

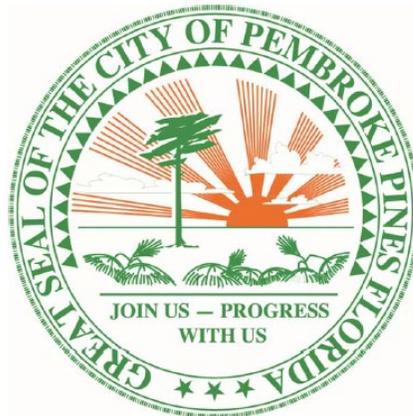
City of Pembroke Pines, Florida



**Annual Comprehensive Financial Report
and Compliance Reports
Fiscal Year Ended
September 30, 2023**

**Annual Comprehensive
Financial Report
and Compliance Reports
of the
City of Pembroke Pines, Florida**

**For the Fiscal Year Ended
September 30, 2023**



**Prepared by
The Finance Department**

City of Pembroke Pines, Florida
Fiscal Year Ended September 30, 2023

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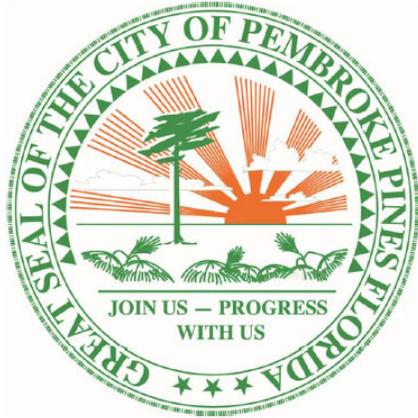
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I. INTRODUCTORY SECTION

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- . Certificate of Achievement**
- . Listing of City Officials**
- . Organizational Chart**



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May 23, 2024

To the Citizens of the City of Pembroke Pines, Florida:

State law requires that every general-purpose local government publish within nine months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) in the United States, and audited in accordance with auditing standards generally accepted in the United States, and government auditing standards by a firm of licensed certified public accountants. Additionally, the City's charter requires an annual audit of the books of account, financial records and transactions of all departments of the City by independent certified public accountants. Pursuant to these requirements, we hereby issue the Annual Comprehensive Financial Report of the City of Pembroke Pines for the fiscal year ended September 30, 2023.

This report consists of management's representations concerning the finances of the City of Pembroke Pines. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, the City administration has established a comprehensive internal control framework that is designed both to protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Pembroke Pines' financial statements in conformity with GAAP. Since the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As administrators, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City's financial statements have been audited by GLSC & Company PLLC, a licensed certified public accounting firm. The goal of the independent audit was to provide reasonable assurance that the City's financial statements for the fiscal year ended September 30, 2023 are free of material misstatement. The independent audit involved examining on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon their audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Pembroke Pines' financial statements for the fiscal year ended September 30, 2023, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City of Pembroke Pines was part of a broader, federal and state mandated "Single Audit" designed to meet the special needs of federal and state grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the City's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards and state financial assistance. There were no Single Audit findings during the fiscal year ended September 30, 2023.

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

Profile of the Government

The City of Pembroke Pines is a city in Broward County, Florida. The City had a population of 171,222 according to the 2023 Bureau of Economic and Business Research (BEBR) census, making it the 2nd most populous city in Broward County, and the 11th most populous in Florida. The City is located about 15 miles southwest of Fort Lauderdale, in Broward County. Pembroke Pines has an area of approximately 34.25 square miles and is bordered on the east by the City of Hollywood and extends westerly to the Conservation District, and the Everglades. To the south of the City is the City of Miramar, to the northwest are the communities of Southwest Ranches, and Weston, and to the north and northeast are Cooper City, and the Town of Davie. Commercial support includes over 50 neighborhood and community shopping centers, which are capable of supplying needed goods and services for the area.

The City of Pembroke Pines was incorporated on January 19, 1960, and operates under a Commission-Manager form of government. The City Commission is comprised of the Mayor, a Vice-Mayor and three other Commissioners who are elected to four-year terms, and who are responsible for enacting ordinances, resolutions and regulations governing the City as well as appointing the City Manager, the City Attorney, the Finance Director, the Commission Auditor, and the members of the various advisory boards. As Chief Administrative Officer, the City Manager is responsible for enforcement of laws and ordinances and hires and supervises the department directors of the City. On April 3, 2024, Mayor Angelo Castillo was sworn into office as the new Mayor of the City of Pembroke Pines and is the 12th Mayor of the City.

In addition to providing residents with public safety, general government, leisure, and public work services, the City provides water, sanitation, a multi-purpose City Center, the Southwest Focal Point Senior Center, recreation facilities, affordable housing residences and services, the Senator Howard C. Forman Human Services Campus, and it owns and operates seven Charter Schools, and two Early Development Centers.

The annual budget serves as the foundation for the City of Pembroke Pines' financial planning and control. All departments of the City are required to submit proposed budgets to the City Manager, who makes any necessary revisions. The City Manager then presents to the City Commission for their review, a budget estimate of the expenditures and revenues of all the City's departments and divisions. Two public hearings are conducted to inform the taxpayers of the proposed budget, to receive their comments, and to respond to their questions on the proposed budget. A majority affirmative vote of the quorum is needed to adopt the budget, which is legally enacted prior to October 1st by the passage of an Ordinance, which requires two readings. Section 5.06 of the City Charter provides that no officer, department, or agency may legally expend or contract to expend amounts in excess of the amounts appropriated for that general classification of expenditures. The City's budget is approved at the fund level. The City Manager and the Finance Director may amend the adopted budget for adjustments within a fund. The City Commission must approve all other budget adjustments as well as any supplemental appropriations. Budget-to-actual comparisons are provided in this report for the General Fund for which an appropriated annual budget has been adopted. The General Fund budgetary comparison schedule, and notes to the budgetary comparison schedule are presented as part of the Required Supplementary Information.

The City owns and operates seven highly rated Charter Schools. These Schools are considered special revenue funds of the City and have a fiscal year ending June 30th. The governing body of the Schools is the City Commission comprising of five voting members which are the City of Pembroke Pines Mayor, Vice Mayor, and three Commissioners. The Pembroke Pines City Manager also serves as the Superintendent of the Charter Schools.

The Schools operate under a charter of the sponsoring school district, the Broward County School Board (the District) and the Florida State University (FSU). Annual budgets are legally adopted in June for all Charter School funds which are governmental funds. The Charter Schools' budgets are approved via a resolution at a public hearing conducted by the City Commission. The adopted budgets are integrated into the accounting software system effective July 1st. Section 30.30(F) of the Code of Ordinances requires a majority affirmative vote of the quorum to adopt the budgets, which prior to July 1st, are legally enacted through passage of a resolution.

Section 5.06 of the City Charter provides that no officer, department or agency may legally expend or contract to expend the amounts in excess of the amounts appropriated for that general classification of expenditures. The budget is adopted at the school level, which is the legal level of control.

Factors Affecting Financial Condition

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

Economy

It's interesting to note that Florida's population growth has been a major driving force behind its economic success. With an ever-increasing demand for goods and services, the state has been able to provide a steady supply of labor to meet this demand. This has created a positive feedback loop that has helped to fuel Florida's economy over the years. Thanks to its desirable weather, real estate, and business-friendly policies, Florida has attracted a diverse group of residents from all over the country. In fact, between 2010 and 2020, Florida was one of the fastest growing states in the US, ranking eighth in terms of population growth. And just recently, in 2022, Florida was named the fastest-growing state in the nation for the first time since 1957. With its continued allure, it's safe to say that Florida's population is expected to keep growing steadily in the years to come.

According to the latest Economic Estimating Conference dated January 22, 2024, Florida's quarterly Gross Domestic Product (GDP) movements have generally performed better than the nation as a whole since the beginning of the pandemic. Buffeted by a series of economic shocks, the state's GDP dipped to near zero (0.4 percent) in Fiscal Year 2019-20, bounced back to 4.7 percent in Fiscal Year 2020-21, and surged to 7.0 percent in Fiscal Year 2021-22, more than double the pre-pandemic-year growth rate and exceeding the prior peak growth rate of 6.6 percent in Fiscal Year 2004-05. The state's economy expanded by 4.4 percent in Fiscal Year 2022-23, but the Conference expects growth to decelerate to 2.8 percent and 1.1 percent over the current and next fiscal years as businesses and consumers transition from a high inflation environment to a high interest rate environment. Beginning in Fiscal Year 2025-26, the economy will grow at a more characteristic 2.0 percent per year.

Florida's monthly unemployment rate dropped to 2.7 percent for the entire 2022-23 fiscal year, not far from the lowest recorded rate in modern times (the first half of 2006 when it was 2.4 percent). Given the Federal Reserve's actions to cool off the economy through higher interest rates, the Conference expects the unemployment rate to start an upward drift—hitting 3.0 percent in Fiscal Year 2023-24. The rate ultimately reaches 4.3 percent in Fiscal Year 2026-27, after which it slightly retreats and then plateaus at 4.0 percent.

The market conditions in Broward County, Florida vary depending on the specific industry or sector. However, in general, Broward County has a strong economy with a diverse range of industries, including tourism, healthcare, finance, and technology. The real estate market is also a significant factor in the local economy, with steady growth in home values and new construction projects. Additionally, the county has a large and growing population, which contributes to the demand for goods and services. However, like any region, Broward County's market conditions are subject to fluctuations based on factors such as consumer behavior, global events, and economic policies.

In March 2024, Broward County's job report showed a 3.2 percent unemployment rate, a modest increase of 0.6 percentage points compared to the region's year-ago rate of 2.6 percent. The industries that gained the most jobs over the year were trade, transportation, and utilities, which saw a robust increase of 5,400 jobs. This was followed by education and health services and the government sector, which contributed an additional 4,700 and 4,600 jobs, respectively. While some industries experienced a decline, the overall job market remains stable, indicating a healthy economic situation.

Despite some positive economic indicators, inflation has significantly impacted the City's finances and operations during fiscal year 2023. The Federal Reserve has been aggressively increasing the federal funds rate throughout most of the year, which has decreased the 2023 Consumer Price Index for the Miami-Fort Lauderdale-West Palm Beach area from 9.9% to 5.7%. While this is a relief, the increased cost of goods and services has forced the City to make more strategic funding decisions. However, our commitment to our residents remains steadfast, and we are dedicated to maintaining exemplary service levels, ensuring that our residents feel valued and prioritized.

The economic outlook and prospects for the City continue to show a positive trajectory, as the City benefits from a stable and diverse revenue stream, and an efficiently managed service culture. Additionally, the City's 2023 taxable assessed value for fiscal year 2023-24 of \$17.5 billion increased by 9.1% over last year. This represented the twelfth consecutive year of growth. New construction during 2022 was valued at \$32.4 million; a \$33.9 million decrease from the prior year due to a reduction in the number and scope of projects. It accounts for 2.3% of the growth in taxable value.

The City will continue to affirm its efforts to increase and encourage business investment. These efforts include, but are not limited to, continued support for the Miramar-Pembroke Pines Regional Chamber of Commerce, and eliminating burdens on businesses by expediting the permitting process. The City's bright spark continues to revolve around real estate sales and development. Overall home prices have continued to increase and development sales have been strong.

