</u>	<u>11,181,474</u>
Change in net position	585,092	1,439,409	2,024,501
Net position held in trust for pension benefits, beginning	<u>39,229,050</u>	<u>56,836,803</u>	<u>96,065,853</u>
Net position held in trust for pension benefits, ending	<u>\$ 39,814,142</u>	<u>\$ 58,276,212</u>	<u>\$ 98,090,354</u>

STATISTICAL SECTION

CITY OF OAKLAND PARK, FLORIDA

STATISTICAL SECTION

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

Contents	Page No.
Financial Trends – These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.	
Net Position by Component	146 - 147
Changes in Net Position	148 - 151
Fund Balances, Governmental Funds	152 - 153
Changes in Fund Balance, Governmental Funds	154 - 155
Revenue Capacity – These schedules contain information to help the reader assess the City’s most significant local revenue source, the property tax.	
Assessed Value and Estimated Actual Value of Taxable Property	156
Direct and Overlapping Property Tax Rates	157
Principal Property Taxpayers	158
Property Tax Levies and Collections	159
Debt Capacity - These schedules present information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future.	
Ratios of Outstanding Debt by Type	160 - 161
Ratios of General Bonded Debt Outstanding	162
Direct and Overlapping Governmental Activities Debt	163
Legal Debt Margin Information	164 - 165
Pledged Revenue Coverage	166 - 167
Demographic and Economic Information – These schedules offer demographic and economic indicators to help the reader understand the environment within which the City’s financial activities take place.	
Demographic and Economic Statistics	168
Principal Employers	169

CITY OF OAKLAND PARK, FLORIDA
STATISTICAL SECTION

Contents	Page No.
Operating Information – these schedules contain service and infrastructure data to help the reader the information understand how in the City’s financial report relates to the services the City provides and the activities it performs.	
Operating Indicators by Function/Program	170 - 171
Capital Asset Statistics by Function/Program	172 - 173
Full-time Equivalent City Government Employees by Function/Program	174

Sources:

Unless otherwise noted, the information in theses schedules is derived from the annual comprehensive financial reports for the relevant year. The City implemented Statement 34 in fiscal year 2003; schedules presenting government-wide information include information beginning that year.

CITY OF OAKLAND PARK, FLORIDA

Net Position by Component Last Ten Fiscal Years (Accrual Basis)

	2014	2015	2016	2017
Governmental activities				
Net investment in capital assets	\$ 67,984,473	\$ 67,127,854	\$ 68,813,605	\$ 69,559,837
Restricted for:				
Special revenue	2,487,168	713,729	481,583	368,948
Capital projects	-	224,139	-	-
Grant match	-	-	-	-
Florida building code enforcement	-	-	-	-
Unrestricted	13,170,502	4,308,851	3,874,904	3,989,503
Total governmental activities net position	\$ 83,642,143	\$ 72,374,573	\$ 73,170,092	\$ 73,918,288
Business-type activities				
Net investment in capital assets	\$ 65,115,434	\$ 70,090,827	\$ 77,348,537	\$ 77,642,349
Restricted for:				
Capital projects	-	-	-	-
Grant match	-	-	-	-
Debt service & debt covenants	-	1,065,461	1,023,200	1,034,314
Unrestricted	16,987,819	15,551,504	12,059,270	15,717,833
Total business-type activities net position	\$ 82,103,253	\$ 86,707,792	\$ 90,431,007	\$ 94,394,496
Primary Government				
Net investment in capital assets	\$ 133,099,907	\$ 137,218,681	\$ 146,162,143	\$ 147,202,186
Restricted for:				
Special revenue	2,487,168	713,729	481,583	368,948
Capital projects	-	224,139	-	-
Debt service & debt covenants	-	1,065,461	1,023,200	1,034,314
Grant match	-	-	-	-
Florida building code enforcement	-	-	-	-
Unrestricted	30,158,321	19,860,355	15,934,174	19,707,336
Total primary government net position	\$ 165,745,396	\$ 159,082,365	\$ 163,601,100	\$ 168,312,784

Source: City of Oakland Park Financial Services Department

Fiscal Years					
2018	2019	2020	2021	2022	2023
\$ 70,518,249	\$ 72,489,283	\$ 72,332,872	\$ 75,028,076	\$ 73,772,906	\$ 80,761,691
477,673	577,956	574,832	890,881	1,144,311	1,427,289
-	-	-	-	-	2,025,000
565,985	878,366	482,396	373,017	-	-
-	-	-	419,204	4,460,265	6,097,469
3,168,756	404,191	(339,115)	8,029,072	11,127,437	9,706,169
\$ 74,730,663	\$ 74,349,796	\$ 73,050,985	\$ 84,740,250	\$ 90,504,919	\$ 100,017,618
\$ 75,002,190	\$ 80,460,347	\$ 79,554,947	\$ 81,129,518	\$ 80,465,159	\$ 86,251,220
-	400,000	-	-	-	-
-	-	400,000	-	-	-
1,054,148	1,081,054	1,093,876	1,095,579	1,104,907	1,159,228
20,494,333	15,304,838	16,071,725	16,716,335	20,546,472	24,824,543
\$ 96,550,671	\$ 97,246,239	\$ 97,120,548	\$ 98,941,432	\$ 102,116,538	\$ 112,234,991
\$ 145,520,439	\$ 152,949,630	\$ 151,887,819	\$ 156,157,594	\$ 154,238,065	\$ 167,012,911
477,673	577,956	574,832	890,881	1,144,311	1,427,289
-	-	-	-	-	2,025,000
1,054,148	1,081,054	1,093,876	1,095,579	1,104,907	1,159,228
565,985	878,366	882,396	373,017	-	-
-	-	-	419,204	4,460,265	6,097,469
23,663,089	15,709,029	15,732,610	24,745,407	31,673,909	34,530,712
\$ 171,281,334	\$ 171,196,035	\$ 170,171,533	\$ 183,681,682	\$ 192,621,457	\$ 212,252,609

CITY OF OAKLAND PARK, FLORIDA

Changes in Net Position Last Ten Fiscal Years (Accrual Basis)

	2014	2015	2016	2017
Expenses				
Governmental activities:				
General government	\$ 469,137	\$ 296,421	\$ 533,871	\$ 1,117,467
Public safety	23,437,947	23,147,659	22,779,946	25,710,343
Public works	5,034,095	4,130,236	5,209,646	4,845,675
Engineering & Community development	3,188,050	3,117,032	4,621,904	5,174,156
Culture and recreation	5,892,221	6,178,785	6,477,191	7,217,705
Non-departmental	-	-	-	-
Interest on long term debt	555,710	511,576	495,864	546,959
Total governmental activities expenses	38,577,160	37,381,709	40,118,422	44,612,305
Business type activities				
Water and sewer	\$ 15,903,626	\$ 16,126,887	\$ 16,892,145	\$ 16,557,929
Solid waste	5,497,740	5,360,148	5,788,497	6,651,441
Stormwater	2,978,161	2,631,128	2,918,272	3,220,532
Total business type activities expenses	24,379,527	24,118,163	25,598,914	26,429,902
Total primary government expenses	\$ 62,956,687	\$ 61,499,872	\$ 65,717,336	\$ 71,042,207
Program Revenues				
Governmental activities				
Charges for services				
General government	\$ 580,917	\$ 608,883	\$ 471,490	\$ 355,277
Public safety	7,094,092	7,612,745	7,385,928	7,372,365
Engineering & Community development	1,462,295	703,407	2,368,887	3,010,117
Culture/Recreation	1,031,871	1,649,195	880,861	746,651
Operating grants and contributions	44,590	52,689	61,435	574,004
Capital grants and contributions	2,141,441	466,870	926,016	1,102,931
Total governmental activities program revenues	12,355,206	11,093,790	12,094,617	13,161,345
Business type activities				
Charges for services:				
Water and sewer	16,684,366	18,555,649	18,007,209	19,495,458
Solid waste	5,544,291	6,654,671	5,511,260	5,624,963
Stormwater	3,081,078	3,161,747	3,578,013	3,645,281
Operating grants and contributions	224,967	224,724	225,936	225,694
Capital grants and contributions	937,730	2,485,283	3,359,516	1,144,635
Total business type activities program revenues	26,472,432	31,082,074	30,681,934	30,136,031
Total primary government program revenues	\$ 38,827,638	\$ 42,175,864	\$ 42,776,551	\$ 43,297,376
Net (Expense)/Revenue				
Governmental activities	\$ (26,221,954)	\$ (26,287,919)	\$ (28,023,805)	\$ (31,450,960)
Business type activities	2,092,905	6,963,911	5,083,020	3,706,129
Total primary government net expense	\$ (24,129,049)	\$ (19,324,008)	\$ (22,940,785)	\$ (27,744,831)