Long-Term Financial Planning

Financial planning continues to be of paramount importance to the City as we strive to meet the challenges of both the immediate and the foreseeable future. The major projects undertaken by the City have long-term financial implications for the resources of the City. The planning and decisions undertaken by the City are always weighed in the context of the financial burden that will be placed on both current and prospective residents, as well as the potential economic and environmental impacts.

The long-term financial focus has been a shift away from growth to one of economic development and redevelopment opportunities, in order to continue to meet the City's long-term goals and objectives. The City had to re-examine the way it does business, seeking to harness operational efficiencies while maintaining the level of services that residents have come to expect.

Pembroke Pines has always strived to maintain low property tax rates. The City's current millage rate for the fiscal year ending September 30, 2024, is 6.0100, which is comprised of an operating millage of 5.6690 and a debt service millage of 0.3410. This represents the lowest aggregate millage rate in the last 14 years. For the fiscal year ended September 30, 2023, the City's millage rate was 6.0525, which was comprised of an operating millage of 5.6690 and a debt service millage of 0.3835. The fiscal year 2023-24 operating millage rate, approved by the City Commission, will generate an additional \$7.5 million increase in property tax revenues.

The development of the City's capital improvement plans, as well as the annual budget, has led the City to pursue a balance between covering increasing operating costs and strengthening service levels while keeping taxes and fees affordable for residents. In this regard, the recovery of the economy as a whole and the related boost in the real estate market has been the major source of revenue increase for the 2023-24 adopted budget.

Long-term planning is crucial in any economy but becomes even more critical during economic uncertainty. The United States economy is not immune to such uncertainty, and it can make it difficult to predict how long an economic downturn will last. This uncertainty can have a significant impact on the future planning and execution of major projects within the City. Therefore, it is crucial that the City carefully evaluates these factors when making long-term plans and taking steps to mitigate any potential risks.

Relevant Financial Policies

The City adopted various financial policies in order to facilitate effective goal setting and decision making. These policies establish the framework for sound financial oversight of the City's operations.

The importance of monitoring the City's fund balance levels has become an integral part of its overall financial planning. The amount held in the City's reserves may be viewed as a gauge of the financial health of the city and whether the City is positioned financially to successfully meet its current and future needs.

Over the years, the City has developed the budget in such a way as to preserve unassigned fund balance in the General Fund at not less than 10% of the total annual General Fund expenditures. This also provides a contingency for unexpected future events, such as hurricanes and other disasters. The City's adopted Fund Balance Policy covers the General Fund and specifies the course of action in the event that the unassigned fund balance falls below the minimum level of 10%. The City's General Fund unassigned fund balance for fiscal year 2022-23 is \$52.5 million which is 20.8% of 2023-24 adopted budgeted expenditures. This amount falls well within the established policy guidelines.

Despite the challenging economic climate brought about by the pandemic, the City has some good news to share. The City's General Fund reserves have increased, fortifying its ability to meet its obligations and continue operations during unforeseen emergencies or crises. The total fund balance has increased by \$24.1 million, \$23.3 million of which represents the increase in the assigned fund balance due to the delay in some projects caused by supply chain disruptions. The unassigned fund balance increased by \$0.1 million. This continuing growth in the unassigned fund balance reinforces the City's commitment to sound financial management, which not only ensures the City's stability in the present, but also its preparedness to navigate potential future challenges with confidence.

The City will continue to review its financial policies and procedures to ensure that they continue to meet the regulatory and operational frameworks at the highest level.

Major Initiatives

The City has continued to focus on economic and programmatic expansion.

The City received \$25.4 million of the American Rescue Plan Act (ARPA) funds. The City has utilized these funds for various projects, including but not limited to the replacement of roofs for numerous city buildings, the installation of interior/exterior locks and access controls for the City-owned buildings at the Charter Schools, installation of fiber optic cable in the City Center, various park improvements, public safety payroll, and funding for phase 2 of the water main improvements and septic tank conversion for Pines Village.

Additionally, the City has undertaken various other projects as noted below.

Public Safety

Throughout the years, one of the main focuses of the City is to always improve and increase public safety for our residents.

Police:

- The Police Department transitioned to a new weapons system for all sworn officers. This includes a new semi-automatic 9mm pistol with optics and flashlight in order to become current with contemporary technology.
- The Police Department's Firearms Training Facility was upgraded with an automated target system to include new concrete slabs, control shed, and target infrastructure.
- The Police Department secured a federal grant for the outfitting of non-patrol personnel with Body Worn Camera Systems.
- With recent changes in Florida law on usage of drones by government agencies, the Police Department will acquire two unmanned aerial vehicle indoor drones for SWAT operations.
- The Police Department has acquired, through partial grant funding, a second armored rescue vehicle. The Terradyne Gurhka armored vehicle will enhance the safety of personnel and members of the public at high-risk such as barricades subjects, school critical incidents, and active shooter calls.
- The Police Department's Tech Team acquired a new Icor Mini Caliber robot with improved technology, maneuverability, and capabilities for use during high-risk situations.
- The Police Department launched the Bicycle Patrol Team to compliment enhanced neighborhood and community patrols. The team increases opportunities to make positive and rewarding contacts with our valued citizens.
- The Police Department has updated its standard patrol uniforms after more than thirty years. The issued uniform utilizes modern fabric and an outer ballistic vest carrier system. This updated uniform package improves the accessibility of the equipment carried, while distributing the weight of what had been traditionally carried on a utility belt. This enhancement is also intended to decrease the prevalence of future back pain/discomfort for our officers.

Fire:

- Purchased a new rescue truck and expects to take delivery in 2025.
- Purchased a new fire truck and expects delivery in 2026.
- Purchase of a new command vehicle to replace Battalion 69's vehicle.
- Delivery of a new E-One 100' Platform Truck for Fire Station 99, replacing a 26-year-old E-One 105' Platform Truck.

- Placed into service a new Airport Crash Truck
- Placed in service new NFPA compliant portable & mobile radios which replaced equipment no longer being supported by the manufacturer.
- Purchased and took delivery of new Self-Contained Breathing Apparatus (SCBA) to replace equipment that is at the end of its usable life cycle.
- Pines Training Facility – offering continuing education courses to firefighters from outside agencies, which is in progress.
- In partnership with Memorial Healthcare, established a Public Health and Safety Initiative to educate at risk citizens, completed three (3) seminars to date, with additional events are in the planning phase.
- Remodeling of Fire Station 99 is currently in the planning phase.
- Established an agreement with Memorial Healthcare System for firefighter physicals, including cancer screening, and a new Employee Health Center.
- Hired a Part-time Community Educator to offer CPR and other instructional courses to the community.
- The Fire Department collaborated with the Parks & Recreation Department to promote child drowning prevention and awareness. Through the Florida Department of Health, the City achieved the Water SMART Community Designation.
- Obtained recertification as an Insurance Service Office (ISO) Class I fire department.

Technology Improvements

The City has undertaken many technological improvements that will facilitate better functioning of the City's departments in an effort to improve service levels to the community. This includes:

- Continuing rollout and implementation of cameras, intercom, paging, emergency alerting, and synchronized digital clocks system within Pembroke Pines Charter School campuses.
- Future upgrades to the City's Enterprise Resource Planning System (ERP) by Tyler Technologies in order to bring improvements that can enhance efficiency, productivity, and user experience.
- Continued expansion of City's Geographic Information System (GIS) footprint throughout the City. Future projects for the GIS team include the following:
 - Updating outdated static maps and statistics found on City website.
 - Asset verification and quantification for City departments including Building, Code Enforcement, Fire & Police.
 - Creating an Emergency Response Application that can be utilized by both the public and City staff during/after natural disasters to report damages to public and private property.
 - Utilize the now completed land records data to enable additional functionality within Energov.
 - Continued creation of applications to facilitate coordination between Utilities Department and third-party contractors that are performing field work.
 - Inventory analysis of all the data currently stored in the City's ArcGIS Online Portal.

Utilities

The City will continue to increase investment in infrastructure spending for water and sewer improvements to ensure residents receive the best quality and service levels. This includes the following projects:

- Ongoing construction of water and sewer infrastructure replacements in the Pines Village neighborhood which will result in improved services and fire protection capacity to those residents. This project includes new water mains, service lines and water meters, and conversion to the City's sewer collection system of the last remaining septic tank systems in the neighborhood. This will mitigate the potential of contamination to our ground water resources and benefit the environment. Project completion is projected for August 2024.
- Completion of the construction of a new raw water main pipe from the City's eastern wellfield to the water treatment plant, which provides redundancy and more efficient delivery of water to the plant.
- Improvement of Water Supply Well #6 to increase its pumping capacity from 1,000 gallons per minute to 2,800 gallons per minute. This will improve the reliability of the City's water supply system.
- Rehabilitation of vital water treatment plant treatment units, filters, electrical systems, and associated infrastructure to increase efficiency and useful life of the components. This initiative also includes facility improvements such as refurbishment and painting of structures and buildings.
- Ongoing rehabilitation of the City's sanitary sewer collection system in order to reduce storm water inflow and groundwater infiltration into the system. This will reduce the volume of unnecessary "non-sewer" water being treated, which will result in cost savings and less wear and tear on the City's equipment.
- Rehabilitation and replacement of significant components of the City's wastewater treatment plant, rehabilitation of the electrical system for the treated sewage pump station, and replacement of a portion of the biosolids conveyor system. This initiative also includes facility improvements such as refurbishment and painting of structures and buildings.
- Continue implementation of a program to mitigate the potential for sewer system blockages and backups caused by fats, oils, and grease.
- Replacement of water meters throughout the City, at a pace of about 2,000 per year, with new, electronic water meters that will bring a new level of accuracy and customer service to our customers.
- Continue efforts to ensure 100% compliance with all local, state and federal regulations.

Economic Development and Real Estate

The City has also been involved in numerous real estate transactions over the years in order to encourage economic development as well as provide additional services to both the residents and business community. The City continues to forge ahead with various developments, and business have continued to show strong interest in relocating and even opening their doors in our City; including new interest from real estate investment trusts and investors.

The City continues to expand in the area of economic development with new developments and with the resale of existing properties adding increased values to the property tax role. One of the most notable projects is the redevelopment of the former +/- 350,000 square foot Postal Distribution Center. The southern portion of the property has been developed as a residential town home project by Lennar. The development consists of 165 town homes spread on 13.75 acres. The project, named Sunset Pines is completed and units are currently for sale in the low to mid \$600K.

The 16000 Pines Market development project was fully completed and has been able to bring several major retail brands to the West Pembroke Pines community. Publix Supermarkets and Burlington department store are the two large co-anchors of the development. Other nationwide and international brand names already active in the space or coming soon include Crunch Fitness, Verizon Wireless, Everglades Family Dental, Tropical Smoothie Cafe, Cheddar's Scratch Kitchen, Jersey Mike's Subs, First Watch Restaurant, and an MDNow Urgent Care Center. Two stand-alone units on the property are home to a United States post office branch and a Regions Bank with a drive thru.

Another project in the western portion of the City is Merrick Square. DR Horton redeveloped the +/-26-acre former school board annex parcel into a 211-unit townhome community. The project will add to the City's tax roll as the property was previously exempt. The available units range in price from mid \$600K to low \$700K.