Fiscal Years					
2018	2019	2020	2021	2022	2023
\$ 1,474,358	\$ 1,596,733	\$ 1,356,283	\$ 1,823,642	\$ 2,693,855	\$ 5,655,900
26,184,629	28,763,597	29,497,937	28,255,602	32,434,371	35,867,737
8,120,139	7,681,229	7,724,735	7,582,368	8,803,909	9,475,592
5,565,711	5,389,927	6,103,528	5,713,696	7,094,081	7,946,847
4,621,007	4,809,098	4,223,347	3,740,102	5,313,098	6,527,391
-	-	-	-	-	-
556,959	547,224	1,068,199	1,387,803	1,650,810	1,678,640
46,522,803	48,787,808	49,974,029	48,503,213	57,990,124	67,152,107
\$ 18,452,247	\$ 21,810,139	\$ 20,316,249	\$ 18,861,136	\$ 19,156,903	\$ 20,367,686
7,012,329	5,357,114	6,554,379	6,442,505	7,076,272	8,025,960
3,570,048	3,771,114	3,827,287	3,785,381	3,708,454	3,955,360
29,034,624	30,938,367	30,697,915	29,089,022	29,941,629	32,349,006
\$ 75,557,427	\$ 79,726,175	\$ 80,671,944	\$ 77,592,235	\$ 87,931,753	\$ 99,501,113
\$ 306,617	\$ 310,896	\$ 196,996	\$ 242,481	\$ 281,971	\$ 231,135
7,487,042	7,815,440	7,887,246	7,271,256	8,559,368	8,638,451
2,155,813	2,200,576	2,145,981	6,209,908	7,917,040	5,882,022
835,254	729,070	787,117	507,736	408,225	1,457,731
444,746	221,310	257,581	2,549,243	1,832,582	2,903,578
2,082,492	947,984	606,426	3,389,216	774,400	3,993,338
13,311,964	12,225,276	11,881,347	20,169,840	19,773,586	23,106,255
19,798,530	21,036,346	20,135,698	20,691,582	21,839,813	22,939,633
5,988,644	6,172,819	6,435,078	6,740,576	7,521,917	8,485,717
3,634,621	3,475,698	3,472,884	3,440,611	3,503,754	4,768,933
1,975,796	237,392	114,966	9,246	2,310	-
-	100,000	-	-	-	4,562,763
31,397,591	31,022,255	30,158,626	30,882,015	32,867,794	40,757,046
\$ 44,709,555	\$ 43,247,531	\$ 42,039,973	\$ 51,051,855	\$ 52,641,380	\$ 63,863,301
\$ (33,210,839)	\$ (36,562,532)	\$ (38,092,682)	\$ (28,333,373)	\$ (38,216,538)	\$ (44,045,852)
2,362,967	83,888	(539,289)	1,792,993	2,926,165	8,408,040
\$ (30,847,872)	\$ (36,478,644)	\$ (38,631,971)	\$ (26,540,380)	\$ (35,290,373)	\$ (35,637,812)

(continued)

CITY OF OAKLAND PARK, FLORIDA

Changes in Net Position Last Ten Fiscal Years (Accrual Basis)

	2014	2015	2016	2017
General Revenues and Other Changes in Net Position				
Governmental activities:				
Taxes:				
Ad valorem	\$ 13,566,402	\$ 14,128,644	\$ 15,064,291	\$ 16,185,976
Franchise fees	2,631,913	2,663,154	2,616,140	2,723,389
Utility taxes	4,364,202	4,510,535	4,566,369	4,697,743
Communication service taxes	1,636,717	1,662,895	1,503,326	1,613,895
Other taxes	1,706,931	1,768,768	1,730,203	1,854,639
Unrestricted investment earnings	22,405	62,991	117,100	250,116
Intergovernmental revenue - unrestricted	3,907,222	4,138,359	4,304,238	4,461,100
Miscellaneous	665,899	487,374	707,533	503,116
Transfers	-	-	1,110,000	-
Special item	-	-	-	(90,818)
Total governmental activities	28,501,691	29,422,720	31,719,200	32,199,156
Business type activities:				
Unrestricted investment earnings	55,830	86,456	163,525	257,360
Transfers	-	-	(1,110,000)	-
Special item	-	-	-	-
Total business type activities	55,830	86,456	(946,475)	257,360
Total primary government	\$ 28,557,521	\$ 29,509,176	\$ 30,772,725	\$ 32,456,516
Change in Net Position				
Governmental activities	\$ 2,279,737	\$ 3,134,801	\$ 3,695,395	\$ 748,196
Business type activities	2,148,735	7,050,367	4,136,545	3,963,489
Total primary government	\$ 4,428,472	\$ 10,185,168	\$ 7,831,940	\$ 4,711,685

Source: City of Oakland Park Financial Services Department

Fiscal Years					
2018	2019	2020	2021	2022	2023
\$ 17,518,760	\$ 18,987,785	\$ 20,616,499	\$ 23,181,851	\$ 24,665,509	\$ 28,501,930
2,700,264	2,671,496	2,600,936	2,655,853	3,143,649	3,553,701
4,870,984	4,972,469	4,876,392	4,943,903	5,213,691	5,941,490
1,412,591	1,352,718	1,434,626	1,387,448	1,330,045	1,373,532
1,921,986	1,938,173	1,783,997	1,774,254	2,196,588	2,870,952
459,792	588,002	326,804	90,500	805,847	4,811,621
4,650,307	4,752,294	4,319,726	5,067,035	5,983,032	6,001,617
633,168	918,728	834,891	975,138	642,846	693,669
-	-	-	-	-	-
-	-	-	-	-	(189,961)
34,167,852	36,181,665	36,793,871	40,075,982	43,981,207	53,558,551
518,745	611,680	413,599	27,893	248,941	1,710,413
-	-	-	-	-	-
(628,450)	-	-	-	-	-
(109,705)	611,680	413,599	27,893	248,941	1,710,413
\$ 34,058,147	\$ 36,793,345	\$ 37,207,470	\$ 40,103,875	\$ 44,230,148	\$ 55,268,964
\$ 957,013	\$ (380,867)	\$ (1,298,811)	\$ 11,742,609	\$ 5,764,669	\$ 9,512,699
2,253,262	695,568	(125,690)	1,820,886	3,175,105	10,118,453
\$ 3,210,275	\$ 314,701	\$ (1,424,501)	\$ 13,563,495	\$ 8,939,774	\$ 19,631,152

(concluded)

CITY OF OAKLAND PARK, FLORIDA

Fund Balances, Governmental Funds Last Ten Fiscal Years (Modified accrual basis)

	2014	2015	2016	2017
General Fund				
Nonspendable				
Inventories	\$ 74,129	\$ 76,838	\$ 70,068	\$ 74,786
Prepaid Costs	137,841	157,601	1,219,525	751,773
Interfund loan	1,726,848	1,726,848	1,751,356	1,591,356
Restricted for				
Florida Building Code Enforcement	-	-	-	-
Grant match	-	224,139	-	-
Education	128,846	153,920	162,577	211,380
Transportation improvement	-	-	-	-
Tree preservation	-	-	-	-
Vehicle replacement	-	-	-	-
Opioid abatement	-	-	-	-
Assigned to				
Subsequent year's budget	2,089,752	2,017,430	2,625,518	5,548,817
Unassigned	11,986,648	14,440,351	15,540,356	12,358,935
Total general fund	16,144,064	18,797,127	21,369,400	20,537,047
All Other Governmental Funds				
Nonspendable				
Prepayments	-	-	2,388	113,554
Restricted for:				
Transportation improvement	-	-	-	-
Tree preservation	5,788	6,204	33,653	33,973
Library	30,031	28,709	29,251	30,038
Park development	18,949	19,061	19,724	22,385
Parks and recreation	18,006	23,849	25,428	38,047
Public safety	364,529	270,587	209,510	31,521
Fire station facility	208	809	1,439	1,604
Grant match	-	-	-	-
Committed to:				
Capital Projects	1,861,862	2,710,817	2,554,954	3,028,902
Assigned to:				
Community redevelopment	-1,772,516	-1,788,828	(2,604,011)	(1,599,830)
Debt Service	11,516	11,516	29,573	26,656
Subsequent year's budget	-	-	-	-
Total all other governmental funds	538,373	1,282,724	301,909	1,726,850
Total governmental funds	\$ 16,682,437	\$ 20,079,851	\$ 21,671,309	\$ 22,263,897

Source: City of Oakland Park, Financial Services Department

Fiscal Years					
2018	2019	2020	2021	2022	2023
\$ 86,448	\$ 79,657	\$ 75,168	\$ 69,939	\$ 58,045	\$ 58,320
1,285,025	1,083,302	479,853	542,569	1,614,801	3,809,801
185,938	185,938	-	-	-	-
-	-	-	419,204	4,460,265	6,097,469
-	331,300	482,396	373,017	-	-
235,484	283,844	317,878	390,994	444,690	455,869
35,818	35,818	1,783	1,783	111,341	224,283
-	1,031	1,031	1,031	1,031	1,031
-	-	-	-	1,551,231	1,174,678
-	-	-	-	-	21,434
3,171,683	2,741,280	4,085,977	4,852,822	8,749,831	7,034,805
11,473,344	12,693,316	13,411,470	17,187,018	14,593,649	21,033,125
16,473,740	17,435,486	18,855,556	23,838,377	31,584,884	39,910,815
110,063	117,346	-	-	437,616	37,530
-	-	-	-	-	11,400
34,556	35,337	11,679	11,696	11,778	12,559
16,731	39,327	48,340	48,170	48,008	54,018
27,789	35,872	30,471	260,463	268,480	302,310
45,453	56,056	59,556	59,640	74,762	124,605
80,210	89,002	102,226	101,477	136,755	173,642
1,632	1,669	1,868	15,627	47,466	57,538
565,985	547,066	-	-	-	-
5,140,006	2,677,856	33,916,927	31,861,997	46,427,445	33,617,106
6,645	205,512	138,583	99,169	152,593	280,212
74,482	71,449	233,379	278,057	24,327	298,371
-	-	115,863	120,228	176,761	186,348
6,103,552	3,876,492	34,658,892	32,856,524	47,805,991	35,155,639
\$ 22,577,292	\$ 21,311,978	\$ 53,514,449	\$ 56,694,901	\$ 79,390,875	\$ 75,066,454

CITY OF OAKLAND PARK, FLORIDA

Changes in Fund Balances, Governmental Funds Last Ten Fiscal Years (Modified accrual basis)

	2014	2015	2016
Revenues			
Taxes:			
Ad Valorem	\$ 13,566,402	\$ 14,128,644	\$ 15,064,291
Utility taxes	4,364,202	4,510,535	4,566,369
Communication service	1,636,717	1,662,895	1,503,326
Other taxes	1,735,031	1,768,768	1,730,203
Franchise fees	2,631,913	2,663,154	2,616,140
Licenses and permits	1,875,880	1,403,593	2,081,632
Intergovernmental	3,879,122	4,138,359	4,304,238
Charges for service	11,806,480	13,162,629	13,454,340
Fines and forfeitures	928,123	927,519	839,130
Grants	1,224,032	1,895,104	869,908
Investment earnings	22,405	62,991	117,100
Other	687,553	489,070	707,532
Total revenues	44,357,859	46,813,261	47,854,209
Expenditures			
Current:			
General government	4,885,134	4,628,450	4,838,863
Public safety	23,066,104	23,762,084	23,470,455
Public works	3,572,735	3,667,082	3,763,159
Eng. and Community development	3,154,231	3,288,485	4,635,561
Culture and recreation	5,132,554	5,548,883	5,674,756
Non-departmental	-	-	-
Debt service:			
Principal	659,442	758,660	774,938
Interest	523,303	509,776	490,058
Debt issuance cost	-	-	40,150
Capital outlay	4,362,130	2,030,942	4,429,810
Total expenditures	45,355,633	44,194,362	48,117,750
Excess (deficiency) of revenues over expenditures	(997,774)	2,618,899	(263,541)
Other Financing Sources (Uses)			
Issuance of debt	603,280	778,515	745,000
Issuance of refunding debt	-	-	-
Payment to refunded debt	-	-	-
Transfers in	5,153,487	2,140,495	5,198,688
Transfers out	(5,153,487)	(2,140,495)	(4,088,688)
Disposal of capital assets	-	-	-
Financing of subscription-based agreements	-	-	-
Insurance recoveries	-	-	-
Total other financing sources (uses)	603,280	778,515	1,855,000
Special Item			
Return of Federal Equitable Sharing Funds	-	-	-
Net change in fund balances	\$ (394,494)	\$ 3,397,414	\$ 1,591,459
Debt service as a percentage of noncapital expenditures	<u>2.9%</u>	<u>3.0%</u>	<u>2.9%</u>