The City also added the former 13-acre City Hall parcel to the City Center Mixed Use development program. The parcel was divided into three pieces: the approximately 6.5-acre northern parcel and two approximately 3.15-acre parcels south of City Center Boulevard. On January 16, 2018, the City approved the sale of 3.15 acres of unimproved real property located south of Pines Boulevard and west of Palm Avenue to Providence One Investment, LLC. Providence One obtained approvals to build an assisted living facility and has completed the construction of an approximately 114,000-square-foot community that features 81 units of assisted living and 40 units of memory care.

The Commission also approved an amendment to the agreement for Purchase and Sale with the Terra Group to redevelop the remaining 9.5 acres of the former City Hall parcel. Terra's agreement defines a development program that includes the development of up to 120,000 square feet of medical office use on the northern 6.5 acres and 150 senior housing units on the southern 3 acres.

South of Pines Boulevard and east of 186th Avenue, Lennar also constructed 58 townhome units over 7 acres known as the Tuscan Pines. The newly built townhomes have been sold for between \$385,000 and \$460,000.

The Memorial Hospital West expanded its hospital district area with a new freestanding cancer institute center by demolishing the site of the former Petco and Toys-R-Us retail stores along Flamingo and Pines Boulevard and constructing a 121,000+ sq. ft. facility to consolidate its resources, including radiation oncology, breast oncology, hematology-oncology, and Moffitt Malignant Hematology and Cellular Therapy at Memorial with a host of integrated services to maximize collaboration between specialists at what is already one of only five Cancer Centers of Excellence in Florida.

Awards and Acknowledgements

The City of Pembroke Pines continues to receive many awards and accolades, some of these are listed below, and some are listed in the Statistical Section of this report.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Pembroke Pines for its Annual Comprehensive Financial Report for the fiscal year ended September 30, 2022.

This was the twenty-first consecutive year that the City has earned this prestigious award. In order to be awarded a Certificate of Achievement for Excellence in Financial Reporting, the City must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. This report must satisfy both accounting principles generally accepted in the United States and applicable legal requirements.

A Certificate of Achievement for Excellence in Financial Reporting is valid for a period of one year only. We believe that our current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement for Excellence in Financial Reporting program's requirements, and we are submitting it to GFOA to determine its eligibility for another Certificate.

The City also received the Government Finance Officers Association's Distinguished Budget Presentation Award for the annual appropriated budget for the fiscal year beginning October 1, 2023. The City of Pembroke Pines has received this award consecutively for twenty-seven years since the fiscal year beginning October 1, 1997. In order to qualify for the Distinguished Budget Presentation Award, the City's budget document was judged to be proficient in several categories including meeting program criteria as a policy document, as a financial plan, as an operational guide, and as a communications device.

A Distinguished Budget Presentation Award is valid for a period of one year. We believe that our current budget continues to meet the Distinguished Budget Presentation Award program's requirements, and we are submitting it to the GFOA to determine its eligibility for another award.

The City's Charter Schools adopted budget received the GFOA Distinguished Budget Presentation Award for fifteen consecutive years, from fiscal year beginning July 1, 2004 to fiscal year 2016-2017. In fiscal year beginning July 1 2017, the GFOA piloted a new award program solely for school districts, titled the Award for Best Practices in School Budgeting. In the award's 2017-18 inaugural year, the Charter Schools received Special Recognition for Implementing Best Practices in School Budgeting, and subsequently received the Award for Best Practices in School Budgeting the following fiscal year 2018-19. To further demonstrate their commitment to excellence in budgeting, the Charter Schools applied for and was awarded the Association of School Business Officials (ASBO) Meritorious Budget Award (MBA) for their 2019-2020 and 2020-2021 adopted budgets.

The Charter Schools received the GFOA Distinguished Budget Presentation Award for fiscal years 2019-2020, 2020-2021, 2021-22 and 2022-2023.

The City of Pembroke Pines is a vibrant, and diverse community, with excellent educational and cultural offerings. In 2022 and 2023, we were ranked by WalletHub as the highest-ranking city of the happiest Cities in Florida. As we continue to provide exceptional services to our residents and business community, we are committed to doing so in the most cost-effective and efficient way possible in order to minimize negative impacts on our residents.

After 20 years, the City of Pembroke Pines welcomed a new Mayor. Mayor Angelo Castillo is the City's 12th Mayor and the first of Hispanic origin. He is a Cuban-born American who has been a City Commissioner since 2004.

This forthcoming tenure of a new Mayor and City Commission promises to herald an era of dynamic change and new visionary leadership for our community. With fresh perspectives and innovative approaches, this new leadership is poised to invigorate our City, fostering a renewed sense of excitement and purpose among residents, businesses, and stakeholders alike.

With a new vision and purpose, Mayor Castillo has begun a citywide series of town hall meetings to share the results of a city survey that was conducted, and more importantly to gain valuable feedback from our community. As is often quoted by our new Mayor, "we count the things that matter, or the things that matter do not count." This new commitment to inclusivity, transparency, and progressive policies ensures that our City will thrive and evolve in alignment with the aspirations of our diverse population. As we embrace this transition, we remain steadfast in our support, and united in our shared vision for a vibrant and prosperous future for all.

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

Sincerely,



Charles F. Dodge
City Manager



Lisa Chong
Assistant City Manager/Finance Director



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Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

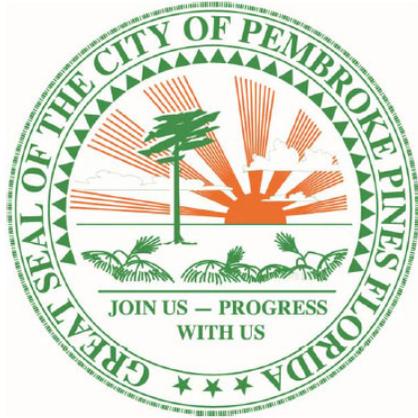
**City of Pembroke Pines
Florida**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2022

Christopher P. Morill

Executive Director/CEO



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City of Pembroke Pines
Listing of City Officials
As of May 23, 2024



Angelo Castillo
Mayor
Term: 2024 - 2028



Thomas Good, Jr.
Vice Mayor – District 1
Term 2022 - 2026



Jay D. Schwartz
Commissioner- District 2
Term: 2024 - 2028



Maria Rodriguez
Commissioner – District 3
Term 2024 - 2028



Michael A. Hernandez
Commissioner - District 4
Term: Interim 2024

City Manager:

Charles F. Dodge

City Attorney:

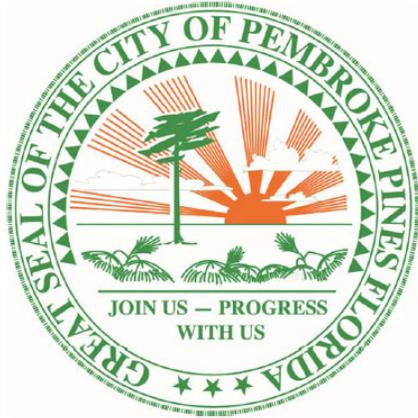
Goren, Cherof, Doody & Ezrol, P.A.

City Clerk:

Marlene Graham

**Assistant City Manager/
Finance Director:**

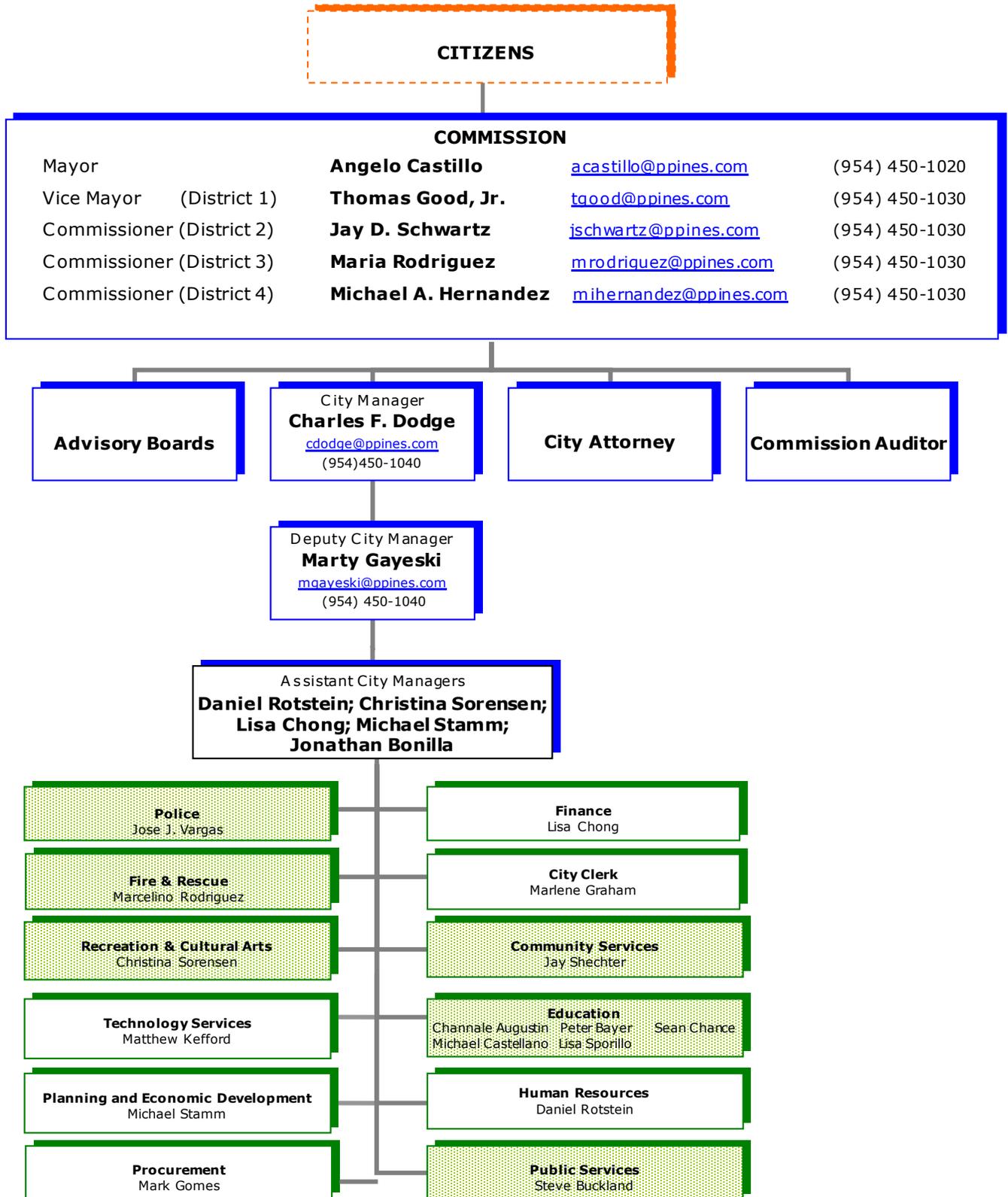
Lisa Chong



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City of Pembroke Pines

Organizational Chart

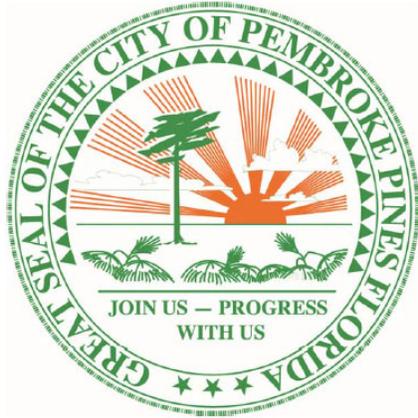


Legend

Legislative and Executive

Departments

Shading indicates direct public service provider



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II. FINANCIAL SECTION

- **Independent Auditors' Report**
- **Management's Discussion and Analysis**
- **Basic Financial Statements:**
 - **Government-wide Financial Statements**
 - **Fund Financial Statements**
 - **Notes to Basic Financial Statements**
- **Required Supplementary Information**
- **Combining and Individual Fund Statements and Schedules**