Source: City of Oakland Park, Financial Services Department

Fiscal Years						
2017	2018	2019	2020	2021	2022	2023
\$ 16,185,976	\$ 17,518,760	\$ 18,987,785	\$ 20,616,499	\$ 23,181,851	\$ 24,665,510	\$ 28,501,931
4,697,743	4,870,984	4,972,469	4,876,392	4,943,903	5,213,691	5,941,490
1,613,895	1,412,591	1,352,718	1,434,626	1,387,448	1,330,045	1,373,532
1,854,639	1,921,986	1,938,173	1,783,997	1,774,254	2,196,588	2,870,952
2,723,389	2,700,264	2,671,496	2,600,936	2,655,853	3,143,649	3,553,701
2,687,258	1,856,793	1,726,823	2,183,510	6,250,006	7,725,305	6,559,249
4,461,100	4,650,307	4,752,294	4,319,726	5,067,035	5,983,032	6,001,617
13,389,381	13,873,238	13,795,959	14,156,962	13,421,835	14,856,311	15,021,027
625,707	516,038	578,543	459,253	341,925	367,372	411,451
1,160,268	1,160,006	1,015,872	1,579,747	2,934,236	2,606,982	6,896,914
250,116	455,845	588,001	326,803	90,501	805,847	4,811,620
503,116	642,204	786,013	834,892	975,138	642,846	656,336
50,152,588	51,579,016	53,166,146	55,173,343	63,023,985	69,537,178	82,599,820
5,309,188	5,846,636	5,638,239	5,994,332	7,175,924	7,354,793	7,371,241
25,019,649	25,811,454	27,336,150	27,724,899	28,785,112	31,070,119	31,971,144
3,839,996	7,193,874	7,227,845	6,724,606	7,063,208	7,803,033	8,013,004
4,973,013	5,402,587	5,118,910	5,884,861	6,274,120	6,788,810	6,729,584
6,119,304	3,578,865	3,593,849	3,152,660	3,375,762	4,218,219	4,687,850
-	-	-	-	-	-	2,185,540
805,236	951,978	1,178,349	1,388,990	1,816,768	2,419,387	3,545,285
531,902	540,535	546,627	528,950	1,848,471	1,415,580	2,320,099
15,000	41,500	-	270,789	103,410	186,062	-
3,934,647	4,157,803	3,924,208	3,062,524	3,526,008	8,437,822	23,727,428
50,547,935	53,525,232	54,564,177	54,732,611	59,968,783	69,693,825	90,551,174
(395,347)	(1,946,216)	(1,398,031)	440,732	3,055,203	(156,647)	(7,951,354)
1,078,752	2,259,611	-	31,761,739	-	22,905,965	-
-	-	-	-	6,564,600	-	-
-	-	-	-	(6,439,350)	-	-
3,437,407	7,119,564	2,192,813	3,740,111	3,153,718	3,952,839	5,091,529
(3,437,407)	(7,119,564)	(2,192,813)	(3,740,111)	(3,153,718)	(3,952,839)	(5,091,529)
-	-	-	-	-	-	2,587,332
-	-	-	-	-	-	1,039,602
-	-	132,718	-	-	-	-
1,078,752	2,259,611	132,718	31,761,739	125,250	22,905,965	3,626,934
(90,818)	-	-	-	-	-	-
\$ 592,587	\$ 313,395	\$ (1,265,313)	\$ 32,202,471	\$ 3,180,453	\$ 22,749,318	(4,324,421)
<u>2.9%</u>	<u>3.0%</u>	<u>3.4%</u>	<u>3.7%</u>	<u>6.5%</u>	<u>6.3%</u>	<u>8.8%</u>

CITY OF OAKLAND PARK, FLORIDA

Assessed Value and Actual Value of Taxable Property

Last Ten Fiscal Years

(dollars in thousands)

Fiscal Year	Assessment Value				Total Assessed Property Value ⁽¹⁾	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
	Residential Property	Commercial Property	Industrial Property	Personal & Other Property				
2014	1,818,424	941,357	321,619	139,965	3,221,365	1,017,908	2,203,457	6.3995
2015	2,144,707	937,752	367,699	143,705	3,593,863	1,215,085	2,378,778	6.2744
2016	2,379,158	950,629	384,570	154,484	3,868,841	1,338,149	2,530,692	6.1995
2017	2,639,069	1,016,255	430,673	157,475	4,243,472	1,516,389	2,727,083	6.1555
2018	3,000,946	1,082,394	473,489	161,014	4,717,843	1,733,069	2,984,774	6.0985
2019	3,305,524	1,107,337	526,733	175,012	5,114,606	1,823,124	3,291,482	5.9985
2020	3,605,855	1,147,615	592,205	175,304	5,520,979	1,991,370	3,529,609	6.0880
2021	3,785,184	1,175,205	595,387	185,852	5,741,628	1,976,907	3,764,721	5.8910
2022	4,067,559	1,206,134	637,647	190,106	6,101,446	2,100,271	4,001,175	5.8890
2023	5,060,421	1,290,501	693,049	191,047	7,235,018	2,735,173	4,499,845	5.8550

Source: *Broward County Property Appraiser DR403, 420 & real estate use code summary report.*

Note: (1) State Law requires that assessed values be established at 100% of current fair market value.

(2) As of December 31st of each year listed.

Tax rates are per \$1,000 of taxable assessed value.

CITY OF OAKLAND PARK, FLORIDA

Direct and Overlapping Property Tax Rates Last Ten Fiscal Years

Fiscal Year	City Direct Rate	Overlapping Rates						Total Direct & Overlapping Rates
	Oakland Park Operating Rate	Broward County	Broward County School Board	Florida Water Mgmt District	North Broward Hospital District	Florida Inland Navigation District	Children Services Council	
2014	6.3995	5.4400	7.4800	0.4110	1.7554	0.0345	0.4882	22.0086
2015	6.2744	5.4584	7.4380	0.3842	1.5939	0.0345	0.4882	21.6716
2016	6.1995	5.4741	7.2030	0.3551	1.4425	0.0320	0.4882	21.1944
2017	6.1555	5.4474	6.8360	0.3307	1.3462	0.0320	0.4882	20.6360
2018	6.0985	5.4623	6.4740	0.3100	1.2483	0.0320	0.4882	20.1133
2019	5.9985	5.4878	6.4029	0.2936	1.0855	0.0320	0.4882	19.7885
2020	6.0880	5.4878	6.6350	0.2795	1.0324	0.0320	0.4882	20.0429
2021	5.8910	5.4999	6.4140	0.2675	1.1469	0.0320	0.4882	19.7395
2022	5.8890	5.5134	6.3180	0.2572	1.2770	0.0320	0.4699	19.7565
2023	5.8550	5.5306	5.9510	0.2301	1.6029	0.0320	0.4500	19.6516

Source: Broward County Property Appraiser

Note: Tax rates are per \$1,000 of taxable assessed value.
The city's basic property tax rate may be increased only by a majority vote of the city's residents.
Overlapping rates are those of local and county governments that apply to property owners within the city.

CITY OF OAKLAND PARK, FLORIDA

Principal Property Tax Payers Current Year and Ten Years Ago (Dollars in thousands)

Taxpayer	2023				2014			
	Taxable Assessed Value (a)	Rank	Percentage of Total City Taxable Assessed Value		Taxable Assessed Value (a)	Rank	Percentage of Total City Taxable Assessed Value	
Village At Eastpointe Apartments LP	\$ 52,228	1	1.16%		\$ -			
WRI JT Northridge LP	49,007	2	1.09%		27,801	2	1.26%	
Cypress Lakes Owner LLC	29,011	3	0.64%		-			
Brookwood CP II LLC	27,715	4	0.62%		-			
Shores Behavioral Hospital LLC	23,945	5	0.53%		-			
SSC Property Holdings Inc	23,905	6	0.53%		-			
3400 Andrews LLC	21,013	7	0.47%		-			
Set Point Associates LTD PRTNR	18,069	8	0.40%		-			
Jorcen Crystal Lake LLC	17,466	9	0.39%		11,954	9	0.54%	
Affordable Watehouses, Inc	17,068	10	0.38%		-			
Florida Power & Light Co.					38,342	1	1.74%	
Alliance HTFL LP					19,300	3	0.88%	
Holy Cross Hospital Inc					18,327	4	0.83%	
Northland Greentree LLC					15,719	5	0.71%	
Lowe's Home Centers Inc.					14,975	6	0.68%	
Western Natl Life Insurance Co					14,667	7	0.67%	
Oakland Center Associates, LTD					13,112	8	0.60%	
Bridgewater Place Assoc LTD					11,905	10	0.54%	
Total	\$279,427		6.21%		\$ 186,102		8.45%	

Source: Broward County Revenue Collection

CITY OF OAKLAND PARK, FLORIDA

Property Tax Levies and Collections Last Ten Fiscal Years

Fiscal Year	Taxes Levied for Fiscal Year (from BCPA)	Collected within the Fiscal Year of Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2014	14,147,792	13,563,259	95.87%	(63,966)	13,499,293	95.42%
2015	14,930,547	14,168,828	94.90%	19,579	14,188,407	95.03%
2016	15,689,028	15,024,930	95.77%	18,133	15,043,063	95.88%
2017	16,786,562	16,132,394	96.10%	17,358	16,149,751	96.21%
2018	18,202,649	17,486,037	96.06%	33,845	17,519,882	96.25%
2019	19,578,834	18,944,914	96.76%	8,329	18,953,242	96.80%
2020	21,335,400	20,604,060	96.57%	40,985	20,645,046	96.76%
2021	22,068,515	21,268,762	96.38%	33,819	21,302,582	96.53%
2022	23,401,167	22,622,049	96.67%	6,736	22,628,785	96.70%
2023	26,359,765	25,418,204	96.43%	-	25,418,204	96.43%

Source: Broward County Property Appraiser (BCPA) and City of Oakland Park, Financial Services Department

CITY OF OAKLAND PARK, FLORIDA

Ratios of Outstanding Debt by Type Last Ten Fiscal Years

	2014	2015	2016	2017
Governmental Activities				
Refunding Bonds (BB&T)	\$ 9,737,029	\$ 9,314,072	\$ 8,878,506	\$ 8,423,846
CRA RCP Loan	3,745,023	3,773,977	3,773,977	4,852,729
Series 2013 and 2018 Financed Purchases	595,216	1,174,998	1,008,965	839,479
Series 2007 CapitalOne Note	3,134,798	2,968,874	2,795,533	2,614,444
Series 2021 Refunding Bonds (Wells Fargo)	-	-	-	-
Series 2016 Note Payable	-	-	745,000	745,000
Series 2018 Bank Loan (Florida Community Bank)	-	-	-	-
Series 2020 & 2022 General Obligation Bonds	-	-	-	-
Series 2022 Vehicle Financing (Webster Bank)	-	-	-	-
Series 2022 CBA Promissory Note (Webster Bank)	-	-	-	-
Issuance Discounts/ Premiums	-	-	-	-
Total Governmental Activities	17,212,066	17,231,921	17,201,981	17,475,498
Business-type Activities				
Series 2011 Stormwater Refunding Bonds (BB&T)	4,113,653	3,934,964	3,750,948	3,558,865
Series 2013 and 2017 Financed Purchases	189,588	452,433	406,832	1,460,128
Series 2010 Water & Sewer refunding loan	13,780,000	13,470,000	13,145,000	12,810,000
Series 2014 Bank Loan (Truist Loan)	1,495,000	1,415,000	1,330,000	1,245,000
Series 2019 Solidwaste Loan (JP Morgan Chase)	-	-	-	-
Series 2021 Stormwater Refunding Bonds (Wells Fargo)	-	-	-	-
Series 2022 Water/Sewer/Solidwaste/Stormwater Loan	-	-	-	-
Series 2012 Utility Bonds	16,420,565	16,136,992	15,853,420	15,559,847
Series 2017 Water & Sewer (JPMorgan Chase)	-	-	-	-
Series 2019 Utility Refunding Bonds	-	-	-	-
Series 2015 Stormwater Bonds	-	2,145,530	2,028,920	1,907,250
Series 2022 Stormwater Refunding (Webster Bank)	-	-	-	-
Series 2011 Stormwater Assessment Bonds	5,293,169	5,174,728	5,051,287	4,927,846
Series 2023 Solid Waste Vehicle Loan (Truist Bank)	-	-	-	-
Issuance Discounts/Premiums	-	-	-	-
Total Business-like Activities	41,291,975	42,729,647	41,566,407	41,468,936
Total Primary Government	\$ 58,504,041	\$ 59,961,568	\$ 58,768,388	\$ 58,944,434
Percent of Personal Income	5.41%	5.53%	5.46%	5.46%
Per Capita	1,352	1,382	1,333	1,327

Source: City of Oakland Park, Financial Services Department

Fiscal Years					
2018	2019	2020	2021	2022	2023
\$ 7,954,313	\$ 7,468,464	\$ 6,963,283	\$ -	\$ -	\$ -
3,447,321	3,313,745	3,139,967	-	-	-
1,245,829	982,986	735,981	574,594	408,768	238,397
2,425,261	2,227,620	2,021,145	1,805,440	1,580,093	1,344,674
-	-	-	6,564,600	6,022,587	5,392,922
645,000	540,000	435,000	330,000	220,000	110,000
1,660,000	1,660,000	1,515,000	1,365,000	1,210,000	1,055,000
-	-	26,000,000	25,475,000	38,630,000	37,340,000
-	-	-	-	2,665,141	2,222,594
-	-	-	-	3,129,058	2,951,750
-	-	-	-	7,750,276	7,325,411
17,377,724	16,192,815	40,810,376	36,114,634	61,615,923	57,980,748
3,360,500	3,155,240	2,941,814	-		
1,162,327	959,864	753,542	543,286	329,018	110,660
12,465,000	12,110,000	230,000	195,000	150,000	100,000
1,155,000	1,065,000	970,000	875,000	775,000	675,000
-	1,262,453	1,091,753	900,104	702,622	499,132
-	-	-	2,773,380	2,544,393	2,278,375
-	-	-	-	12,654,075	11,937,031
15,415,000	15,100,000	14,775,000	14,495,000	14,205,000	13,895,000
6,511,296	5,768,090	5,768,090	5,375,660	4,975,303	4,566,859
-		10,730,000	10,385,000	10,030,000	9,660,000
1,782,370	1,654,190	1,522,630	1,387,590	1,248,990	1,106,730
-	-	-	-	4,340,290	4,151,865
4,835,000	4,700,000	4,560,000	4,415,000	-	-
-	-	-	-	-	1,341,910
-	-	-	-	1,090,220	1,025,175
46,686,493	45,774,837	43,342,829	41,345,020	53,044,911	51,347,737
\$ 64,064,217	\$ 61,967,652	\$ 84,153,205	\$ 77,459,654	\$ 114,660,834	\$ 109,328,485
6.05%	2.96%	5.40%	6.35%	7.91%	6.83%
1,478	1,367	1,841	1,749	2,551	2,426

CITY OF OAKLAND PARK, FLORIDA

Ratios of General Bonded Debt Outstanding Last Ten Fiscal Years

Fiscal Year	General Bonded Debt Outstanding	Percentage of Estimated Actual Taxable Value of Property	Per Capita
2014	-	0.00%	-
2015	-	0.00%	-
2016	-	0.00%	-
2017	-	0.00%	-
2018	-	0.00%	-
2019	-	0.00%	-
2020	\$26,000,000	100.00%	\$568.82
2021	\$25,475,000	100.00%	\$575.11
2022	\$38,630,000	100.00%	\$859.40
2023	\$37,340,000	100.00%	\$828.58

Source: City of Oakland Park, Financial Services Department

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

CITY OF OAKLAND PARK, FLORIDA

Direct and Overlapping Governmental Activities Debt As of September 30, 2023

Governmental Unit	Debt Outstanding (in thousands)	Estimated Percentage Applicable	Estimated Share of Overlapping Debt (in thousands)
Debt repaid with property taxes			
Broward County Debt Service *	\$ 40,974	1.833%	\$ 751
Broward Public Schools Debt Service **	861,969	1.683%	14,509
Subtotal, overlapping debt			15,261
Oakland Park direct debt (in thousands)			13,315
Total direct and overlapping debt			<u>\$ 28,577</u>

Note: Overlapping governments are those that coincide 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 Oakland Park. The estimated percentage is determined by dividing the city's taxable assessed value by each overlapping unit's total taxable assessed value. Details regarding the city's outstanding debt can be found in the notes to the financial statements.