Independent Auditors' Report



INDEPENDENT AUDITOR'S REPORT

Honorable Mayor, City Commission, and City Manager
City of Pembroke Pines, Florida

Report on the Audit of the Financial Statements

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 Pembroke Pines, 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 Pembroke Pines, Florida's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Pembroke Pines, 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 Fund for Firefighters and Police Officers, which represent 71 percent of the net position, 67 percent of the additions to, and 64 percent of the deductions from the fiduciary fund totals as of September 30, 2023. 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 Fund of Firefighters and Police Officers, is 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 financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Pembroke Pines, 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 Matter

As described in Note 2 to the basic financial statements, the City adopted the recognition and disclosure requirements of Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements*, effective October 1, 2022. The beginning net position and other balances of the governmental activities and business-type activities of the City have been restated in accordance with the GASB. Our opinion is 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 Pembroke Pines, 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 *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 *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 Pembroke Pines, 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 Pembroke Pines, 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, budgetary comparison information, and other post-employment benefits and pension schedules on pages 4–20 and 143–158 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 Pembroke Pines, Florida's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards, state financial assistance and local 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* and Chapter 10.550, *Rules of the Florida Auditor General*, 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 by us and the other auditors. In our opinion, based on our audit and the report of the other auditors, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards, state financial assistance and local 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 May 23, 2024, on our consideration of the City of Pembroke Pines, Florida'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 Pembroke Pines, Florida's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Pembroke Pines, Florida's internal control over financial reporting and compliance.

GLSC & Company, PLLC

Miami, Florida
May 23, 2024



Management's Discussion and Analysis

City of Pembroke Pines, Florida

Management's Discussion and Analysis

As management of the City of Pembroke Pines, we offer readers of the City's financial statements this narrative overview and analysis of the City's financial activities for the fiscal year ended September 30, 2023. Readers are encouraged to consider the information presented here in conjunction with additional information furnished in the letter of transmittal, which can be found on pages i to ix of this report.

Financial Highlights

- The assets and deferred outflows of resources of the City of Pembroke Pines exceeded liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$368.9 million (*net position*), as compared with \$331.9 million for the previous fiscal year.
- The City's total net position increased by \$37.0 million (11.1%) during the current fiscal year. Included in the total net position is the governmental net position, which increased by \$32.1 million (44.2%), and the business-type net position, which increased by \$4.9 million (1.9%).
- At the end of the current fiscal year, the unrestricted net position of the City's governmental activities had a deficit of \$99.4 million, or -28.5% of total governmental activities expenses. The unrestricted net position of the business-type activities was \$84.6 million, or 115.6% of total business-type expenses for the year.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$169.2 million, an increase of \$21.8 million (14.8%) compared with the prior year. Approximately \$52.5 million (31.0 %) of this total amount is available for spending at the City's discretion (*unassigned fund balance*).

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the City of Pembroke Pines' basic financial statements. The City's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. In addition to these basic financial statements, this report also contains other supplementary information.

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

The *statement of net position* presents information on all the City's assets, liabilities, and deferred inflows/outflows of resources, with the difference between these components being the *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 in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

The statement of activities distinguishes functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government services, public safety, physical environment, transportation, economic environment, human services, culture and recreation, and interest on long-term debt. The business-type activities of the City include water, solid waste control services, and sewer/wastewater operations.

City of Pembroke Pines, Florida **Management's Discussion and Analysis**

The government-wide financial statements can be found on pages 21-22 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, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the City can be divided into three categories: 1) governmental funds, 2) proprietary funds, and 3) 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 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 the City's near-term financing requirements.

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

The City maintains 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, Debt Service, and Capital Projects funds, all of which are considered to be major funds. Data from the other governmental funds, including the Charter Schools, are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds are provided in the form of combining statements on pages 159-162 of this report.

The City adopts an annual budget for its General Fund. A budgetary comparison schedule and notes to the budgetary comparison schedule have been provided for the General Fund to demonstrate compliance with the budget, on pages 143-145. The basic governmental fund financial statements can be found on pages 23-26 of this report.

Proprietary funds. The City maintains two different types of proprietary funds. An *enterprise fund* is used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses an enterprise fund to account for its water, solid waste, and sewer operations. An *internal service fund* is used to account for the City's insurance coverage provided to all departments on a cost reimbursement basis. The City of Pembroke Pines is self-insured.

The basic proprietary fund financial statements can be found on pages 27-30 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 31-32 of this report.

City of Pembroke Pines, Florida

Management's Discussion and Analysis

Notes to the basic 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 basic financial statements can be found on pages 33-142 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 and other post-employment benefits to its employees and the budgetary comparison schedule of the General Fund.

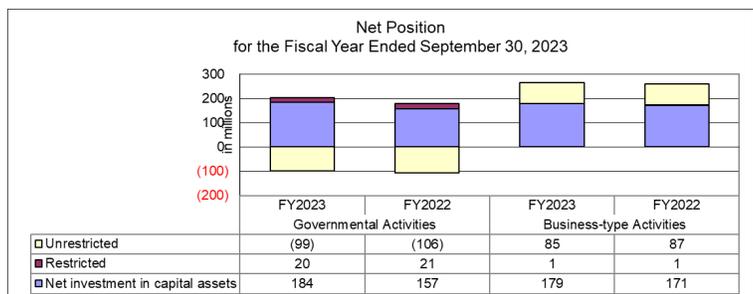
Required supplementary information can be found on pages 143-158 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information.

Combining and individual fund statements and schedules can be found on pages 159-174 of this report.

Government-wide Financial Analysis

As noted earlier, net position over time, may serve as a useful indicator of the City's financial position. In the case of the City of Pembroke Pines, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$368.9 million at the close of the most recent fiscal year, which represents an 11.1% increase compared to last year's net position of \$331.9 million. By far, the largest portion of the City's net position, \$362.8 million (98.3%), represents net investment in capital assets, which is net of related debt. This includes land, construction-in-progress, buildings, improvements other than buildings, machinery and equipment, infrastructure, right-of-use assets, and intangibles, net of accumulated depreciation/amortization, and less any related outstanding debt used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, they are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided by other sources as the capital assets themselves cannot be used to liquidate these liabilities.



Another portion of the City's net position, \$20.9 million (5.7%), represents resources that are subject to external restrictions on how they may be used. This portion of the net position slightly decreased by \$1.3 million when compared to last year due to the use of funds for debt service payments during the year.

The unrestricted net position of (\$14.8) million is mainly attributed to the deferred inflows of resources related to pension, OPEB, and Leases. This balance increased by \$4.2 million (22.1%) compared to last year.

City of Pembroke Pines, Florida **Management's Discussion and Analysis**

The City's net position for the last two fiscal years is summarized in millions, as follows:

In both fiscal years 2023 and 2022, the City continued to report increases in net position. For its separate business-type activities, the balances in all three categories of net position have been positive for both years.

Net Position (in millions) **

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Current and other assets	\$ 257.0	\$ 214.9	\$ 87.7	\$ 94.0	\$ 344.7	\$ 308.9
Restricted assets	19.4	30.1	11.0	16.5	30.4	46.6
Net pension asset	-	22.7	-	6.8	-	29.5
Unamortized bond issue costs	0.2	0.2	-	-	0.2	0.2
Capital assets, not being depreciated	72.3	64.8	28.8	22.5	101.1	87.3
Capital assets, being depreciated, net	292.7	300.5	154.0	150.1	446.7	450.6
Total assets	<u>641.6</u>	<u>633.2</u>	<u>281.5</u>	<u>289.9</u>	<u>923.1</u>	<u>923.1</u>
Total Deferred outflows of resources	<u>257.5</u>	<u>123.8</u>	<u>5.9</u>	<u>4.7</u>	<u>263.4</u>	<u>128.5</u>
Long-term liabilities	642.1	449.7	8.1	8.1	650.2	457.8
Other liabilities	88.0	76.5	13.4	20.5	101.4	97.0
Total liabilities	<u>730.1</u>	<u>526.2</u>	<u>21.5</u>	<u>28.6</u>	<u>751.6</u>	<u>554.8</u>
Total Deferred inflows of resources	<u>64.3</u>	<u>158.2</u>	<u>1.7</u>	<u>6.7</u>	<u>66.0</u>	<u>164.9</u>
Net investment in capital assets	184.1	157.4	178.7	171.3	362.8	328.7
Restricted	20.0	21.3	0.9	0.9	20.9	22.2
Unrestricted	<u>(99.4)</u>	<u>(106.1)</u>	<u>84.6</u>	<u>87.1</u>	<u>(14.8)</u>	<u>(19.0)</u>
Total net position	<u>\$ 104.7</u>	<u>\$ 72.6</u>	<u>\$ 264.2</u>	<u>\$ 259.3</u>	<u>\$ 368.9</u>	<u>\$ 331.9</u>

** Amounts may differ from the Government-wide Financial Statements due to rounding.

City of Pembroke Pines, Florida **Management's Discussion and Analysis**

Governmental activities. Net position of the City's governmental activities increased by \$32.1 million (44.2%) from \$72.6 million in the last fiscal year to \$104.7 million in the current fiscal year.