Sources:

City of Oakland Park, Financial Services Department

* Broward County Accounting Division

** School Board of Broward County Financial Reporting Division

CITY OF OAKLAND PARK, FLORIDA

Legal Debt Margin Information
Last Ten Fiscal Years
(dollars in thousands)

Legal Debt Margin Calculation for Fiscal Year 2023

Assessed value (in thousands)	\$ 4,499,845
Bonded debt limit - 15% of assessed value	\$ 674,977
Debt applicable to limit	
General Obligation Bonds	\$ 37,340
Less: Amount set aside for repayment of general obligation debt	-
Total net debt applicable to limit	37,340
Legal debt margin	\$ 637,637

	2014	2015	2016	2017
Debt Limit	\$ 330,519	\$ 356,817	\$ 379,453	\$ 408,900
Total net debt application to limit	-	-	-	-
Legal debt margin	\$ 330,519	\$ 356,817	\$ 379,453	\$ 408,900
Total net debt applicable to the limit as a % of debt limit	0%	0%	0%	0%

Source: City of Oakland Park, Financial Services Department

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

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Fiscal Years					
2018	2019	2020	2021	2022	2023
\$ 447,543	\$ 492,621	\$ 529,441	\$ 564,708	\$ 600,176	\$ 674,977
-	-	26,000	25,475	38,630	37,340
\$ 447,543	\$ 492,621	\$ 503,441	\$ 539,233	\$ 561,546	\$ 637,637
0%	0%	4.9%	4.5%	6.4%	5.5%

CITY OF OAKLAND PARK, FLORIDA

Pledged-Revenue Coverage Last Ten Fiscal Years (dollars in thousands)

Fiscal Year	Gross Revenues	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
General - 2007 CapitalOne Loan						
2014	\$ 22,550	\$ 7,948	\$ 14,602	\$ 159	\$ 144	48.19
2015	23,644	7,294	16,350	166	136	54.14
2016	24,422	13,233	11,189	173	129	37.05
2017	30,294	14,157	16,137	181	121	53.43
2018	31,168	14,181	16,987	189	113	56.25
2019	24,431	13,987	10,444	198	126	32.23
2020	24,318	13,102	11,216	206	115	34.94
2021	23,701	14,652	9,049	216	104	28.28
2022	26,148	9,042	17,106	225	92	53.96
2023	29,411	9,304	20,107	235	79	64.04
Utility System Revenue Bonds, 2010A series						
2014	\$ 16,684	\$ 10,882	\$ 5,802	\$ 285	\$ 764	5.53
2015	18,556	11,189	7,367	310	759	6.89
2016	18,007	11,774	6,233	325	752	5.79
2017	19,495	11,736	7,759	335	743	7.20
2018	19,798	12,882	6,916	345	735	6.40
2019	21,036	16,319	4,717	355	725	4.37
2020	20,136	14,257	5,879	365	714	5.45
2021	20,692	13,658	7,033	35	9	159.85
2022	21,840	13,874	7,966	45	8	150.30
2023	22,940	14,894	8,046	50	6	143.68
Water and Sewer Revenue Bonds, 2012 series						
2014	\$ 16,684	\$ 10,882	\$ 5,802	\$ 300	\$ 607	6.40
2015	18,556	11,189	7,367	290	598	8.30
2016	18,007	11,774	6,233	290	589	7.09
2017	19,495	11,736	7,759	300	580	8.82
2018	19,798	12,882	6,916	305	572	7.89
2019	21,036	16,319	4,717	315	562	5.38
2020	20,136	14,257	5,879	325	553	6.70
2021	20,692	13,658	7,033	280	543	8.55
2022	21,840	13,874	7,966	290	535	9.66
2023	22,940	14,894	8,046	310	526	9.62
Water and Sewer 2014 loan - refunding						
2015	\$ 18,556	\$ 11,189	\$ 7,367	\$ 80	\$ 44	59.41
2016	18,007	11,774	6,233	85	41	49.47
2017	19,495	11,736	7,759	85	38	63.08
2018	19,798	12,882	6,916	90	36	54.89
2019	21,036	16,319	4,717	90	33	38.35
2020	20,136	14,257	5,879	95	35	45.22
2021	20,692	13,658	7,033	95	32	55.38
2022	21,840	13,874	7,966	100	29	61.75
2023	22,940	14,894	8,046	100	26	63.86
Stormwater Assessment Bonds, 2015 series						
2015	\$ 3,162	\$ 1,386	\$ 1,776	\$ -	\$ -	-
2016	3,578	1,680	1,898	117	56	10.97
2017	3,645	1,819	1,826	122	53	10.43
2018	3,635	1,087	2,548	125	50	14.56
2019	3,476	1,023	3,013	128	47	17.22
2020	3,474	1,093	2,381	132	44	13.53
2021	3,440	1,050	2,390	135	40	13.66
2022	3,504	1,076	2,428	171	73	9.95
2023	4,769	1,343	3,426	188	95	12.11

CITY OF OAKLAND PARK, FLORIDA

Pledged-Revenue Coverage Last Ten Fiscal Years (dollars in thousands)

Fiscal Year	Gross Revenues	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
Water and Sewer Bonds, 2017 series						
2018	\$ 19,798	\$ 12,882	\$ 6,916	\$ -	\$ 59	117.22
2019	21,036	16,319	4,717	359	128	9.69
2020	20,136	14,257	5,879	385	120	11.64
2021	20,692	13,658	7,033	392	112	13.95
2022	21,840	13,874	7,966	400	105	15.77
2023	22,940	14,894	8,046	408	96	15.96
Water and Sewer, 2019 series refunding						
2021	\$ 20,692	\$ 13,658	\$ 7,033	\$ 345	\$ 443	8.93
2022	21,840	13,874	7,966	355	426	10.20
2023	22,940	14,894	8,046	370	408	10.34
General - 2021 Wells Fargo Refunding Bonds						
2021	\$ 36,509	\$ 30,971	\$ 5,538	\$ -	\$ -	-
2022	41,525	34,027	7,498	542	83	12.00
2023	43,046	34,632	8,414	630	83	11.80
Stormwater - 2021 Wells Fargo Refunding Bonds						
2021	\$ 36,509	\$ 30,971	\$ 5,538	\$ -	\$ -	-
2022	41,525	34,027	7,498	229	35	28.40
2023	43,046	34,632	8,414	266	35	27.95
Stormwater - 2022 Webster Bonds						
2022	\$ 3,504	\$ 1,076	\$ 2,428	\$ 34	\$ 14	50.58
2023	4,769	1,343	3,426	126	50	19.47
Water and Sewer - 2022 Webster Bonds						
2022	21,840	13,874	\$ 7,966	\$ 126	\$ 52	44.75
2023	22,940	14,894	8,046	\$ 455	\$ 183	12.61
Stormwater - Webster Bank Refunding loan						
2022	\$ 3,504	\$ 1,076	\$ 2,428	\$ 171	\$ 73	9.95
2023	4,769	1,343	3,426	188	95	12.11

Source: City of Oakland Park, Financial Services Department

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements.
Gross revenues exclude grants and restricted revenues. Operating expenses exclude depreciation, and administrative support fees.
2000B bonds were defeased in 2011 and removed from City's balance sheet
2004A FMLC loan was defeased in 2014 and removed from the City's balance sheet

CITY OF OAKLAND PARK, FLORIDA

Demographic and Economic Statistics Last Ten Fiscal Years

Year	Population*	Personal Income*	Per Capita Personal income*	Unemployment Rate**
2014	43,286	\$ 1,080,894,706	24,971	4.10%
2015	43,390	1,083,491,690	24,971	4.30%
2016	44,090	1,076,854,160	24,424	3.90%
2017	44,409	1,079,760,426	24,314	3.10%
2018	43,347	1,058,707,128	24,424	2.80%
2019	45,339	2,091,740,645	26,611	2.60%
2020	45,709	1,558,814,027	34,103	8.50%
2021	44,296	1,220,133,320	27,545	4.10%
2022	44,950	1,449,997,100	32,258	2.50%
2023	45,065	1,601,294,645	35,533	2.80%