Changes in Net Position (in millions) **

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenues:						
Program Revenues:						
Charges for services	\$ 168.2	\$ 147.3	\$ 70.1	\$ 65.6	\$ 238.3	\$ 212.9
Operating grants & contributions	19.6	14.1	-	-	19.6	14.1
Capital grants & contributions	0.1	0.7	1.9	2.1	2.0	2.8
General Revenues:						
Property taxes	93.5	86.1	-	-	93.5	86.1
Utility taxes	17.5	15.4	-	-	17.5	15.4
Communications services tax	4.8	4.6	-	-	4.8	4.6
Insurance premium taxes	4.1	2.8	-	-	4.1	2.8
Local option gas tax	3.0	2.9	-	-	3.0	2.9
Franchise fees	20.5	20.1	-	-	20.5	20.1
Local business tax	3.3	3.2	-	-	3.3	3.2
Intergovernmental - unrestricted	30.9	27.3	3.8	0.7	34.7	28.0
Investment earnings not restricted	8.0	(2.5)	2.6	3.8	10.6	1.3
Other miscellaneous	7.6	8.3	(0.3)	-	7.3	8.3
Total revenues	<u>381.1</u>	<u>330.3</u>	<u>78.1</u>	<u>72.2</u>	<u>459.2</u>	<u>402.5</u>
Expenses:						
General government services	42.5	35.2	-	-	42.5	35.2
Public safety	171.3	114.4	-	0.2	171.3	114.6
Physical environment	3.1	3.1	-	-	3.1	3.1
Transportation	9.9	9.7	-	-	9.9	9.7
Economic environment	11.2	11.4	-	-	11.2	11.4
Human services	77.3	68.4	-	-	77.3	68.4
Culture/recreation	23.5	22.0	-	-	23.5	22.0
Interest on long-term debt	10.2	10.3	-	-	10.2	10.3
Water utility services	-	-	10.1	8.7	10.1	8.7
Sewer/wastewater services	-	-	18.1	17.3	18.1	17.3
Solid waste control services	-	-	6.2	4.5	6.2	4.5
Water-sewer combined service	-	-	38.8	33.1	38.8	33.1
Total expenses	<u>349.0</u>	<u>274.5</u>	<u>73.2</u>	<u>63.8</u>	<u>422.2</u>	<u>338.3</u>
Changes in net position	32.1	55.8	4.9	8.4	37.0	64.2
Net position, beginning	<u>72.6</u>	<u>16.8</u>	<u>259.3</u>	<u>250.9</u>	<u>331.9</u>	<u>267.7</u>
Net position, ending	<u>\$ 104.7</u>	<u>\$ 72.6</u>	<u>\$ 264.2</u>	<u>\$ 259.3</u>	<u>\$ 368.9</u>	<u>\$ 331.9</u>

** Amounts may differ from the Government-wide Financial Statements due to rounding.

City of Pembroke Pines, Florida Management's Discussion and Analysis

Revenues:

Revenues from governmental activities increased by approximately \$50.8 million (15.4%) over last year. Total program revenues, consisting of charges for services, operating grants and contributions, and capital grants and contributions, increased overall by \$25.8 million (15.9%), and general revenues increased by \$25.0 million (14.9%).

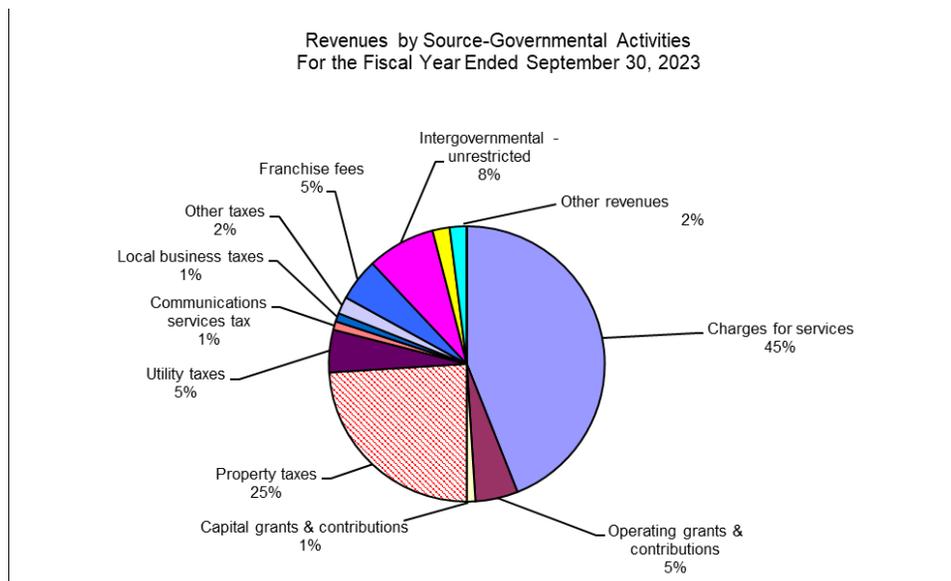
Program revenues showed an increase of \$20.9 million in charges for services, and a \$5.5 million increase in operating grants and contributions, which is offset by a \$0.6 million decrease in capital grants and contributions.

The \$20.9 million increase in charges for services was due to several factors, including a \$13.8 million increase in public safety, a \$5.0 million increase in revenues generated from charter schools and early learning centers, and a \$1.4 million increase in revenue from general government services. The increase in contractual rates for the school resource officers, the increase in residential fire assessment fees, and the increase in permitting for new building construction projects contributed to the \$13.8 million increase in public safety revenues. The \$5.0 million increase in human services was due to increased charter school revenues related to food sales and transportation and the additional funding from the State for the Teacher’s Salary Allocation and Governor’s A+ programs.

The \$5.5 million increase in operating grants and contributions was mainly from the additional funding received from the federal government for Elementary and Secondary Emergency Relief (ESSER) as part of the Coronavirus Aid, Relief, and Economic Security (CARES) Act program and the reimbursement received from Federal Emergency Management Agency (FEMA) for hurricane-related expenditures.

The \$0.6 million decrease in capital grants and contributions is due to the non-recurring federal funding used to purchase armored rescue vehicles and related equipment in the prior year.

The general revenues were higher than the prior fiscal year except for the miscellaneous revenues. Property taxes increased by \$7.4 million due to an 8.6% increase in property tax value, a \$3.6 million increase in intergovernmental—unrestricted significantly attributed by revenue recognized on American Rescue Planning Act (ARPA) funding, and a \$10.5 million increase in investment earnings due to the overall improvement of the economic market during the fiscal year 2023.



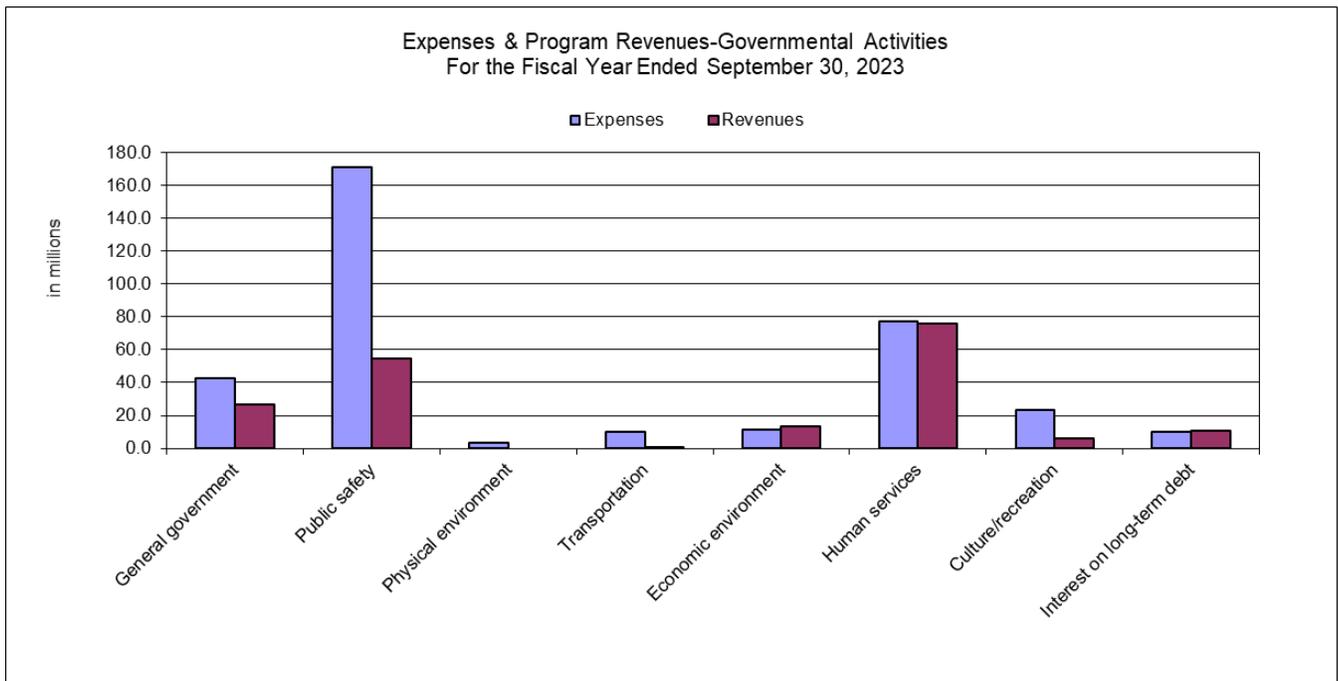
City of Pembroke Pines, Florida Management's Discussion and Analysis

Expenses:

Governmental activity expenditures increased by \$74.5 million (27.1%) last year. This increase occurred in all governmental functions/programs except the economic environment and interest on long-term debt. The overall \$74.5 million increase was mainly due to a \$7.3 million increase in general government services, a \$56.9 million increase in public safety, a \$8.9 million increase in human services, and a \$1.5 million increase in culture and recreation.

The \$56.9 million increase in public safety was attributable to the increase in net pension and OPEB obligations resulting from the changes in assumption in determining the liability of the police and fire employee's pension and OPEB plans, the increase in salaries and benefits following the renewal of collective bargaining agreement, and the increase in the cost of contractual services related to building permit services relative to the increase in permit revenues during the fiscal year 2023.

The increase in general government, human services, and culture and recreation was attributable mostly to the increase in net pension and OPEB obligations arising from the changes in assumptions used to determine the liability of the general employee's pension and OPEB plans.

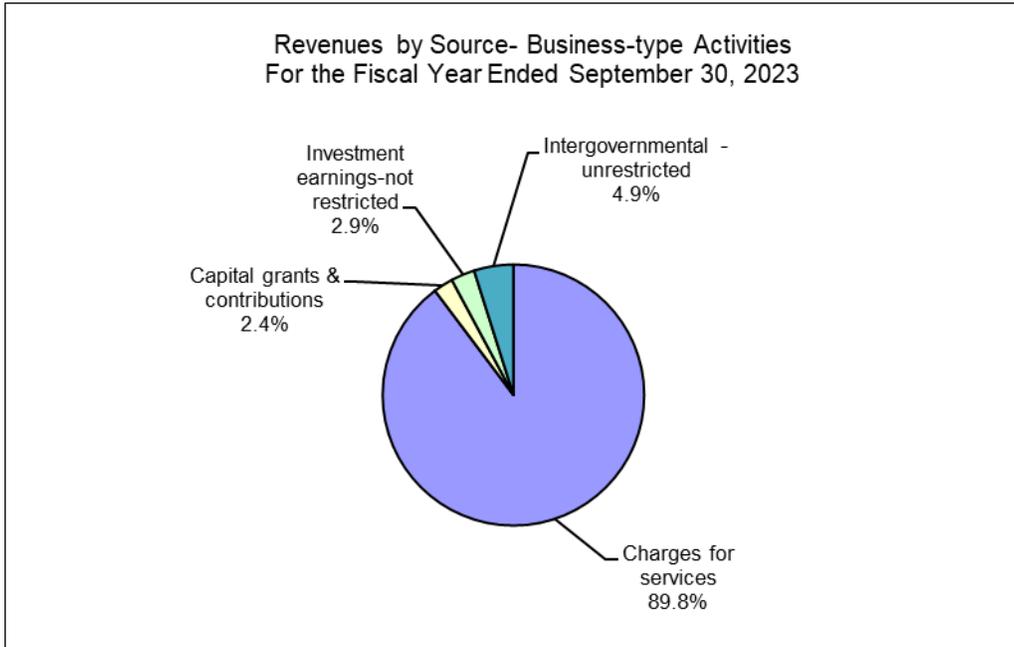


Business-type activities. The net position of the City's business-type activities increased by \$4.9 million (1.9%) from \$259.3 million in the last fiscal year to \$264.2 million in the current fiscal year.