CITY OF OAKLAND PARK, FLORIDA

Principal Employers Current Year and Ten Years Ago

2023			
Employer	Employees	Rank	Percentage of Total City Employment
Sunshine Cleaning Services	426	1	1.93%
Behavioral Health Facility	353	2	1.60%
Publix Supermarket	309	3	1.40%
City of Oakland Park	273	4	1.23%
Atlas Apex Roofing	271	5	1.23%
US Department of Veterans Affairs	244	6	1.10%
Home Depot	203	7	0.92%
Lowes	172	8	0.78%
Concrete Protection Restoration	172	9	0.78%
US Post Office	158	10	0.71%

2014			
Employer	Employees	Rank	Percentage of Total City Employment
Dab the Aids Bear Project	501	1	2.54%
Steel Fabricators, LLC	306	2	1.55%
Home Depot	300	3	1.52%
Advanced Roofing, Inc	300	4	1.52%
City of Oakland Park	267	5	1.35%
Treatment Center of the Palm	200	6	1.01%
Agency for Workforce Innovation	172	7	0.87%
H Lamm Industries Ince	140	8	0.71%
Lipton Toyota	130	9	0.66%
Publix Supermarkets	130	10	0.66%

CITY OF OAKLAND PARK, FLORIDA

Operating Indicators by Function/Program Last Ten Fiscal Years

Function/Program	2014	2015	2016	2017
Police				
Physical arrests	2,389	1,675	997	1,491
Parking violations	280	243	309	32
Traffic violations	8,071	10,520	7,348	6,176
Fire Rescue				
Emergency responses	7,780	7,976	8,427	9,123
Fires extinguished	104	105	130	160
Inspections	2,953	5,585	5,890	4,385
Refuse collection				
Refuse collected (tons per day)	142	138	159	141
Recyclables collected (tons per day)	15	13	15	13
Other public works				
Street resurfacing (miles)	2	3	2	2
Potholes repaired	2,228	1,705	2,032	2,228
Parks and Leisure				
Athletic field permits issued	461	403	355	400
Community center admissions	69,700	70,000	72,100	73,500
Library				
Volumes in collection	51,676	55,170	59,225	71,770
Total volumes borrowed	82,965	73,334	73,719	63,307
Water				
New connections	26	23	57	260
Water main breaks	57	70	27	12
Average daily consumption (thousands of gallons)	3,190	3,236	2,530	2,262
Sewer				
Avg. daily sewage treatment by other (in thousands)	6,561	5,703	6,176	6,146

Source: Various City departments

***The City does not have a wastewater treatment facility

2018	2019	2020	2021	2022	2023
1,614	1,237	1,046	1,150	1,168	1,233
52	33	46	22	72	127
8,657	6,450	4,235	9,606	6,132	5,763
9,032	8,346	8,368	9,094	9,177	9,442
134	129	123	134	146	163
5,953	5,281	3,680	7,149	8,108	3,670
140	140	180	191	185	146
13	13	18	16	14	11
2	6	0	0	0	0
1,991	1,812	1,494	1,737	908	1,747
432	436	198	52	47	13
74,500	75,300	56,328	0	0	0
50,594	43,856	44,383	44,108	43,683	42,377
60,354	49,732	25,040	12,102	27,193	23,175
40	73	57	85	202	22
6	8	21	15	7	22
2,478	2,971	3,297	3,247	3,238	3,338
7,276	6,819	7,234	6,248	6,004	8,393

CITY OF OAKLAND PARK, FLORIDA

Capital Asset Statistics by Function/Program Last Ten Fiscal Years

Function/Program	Fiscal Years			
	2014	2015	2016	2017
Police				
Stations	1	1	1	1
Zone offices	1	1	1	1
Patrol units	65	69	69	69
Fire stations	3	3	3	3
Refuse Collection				
Collection trucks	13	10	10	8
Other public works				
Streets (miles)	134	134	134	134
Highways (miles)	- (a)	- (a)	- (a)	- (a)
Streetlights	2,466 *	2,596 *	2,646 *	2,677 *
Traffic signals	- (a)	- (a)	- (a)	- (a)
Parks and Leisure				
Acreage	199	199	199	201
Playgrounds	10	10	10	10
Baseball/softball diamonds	7	7	4	4
Soccer/football fields	4	4	3	3
Tennis courts	14	14	14	14
Community centers	4	4	4	4
Basketball Courts	5	5	5	5
Handball/Racquetball Courts	4	4	4	4
Bocce Courts	2	2	2	2
Dog Park	1	1	1	1
Exercise Trail with Exercise Stations	3	3	3	3
Boat Ramp	1	1	1	1
Canoe/Kayak Launch	1	1	1	1
Pickleball Courts	0	0	0	0
Splash pads	0	0	0	0
Water				
Water mains (miles)	197	197	197	197
Fire hydrants	791	811	851	855
Storage capacity (thousand of gallons)	- **	- **	- **	- **
Sewer				
Sanitary sewers (miles)	100	100	100	100
Storm sewers (miles)	62	62	62	63.8
Treatment capacity (thousand of gallons)	- ***	- ***	- ***	- ***
Transit - minibuses	-	-	-	-

Source: Various City Departments

*Majority are owned by FPL; the City pays a maintenance fee

**No water storage tanks owned by the City

***The City does not have a wastewater treatment facility

Note: Data prior to 2006 are not available

(a) None owned by the City

(b) The number of City owned streetlights based on FY 2021 count.

2018	2019	2020	2021	2022	2023
1	1	1	1	1	1
1	1	1	1	1	1
69	88	88	59	62	52
3	3	3	3	3	3
8	8	8	10	25	11
134	134	134	134	134	134
- (a)	- (a)	- (a)	-	-	-
*	*	*	183	183 (b)	183 (b)
- (a)	- (a)	- (a)	-	- (a)	- (a)
201	201	201	201	201	201
10	10	10	10	10	10
4	4	4	4	4	4
3	3	3	3	3	3
14	14	14	14	14	14
4	4	4	4	4	4
5	5	5	5	5	6
4	4	4	4	4	4
2	2	2	2	2	2
1	1	1	1	1	2
3	3	3	3	3	3
1	1	1	1	1	1
1	1	1	1	1	1
0	0	0	0	0	5
0	0	0	0	0	1
197	197	197	197	197	197
896	910	910	940	910	940
- **	- **	- **	-	- **	- **
100	100	100	92	62	92.85
62	62	62	99.4	99.4	99.4
- ***	- ***	- ***	-	- ***	- ***
-					

CITY OF OAKLAND PARK, FLORIDA

Full-time Equivalent City Government Employees by Function/Program Last Ten Fiscal Years

Full-time Equivalent Employees as of September 30

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Government	24	22	25	28	28	24	23	28	25	27
Broward Sheriff's Office*	99	98	99	99	99	99	99	99	99	99
Fire Rescue	69	73	67	67	67	67	68	66	70	71
Public Works	15	14	15	16	16	16	20	27	26	26
Engineering	10	9	8	7	7	4	7	7	10	8
Community Development	9	11	24	28	28	26	28	30	27	32
Library	6	7	6	6	6	6	6	6	6	5
Parks and Leisure	40	42	36	14	14	20	14	14	14	14
Parks Maintenance	0	0	0	23	23	22	13	12	13	13
Water & Sewer	22	22	25	26	26	25	24	23	20	19
Solid Waste	22	20	23	23	23	23	21	20	20	22
Storm Water	10	10	10	11	11	10	9	9	8	8
Total	326	328	338	346	346	342	332	341	338	344