Revenues:

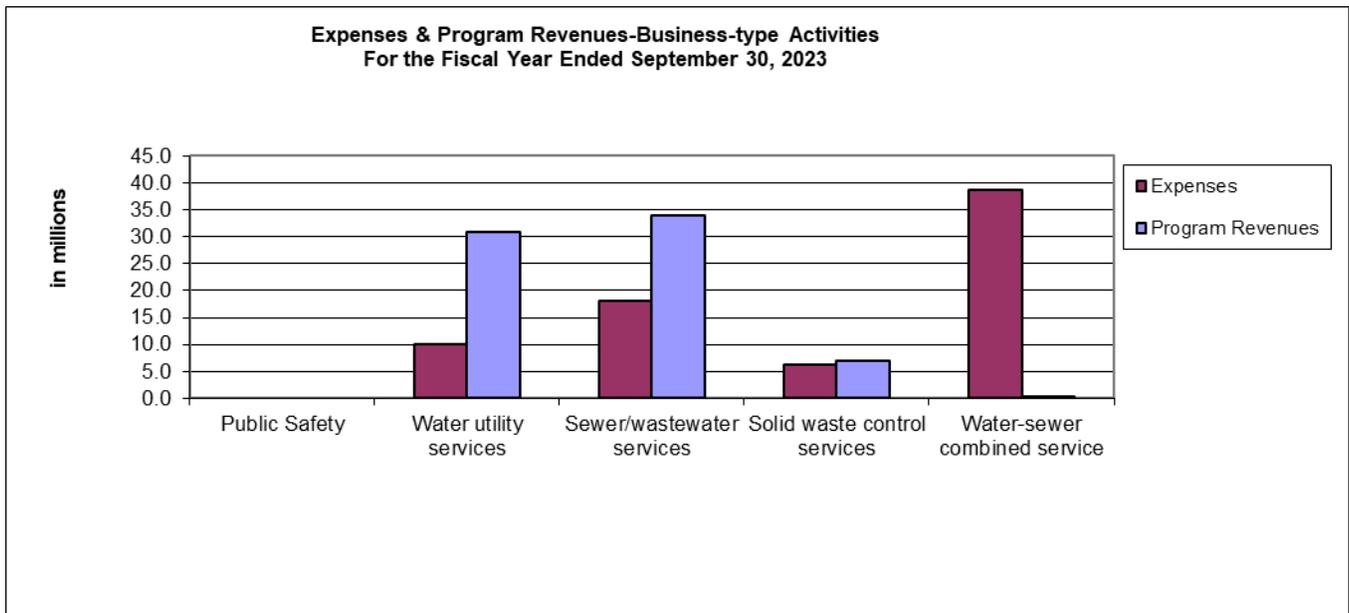
Revenues from business-type activities increased over last year by \$5.9 million (8.2%). The main factor contributing to this increase was the \$4.5 million (6.9%) increase in charges for service due to utility rates adjustments during the fiscal year 2023, and the \$3.1 million increase in intergovernmental—unrestricted was attributed mainly to the revenue recognized on American Rescue Planning Act (ARPA) funding, offset by the \$1.2 million decrease in investment earnings – not restricted due to non-recurring fair value adjustment of the investment in real estate properties reported in the prior year.

City of Pembroke Pines, Florida Management's Discussion and Analysis



Expenses:

Expenses of the business-type activities increased by \$9.4 million (14.7%) from \$63.8 million in the prior year to \$73.2 million in the current year. The increase in expense was attributable to the \$3.4 million increase in net pension obligation arising from the changes in assumptions in determining pension liability and expenses, the \$1.7 million increase in the contracted services for sanitation bulk pickup, and the \$1.1 million increase in fees related to large-user wastewater treatment.



City of Pembroke Pines, Florida Management's Discussion and Analysis

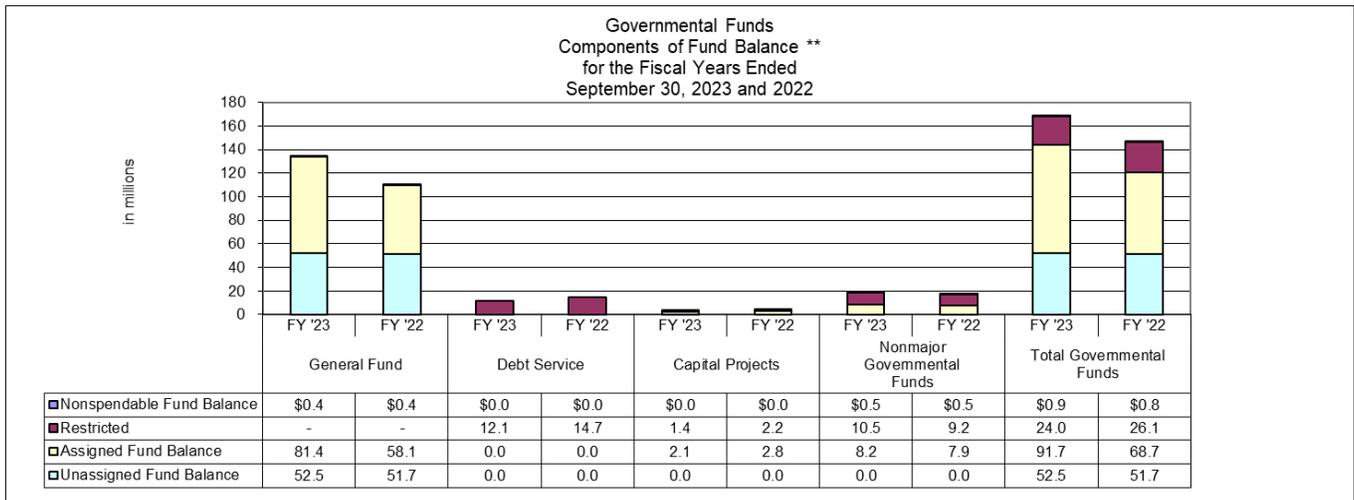
Financial Analysis of the City's Governmental Funds

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

Governmental funds. The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the City's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of the City's net resources available for discretionary use as they represent the portion of fund balance that has not been earmarked for a particular purpose by either an external party, the City of Pembroke Pines itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the City Commission.

As of the end of the current fiscal year, the City's *governmental funds* reported combined ending fund balances of \$169.2 million, an increase of \$21.8 million in comparison with the \$147.4 million in the prior year. Overall, governmental funds' assets increased by \$32.1 million and liabilities and deferred inflow of resources increased by \$10.3 million compared to last year.

Approximately \$52.5 million (31.0%) of the total governmental fund balance represents an unassigned fund balance, which is available for spending at the City's discretion. The remainder of the fund balance is either nonspendable, restricted, or assigned to indicate it is not available for new spending because it has already been set aside for a variety of purposes, such as construction projects, debt service, and grant expenditures, or has been assigned by the City administration for disaster assistance, rent payments, and subsequent year's budget.



** Amounts may differ from the Fund Financial Statements due to rounding.

General Fund

The General Fund is the main operating fund of the City. General tax revenues and other receipts that are not allocated by law or contractual agreement to another fund are accounted for in this fund. General operating expenses, fixed charges, and capital improvement costs not paid through other funds are paid from this fund. At the end of the current fiscal year, the unassigned fund balance of the General Fund was \$52.5 million, as compared with \$51.7 million in the prior year. For the fiscal year 2023, the unassigned fund balance represents 21.6% of total general fund expenditures, excluding transfers. The assigned fund balance increased by \$23.3 million, as compared with \$58.1 million in the prior year. The increase was due to the increase in the assigned fund balance reserved for the subsequent year's budget.

City of Pembroke Pines, Florida Management's Discussion and Analysis

General Fund Revenues:

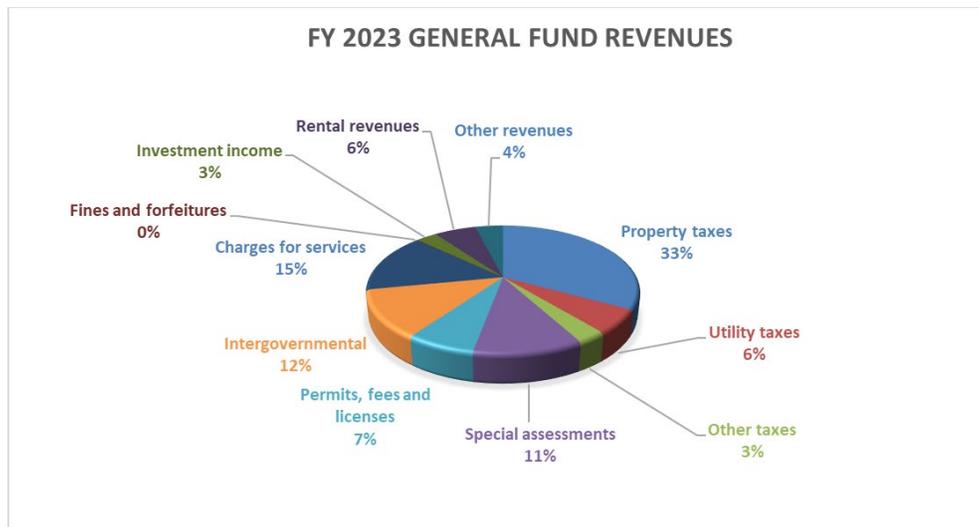
The amount of General Fund revenue by type, their percent of the total, and the amount of change compared to last fiscal year are shown in the following schedule:

Revenue Sources:	General Fund Revenues (in millions) **						
	2023 Amount	Percent of Total	2022 Amount	Percent of Total	Increase (Decrease) From 2022	% Increase (Decrease) From 2022	
Property taxes	\$87.6	33%	\$80.2	35%	\$7.4	9%	
Utility taxes	16.4	6%	12.5	6%	3.9	31%	
Other taxes	7.4	3%	5.9	3%	1.5	25%	
Special assessments	30.2	11%	26.5	12%	3.7	14%	
Permits, fees and licenses	19.0	7%	18.0	8%	1.0	6%	
Intergovernmental	32.2	12%	26.4	12%	5.8	22%	
Charges for services	40.9	15%	35.5	16%	5.4	15%	
Fines and forfeitures	0.3	0%	0.4	0%	(0.1)	-25%	
Investment income	7.2	3%	(2.0)	-1%	9.2	-460%	
Rental revenues	15.4	6%	15.5	7%	(0.1)	-1%	
Other revenues	9.7	4%	3.6	2%	6.1	169%	
Total revenues	\$266.3	100%	\$222.5	100%	\$43.8	20%	

** Amounts may differ from the Fund Financial Statements due to rounding.

In fiscal year 2023, all general fund revenue streams, except rental revenues and fines and forfeitures, increased compared to the prior fiscal year.

The \$7.4 million increase in property tax revenues is due to an 8.6% increase in property taxable values from the previous year. The fire assessment fees increased in 2023 resulting in an increase in special assessment revenues, while the increase in intergovernmental was attributable to the revenue recognized related to the ARPA program. Charges for services also increased during the year due to an increase in food sales and transportation services of the charter schools attributed to increased demand. Investment income also reported an increase of \$9.2 million, due to improvement in the overall market condition.



City of Pembroke Pines, Florida Management's Discussion and Analysis

General Fund Expenditures:

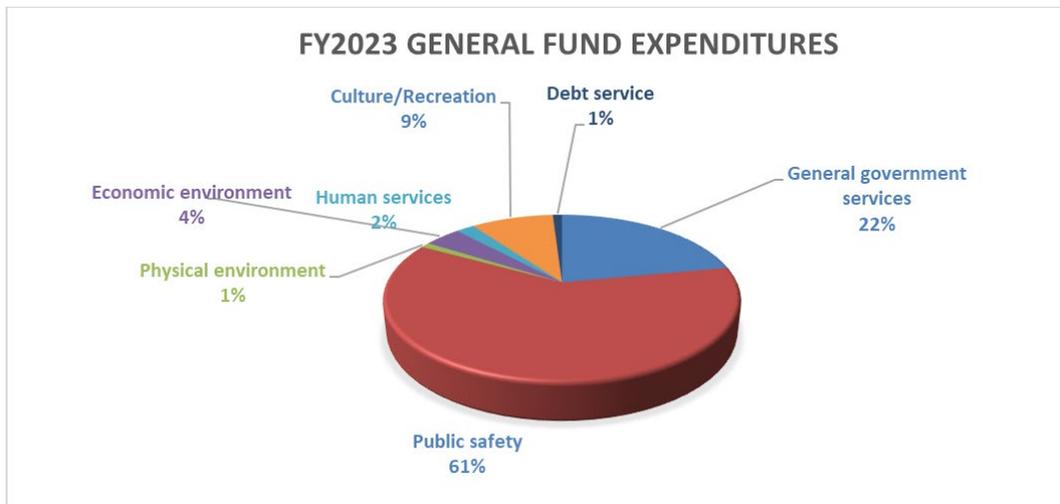
Expenditures of the General Fund are shown in the schedule below:

General Fund Expenditures (in millions) **

<u>Expenditures:</u>	2023		2022		Increase (Decrease) From 2022	% Increase (Decrease) From 2022
	<u>Amount</u>	<u>Percent of Total</u>	<u>Amount</u>	<u>Percent of Total</u>		
General government services	\$ 52.4	22%	\$ 44.6	21%	\$ 7.8	17%
Public safety	149.3	61%	131.6	63%	17.7	13%
Physical environment	3.0	1%	2.7	1%	0.3	11%
Economic environment	8.6	4%	8.4	4%	0.2	2%
Human services	4.5	2%	3.8	2%	0.7	18%
Culture/Recreation	23.5	9%	19.5	9%	4.0	21%
Debt service	2.1	1%	0.3	0%	1.8	0%
Total expenditures	\$ 243.4	100%	\$ 210.9	100%	\$ 32.5	15%

** Amounts may differ from the Fund Financial Statements due to rounding.

The total general fund expenditures increased by \$32.5 million compared to the prior fiscal year. The general government services spending increased by \$7.8 million, \$17.7 million increase in public safety expenditures, and \$4.0 million in culture/recreation expenditures compared to the prior year. This was mostly due to the additional contribution made to the City's general pension and other post-employment benefits (OPEB) plans and the increase in salaries and benefits for public safety employees due to the renewal of the collective bargaining agreements.



Other Major Funds:

Debt Service Fund

The fund balance in the Debt Service Fund decreased by \$2.7 million (-18.1%) as compared with the fiscal year 2022 due to the use of funds for debt service payments during the year. Additional information can be found in the Capital Assets and Debt Administration section on pages 16 – 18.

City of Pembroke Pines, Florida

Management's Discussion and Analysis

Capital Projects Fund

The fund balance for the Capital Projects Fund decreased by \$1.4 million (-28.0%) as compared with the fiscal year 2022. The decrease was attributed to the use of remaining bond proceeds to finance the ERP expenditures during the current year.

Proprietary Funds: The City's proprietary funds provide the same type of information found in the government-wide financial statements but in more detail.

Unrestricted net position at the end of the year for the Utility Fund amounted to \$84.1 million compared to \$86.7 million in the prior year.

General Fund Budgetary Highlights

Revenues

The revenues exceeded the final budget by \$29.4 million (12.4%). The details of the more significant variances are highlighted below:

- \$5.1 million above budget in taxes primarily due to an increase in utility public service taxes of approximately \$2.7 million due to the rise in electric rates, and \$1.4 million in fire/casualty insurance premium taxes. The City contributed all the fire/casualty insurance premium taxes to the Police and Fire Pension Fund.
- \$2.2 million above budget in permits, fees, and licenses due to higher-than-expected franchise fees.
- \$5.7 million above budget in intergovernmental revenues due to \$1.7 million in grants received from FEMA as reimbursement to hurricane-related expenditures, \$1.9 million above budget on revenues realized related to ARPA grant projects, and an additional \$2.6 million higher than expected sales tax proceeds.
- The \$3.8 million above budget in charges for services is due to a \$1.7 million increase in ambulance fees and an additional \$1.4 million in school resource officer revenue.
- An additional \$9.2 million in non-budgeted items was contributed during the fiscal year 2023 from the sale of wetland credits.

Expenditures

Actual expenditures, excluding transfers to other funds, were \$16.0 million or 6.2% below the final budget due mainly to unspent appropriations, which the City carried over to the following year; significant contributors were the following:

- **General government services** - \$8.0 million of unspent appropriations throughout various divisions. This variance consisted primarily of \$ 2.4 million and \$4.9 million in the Technology Services and Public Services Departments, respectively. The Technology Services Department carried over \$1.6 million of unspent appropriations to fiscal year 2024. The \$4.9 million in unspent appropriations for Public Services pertains to \$3.3 million for operating (including personnel), mainly repair and maintenance, and \$1.9 million for capital. The Public Services Department carried forward most of the unspent capital budget to the fiscal year 2024, comprised mostly of funds allotted for roof replacements, fencing installations, and the purchase of generators.
- **Culture and recreation** - \$7.8 million of unspent appropriations consisted of \$2.3 million in operating and \$5.5 million in capital line items, respectively. Savings in the operating category were derived from non-personnel lines, principally repairs and maintenance, as well as professional services. Culture and recreation carried forward most of the unspent capital budget to fiscal year 2024, significantly comprised of \$4.5 million allotted for the Dream Park/Spring Valley new community center.

City of Pembroke Pines, Florida **Management's Discussion and Analysis**

- **Public Safety** – variance of \$0.5 million included a positive variance of \$1.8 million in the police sub-function, which was offset by the unfavorable \$0.5 million variance in emergency and disaster relief services and \$0.8 million in fire services. The \$0.5 million net savings were attributed to various factors including operating supplies, repairs and maintenance, and contractual services.
- **Physical environment** - \$0.3 million budget savings were primarily attributable to landscaping and contractual services.
- **Human services** - \$0.9 million in budget savings occurred between the community service and the education sub-functions. Community Service savings of \$0.1 million were attributable to repairs and maintenance. The savings in education mainly reflect \$0.8 million for employee compensation and the remainder for non-personnel operating lines.

The City initially projected that the fund balance would decrease by \$3.1 million; however, due to the economy doing much better than anticipated and higher revenues, the actual change in fund balance was an increase of \$24.1 million, which was carried over into the following year to complete unfinished projects.

Capital Assets and Debt Administration

Capital Assets. The City's capital assets for its governmental and business-type activities as of September 30, 2023, amounted to \$547.7 million (net of accumulated depreciation), compared with \$542.3 million last fiscal year. These assets include land, construction in progress, buildings, improvements other than buildings, machinery and equipment, right-of-use assets, and infrastructure. The total increase in the City's capital assets for the current fiscal year was \$5.4 million (1.0%).

Capital Assets (net of depreciation, in millions) **

	Governmental		Business-type		Total	
	Activities		Activities			
	2023	2022	2023	2022	2023	2022
Capital assets, not being depreciated:						
Land	\$55.2	\$51.3	\$3.1	\$3.1	\$58.3	\$54.4
Construction in progress	17.1	13.5	25.7	19.4	42.8	32.9
Total capital assets, not being depreciated	<u>72.3</u>	<u>64.8</u>	<u>28.8</u>	<u>22.5</u>	<u>101.1</u>	<u>87.3</u>
Capital assets, being depreciated, net						
Buildings	193.5	199.6	25.4	26.3	218.9	225.9
Improvements other than buildings	62.2	66.0	119.5	114.8	181.7	180.8
Machinery and equipment	25.0	27.3	9.1	8.9	34.1	36.2
Infrastructure	6.3	6.8	-	-	6.3	6.8
Right-of-use assets - building	1.5	-	-	-	1.5	-
Right-of-use assets - machinery and equipment	0.6	0.8	-	-	0.6	0.8
Right-of-use assets - subscription assets	3.5	4.5	-	-	3.5	4.5
Total capital assets, being depreciated, net	<u>292.6</u>	<u>305.0</u>	<u>154.0</u>	<u>150.0</u>	<u>446.6</u>	<u>455.0</u>
Total capital assets	<u>\$364.9</u>	<u>\$369.8</u>	<u>\$182.8</u>	<u>\$172.5</u>	<u>\$547.7</u>	<u>\$542.3</u>

** Amounts may differ from the Government-Wide Statements due to rounding.

Additions to capital assets for governmental activities included, but are not limited to the following:

- \$3.9 million was spent on the purchase of vacant land located on SW 196th Avenue.

City of Pembroke Pines, Florida
Management's Discussion and Analysis

- \$1.4 million was spent on the purchase of police vehicles.
- \$1.6 million right-of-use assets were recorded in accordance with the accounting standards for leases related to the three parcels located in North Perry Airport that make up the Pines Recreation and Maxwell Park.
- \$1.5 million was spent on laptops and computer equipment.
- \$1.4 million was spent on the purchase of two E-1 Typhoon Pumper fire trucks.
- \$1.1 million was spent on the Charter Schools Entry Modification project.
- \$1 million was spent on improvements to Pines Point including installation of impact windows and upgrade to the fire alarm system.
- 0.8 million was spent on the purchase of portable radios.

Additions to capital assets for business-type activities included but are not limited to the following:

- \$5.6 million was spent on water plant improvements.
- \$1.6 million was spent on the sewer treatment rehabilitation.
- \$4.1 million was spent on the water meter replacement project.
- \$5.9 million was spent on Pines Village water main improvement and septic tank conversion.

Additional information on the City's capital assets can be found in Note 6 of this report.

Long-term Debt. At the end of the current fiscal year, the City had Bonds, Lease Agreements, and Subscription Based Information Technology Arrangements (SBITA) Agreements debt outstanding of \$234.3 million. The majority of the City's outstanding debt is secured by specified revenue sources.

Outstanding Debt (in millions)
Bonds, Lease Agreements, and SBITA Agreements

	Governmental		Business-type		Total	
	Activities		Activities			
	2023	2022	2023	2022	2023	2022
Revenue Bonds	\$ 169.8	\$ 183.0	\$ 3.0	\$ 3.9	\$ 172.8	\$ 186.9
General Obligation Bonds	56.2	59.3	-	-	56.2	59.3
Lease Liability	2.1	0.9	-	-	2.1	0.9
SBITA Liability	3.2	4.5	-	-	3.2	4.5
Total	<u>\$ 231.3</u>	<u>\$ 247.7</u>	<u>\$ 3.0</u>	<u>\$ 3.9</u>	<u>\$ 234.3</u>	<u>\$ 251.6</u>

The reduction in total debt outstanding resulted from expected debt service expenditures for principal and interest. The governmental activities debt reduction of \$16.4 million was due to \$19.1 million principal payments and reductions offset by the \$2.7 million issuance of lease and SBITA agreements during the fiscal year 2023.