*Staffing level set by contract

Source: City of Oakland Park, Financial Services Department

COMPLIANCE SECTION

CITY OF OAKLAND PARK, FLORIDA			
Schedule of Expenditures of Federal Awards For The Fiscal Year Ended September 30, 2023			
<u>Federal Agency/Pass-Through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Contract Identifying Number</u>	<u>Expenditures</u>
Department of Homeland Security			
<i>Pass-Through Federal Emergency Management Agency (FEMA)</i>			
Hazard Mitigation Grant Program (HMGP)	97.039	H0254	\$ 450,000
Staffing for Adequate Fire & Emergency Response (SAFER) Grant	97.083	EMW-2018-FH-00486	31,678
Total Department of Homeland Security			<u>481,678</u>
U.S. Department of Transportation			
<i>Pass-Through Florida Department of Transportation</i>			
Highway Planning & Construction Grant - Local Agency Program Agreement	20.205	G2B88	138
Total U.S. Department of Transportation			<u>138</u>
U.S. Department of Housing and Urban Development			
<i>Pass-Through Broward County</i>			
Community Development Block Grant - 46th & 47th Years (Guisti Heart Parcours)	14.218	B-21-UC-12-001	393,537
Total U.S. Department of Housing and Urban Development			<u>393,537</u>
U.S. Office of Interior, National Park Service			
<i>Pass-Through Florida State Department of Environmental Services</i>			
Land and Water Conservation Grant Fund Program	15.916	LW705	250,000
Total U.S. Office of Interior			<u>250,000</u>
U.S. Department of Agriculture			
<i>Pass-Through State of Florida Department of Agriculture</i>			
Urban and Community Forestry Grant	10.664	21-DG-11083112-001 A	10,000
Total U.S. Department of Agriculture			<u>10,000</u>
U.S. Department of Treasury			
<i>Pass-Through Florida Department of State</i>			
Coronavirus State and Local Fiscal Recovery Funds (CSFRF-ARPA)	21.027	Y5237	9,131,639
Coronavirus State and Local Fiscal Recovery Funds (CSFRF-ARPA)	21.027	23.s.aa.900.024	102,926
Total U.S. Department of Treasury			<u>9,234,565</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 10,369,918</u>

CITY OF OAKLAND PARK, FLORIDA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

NOTE 1. BASIS OF PRESENTATION

The accompanying schedule of Expenditures of Federal Awards includes the federal grant activity of the City of Oakland Park, Florida and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulation CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the basic financial statements.

NOTE 2. INDIRECT COST RATE

The City has not elected to use the ten percent de minimus indirect cost rate.

NOTE 3. LOAN BALANCES

The City does not have any outstanding loan or loan guarantee balances at the end of the fiscal year.

NOTE 4. SUB-RECIPIENTS

No federal award amounts have been passed through to sub-recipients during the fiscal year.



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

Honorable Mayor and
Members of the City Commission
City of Oakland Park, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of City of Oakland Park, Florida, as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City of Oakland Park, Florida's basic financial statements, and have issued our report thereon dated March 31, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Oakland Park, Florida's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Oakland Park, Florida's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Oakland Park, Florida'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 entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Oakland Park, Florida'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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Miramar, Florida
March 31, 2024

ACA Watson Rice LLP



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

Honorable Mayor and
Members of the City Commission
City of Oakland Park, Florida

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Oakland Park, Florida's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City of Oakland Park, Florida's major federal programs for the year ended September 30, 2023. The City of Oakland Park, Florida's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City of Oakland Park, Florida complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2023.

Basis for Opinion on Each Major Federal Program

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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City of Oakland Park, Florida's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered

material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City of Oakland Park, Florida's compliance with the requirements of each major federal program as a whole.

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

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

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

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

Miramar, Florida
March 31, 2024

BCA Watson Rice LLP

CITY OF OAKLAND PARK, FLORIDA
SEPTEMBER 30, 2023
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I: Summary of Auditor's Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:		
• Material weakness(es) identified?	Yes	X No
• Significant deficiency(ies) identified?	Yes	_X_ None Reported
Noncompliance material to financial statements noted?	Yes	X No

Federal Awards

Internal control over major federal programs:		
• Material weakness(es) identified?	Yes	X No
• Significant deficiency(ies) identified?	Yes	_X_ None reported
Type of auditor's report issued on compliance for major federal programs:	Unmodified	
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	Yes	X No
Identification of major federal programs:		
CFDA Number(s)	Name of Federal Program or Cluster	
21.027	Coronavirus State and Local Fiscal Recovery Funds	
Dollar threshold used to distinguish between type A and type B programs:	\$750,000	
Auditee qualified as a low-risk auditee?	_X_ Yes	___ No

CITY OF OAKLAND PARK, FLORIDA
SEPTEMBER 30, 2023
SCHEDULE OF FINDINGS AND
QUESTIONED COSTS

Section II: Financial Statement Findings

None.

Section III: Federal Awards Findings

None.

CITY OF OAKLAND PARK, FLORIDA
SEPTEMBER 30, 2023
SUMMARY OF PRIOR YEAR
FINDINGS

None.

MANAGEMENT LETTER

Honorable Mayor and
City Commissioners of the
City of Oakland Park, Florida

Report on the Financial Statements

We have audited the financial statements of the City of Oakland Park, Florida, as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated March 31, 2024.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's 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 Auditor's Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated March 31, 2024, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. There were no findings or recommendations made in the preceding 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. Such information is disclosed in Note 1 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 of Oakland Park, Florida met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify

the specific condition(s) met. In connection with our audit, we determined that the City of Oakland Park, Florida 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 of Oakland Park, Florida. It is management's responsibility to monitor the City of Oakland Park Florida'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.

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

Special District Component Units

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

Specific Information

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6., Rules of the Auditor General, the City of Oakland Park Community Redevelopment Agency reported:

- a. The total number of district employees compensated in the last pay period of the district's fiscal year as zero.
- b. The total number independent contractors to whom nonemployee compensation was paid in the last month of the district's fiscal year as zero.
- c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as none.
- d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as none.
- e. Construction projects with a total cost of at least \$65,000 approved by the district scheduled to begin on or after October 1 of the fiscal year being reported as none.
- f. A budget variance report based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported to the district amends a final adopted budget under Section 189.016(6), Florida Statutes, as \$96,761 as noted on page 120 of the financial statements.

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 warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Board of County Commissioners, the City of Oakland Park Community Redevelopment Agency Board of Directors, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

Miramar, Florida
March 31, 2024

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

Honorable Mayor and
Members of the City Commission of the
City of Oakland Park, Florida

We have examined the City of Oakland Park, Florida (the "City's") compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2023. Management is responsible for 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 and, accordingly, included 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 examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the City's compliance with specified requirements.

In our opinion, the City complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2023.

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

Miramar, Florida
March 31, 2024

BCA Watson Rice LLP

IMPACT FEE AFFIDAVIT

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

1. I am the Chief Financial Officer¹ of the City of Oakland Park which is a local governmental entity of the State of Florida.
2. The governing body of the City of Oakland Park adopted Ordinance No. 2005-2006 implementing an impact fee.
3. The City of Oakland Park has complied and, as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.

FURTHER AFFIANT SAYETH NAUGHT.

Andrew Thompson
Andrew Thompson, Chief Financial Officer

STATE OF FLORIDA
COUNTY OF Broward

SWORN TO AND SUBSCRIBED before me this 30th day of April, 2024.

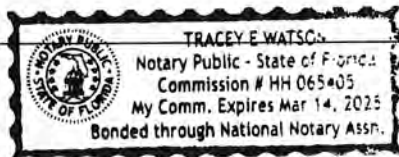
Tracey E. Watson
NOTARY PUBLIC

Print Name TRACEY E. WATSON

Personally known ☒ or produced identification _____

Type of identification produced: _____

My Commission Expires:



¹ Pursuant to Section 163.31801(8), Florida Statutes, if there is no chief financial officer, the executive officer must sign the affidavit.



End