City of Pembroke Pines, Florida **Management's Discussion and Analysis**

All of the outstanding bonds, except the Capital Improvement Revenue Refunding Bonds, Series 2010, and the Consolidated Utility System Revenue Bonds, Series 2010 (which are Bank Direct Purchase Revenue Bonds), are insured and had, in the past, the highest bond ratings until the downgrade of the bond insurers by the Rating Agencies.

On April 30, 2024, Moody's Rating has upgraded the insurance financial strength (IFS) rating of Assured Guaranty Corp. (AGC) to A1 from A2. In the same rating action, Moody's also affirmed the A1 IFS ratings of Assured Guaranty Municipal Corp. (AGM) and Assured Guaranty UK Limited (AGUK), as well as the debt ratings of Assured Guaranty US Holdings, Inc. (AGUS - backed senior unsecured debt at Baa1), the Baa2 (hyb) junior subordinated debt rating of Assured Guaranty Municipal Holdings Inc. (AGMH) and the Baa1 long-term issuer rating of Assured Guaranty Ltd. (Assured Guaranty). The outlook for the ratings of Assured Guaranty and its subsidiaries remains stable

On April 7, 2023, Fitch affirmed the City's GO Bonds at AA; the bonds are supported by the City's full faith and credit and payable from an unlimited ad valorem tax levied annually.

On March 18, 2022, Moody's Investor Service upgraded the insurance financial strength (IFS) rating of the bond insurers from A2 to A1. Such ratings reflect only the respective views of the Rating Agencies. Generally, Rating Agencies base their ratings on information, materials, investigations, studies, and assumptions made by them. There is no assurance that such ratings will be maintained for any given period of time or that they may not be lowered, suspended, or withdrawn entirely by the Rating Agencies if, in their judgment, circumstances warrant the change.

On July 21, 2020, S&P Global Ratings lowered its long-term rating and underlying rating to BBB from A- for the communication services tax revenue bonds. On July 2, 2020, Moody's Investors Service upgraded the public improvement revenue bonds to Aa3 from A1 and at the same time, affirmed the Aa2 rating on the City's outstanding general obligation unlimited tax, the A1 rating on the outstanding capital improvement revenue bonds, and the Baa1 rating on the outstanding communication services tax bonds.

The S&P Global Ratings assigned an AA rating to the City's capital improvement revenue bonds, Series 2019.

Additional information on the City's long-term debt can be found in Note 10.

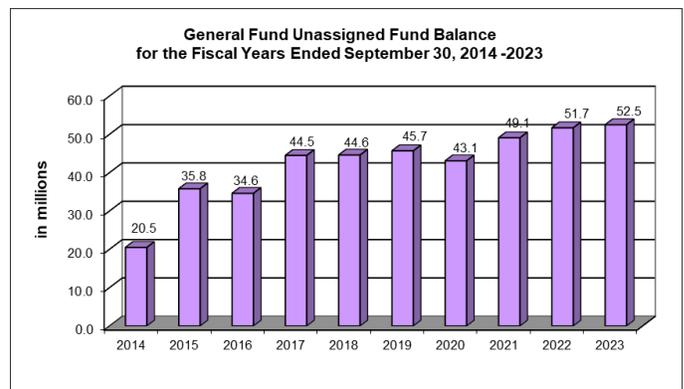
Economic Factors and Next Year's Budgets and Rates

The City's local economy is primarily based on retail and service activities. The occupancy rate of the City's retail establishments and office structures remains at approximately 96%. Only 4% of the City remains undeveloped. As the City nears build-out, its focus will be on redevelopment.

The unemployment rate for the City of Pembroke Pines for the fiscal year ended September 30, 2023, was 2.9%, compared to 2.4% a year ago. This compares favorably to unemployment rates for both Broward County and the State of Florida, which are at 3.0% for the same period.

During the fiscal year 2023, the unassigned fund balance in the General Fund increased by \$0.8 million to \$52.5 million, compared to \$51.7 million from last year. The City has assigned \$79.2 million for next year's budget which includes police improvements, and disaster assistance.

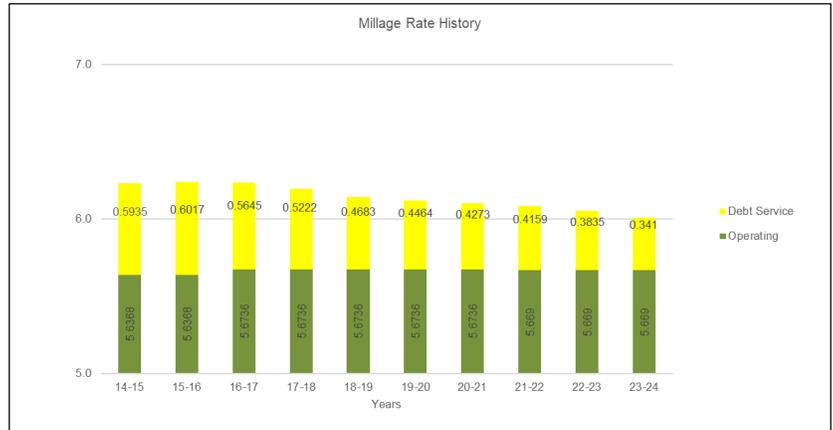
The following information and discussion of the budget only relates to the operations of the City and does not include the Charter Schools.



City of Pembroke Pines, Florida Management's Discussion and Analysis

General Fund

For the fiscal year 2024, the largest revenue source, Ad Valorem (property) Tax, which is 37.3% of the total general fund revenue budget (excluding other sources), is budgeted at 5.6690 for the operating millage rate, generating \$94.2 million, which is \$7.5 million higher than the fiscal year 2023 adopted budget. This increase is attributable to an 8.7% increase in taxable values. The debt service millage reflects a decrease of 0.0425 mills, moving from 0.3835 to 0.3410 mills. Ad Valorem taxes associated with the debt service millage are recorded in the Debt Service Fund.



Revenues

The 2023-24 Adopted General Fund Revenue Budget (including other sources) of \$252.7 million is \$17.1 million or 7.3% greater than the 2022-23 Adopted Budget, as shown in the table below.

General Fund Revenues by Category
(in \$'000)

Description	2022-23	2023-24	Change from 2022-23	
	Adopted	Adopted	\$	%
Taxes	\$ 106,323	\$ 115,420	\$ 9,097	8.6%
Permits, Fees & Licenses	46,911	50,834	3,923	8.4%
Intergovernmental Revenue	24,950	23,993	(957)	-3.8%
Charges for Services	36,702	43,428	6,726	18.3%
Fines & Forfeitures	521	503	(18)	-3.5%
Miscellaneous Revenues	17,196	18,257	1,061	6.2%
Other Sources	2,963	253	(2,710)	-91.5%
Total Revenues	\$ 235,566	\$ 252,688	\$ 17,122	7.3%

- The \$9.1 million increase in taxes is attributable to a \$7.5 million increase in property tax to compensate for increased costs funded by this revenue source.
- The \$3.9 million increase in permits, fees, and licenses includes a \$1.7 million increase in the franchise fee for electricity due to the continuing increase in electric rates and a \$1.4 million increase in fire assessment fees relative to the increase in assessable fire costs.
- The intergovernmental revenue shows a \$1.0 million net decrease, which consists of a \$2.7 million reduction in non-recurring American Rescue Plan Act (ARPA) funding offset by a \$1.8 million increase in sales tax.
- The \$6.7 million increase in charges for services is comprised of the following:
 - \$2.3 million in administrative fees
 - \$2.0 million in rescue transport revenue primarily the result of fee increases implemented on January 1, 2023, and
 - \$0.9 million in reimbursement from School Board Broward County for public safety services
- Miscellaneous revenues increased \$1.1 million due to \$0.7 million in rent and \$0.4 million in interest and investment.

City of Pembroke Pines, Florida **Management's Discussion and Analysis**

Expenditures

The \$252.7 million 2023-24 Adopted General Fund Expenditure Budget (including transfers) is \$17.1 million or 7.3% above the 2022-23 Adopted Budget, as shown in the table below. The year-over-year increase is attributable to growth in appropriations for all functions with general government, public safety, and culture recreation reflecting the largest budget increases.

General Fund Expenditures by Function
(in \$'000)

Category	2022-23	2023-24	Change from 2022-23	
	Adopted	Adopted	\$	%
General Government	\$ 48,660	\$ 55,169	\$ 6,509	13.4%
Public Safety	146,853	153,979	7,126	4.9%
Physical Environment	3,315	3,320	5	0.2%
Economic Environment	9,303	10,083	780	8.4%
Human Services	4,776	5,352	576	12.1%
Culture-Recreation	22,659	24,785	2,126	9.4%
Total Expenditures	\$ 235,566	\$ 252,688	\$ 17,122	7.3%

The \$6.5 million increase in the general government category, which comprises the City's administrative departments, is mainly attributable to increases of \$5.6 million and \$1.5 million in appropriations for operating (non-personnel) items and transfers, respectively. The increases in operating expenses include a \$2.0 million for contractual services, of which \$1.6 million is associated with contract employees, a \$1.6 million increase in property and liability insurance; and a \$1.2 million increase in operating supplies.

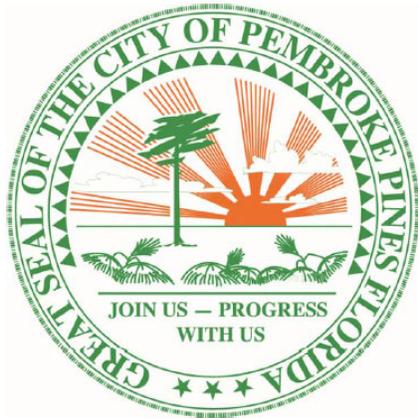
Public safety represents 60.9% of the 2023-24 Adopted Expenditure Budget (including transfers) and shows a \$7.1 million or 4.9% increase over the 2022-23 Adopted Budget. The increase consists of \$5.2 million for personnel, \$1.3 million for operating, and \$0.4 million for capital. Increases for personnel include a \$2.1 million contribution to the Fire and Police Pension Trust Fund, a \$1.5 million for full-time salaries, and a \$0.8 million for health insurance. The main increases in operating expenses comprised \$0.5 million for contractual services, of which \$0.3 million pertains to contract employees and \$0.5 million for repair and maintenance services. The increase in capital expenditures is related primarily to the increase in appropriations for the building improvements (interior remodeling) at Pembroke Isles Fire Station.

The culture-recreation function has a year-over-year increase of \$2.1 million or 9.4%, which is driven by a \$2.3 million increase in appropriations for operating (non-personnel) expenses. These primarily include (a) \$1.0 million for contractual services with contract employees accounting for \$0.4 million; (b) \$0.7 million for repair and maintenance services (primarily building); (c) \$0.2 million for special events; and (d) \$0.1 million each for operating supplies, utility services, and professional services. A \$0.2 million reduction in capital appropriations partially offsets the increase in the operating category.

Requests for Information

This financial report is designed to provide a general overview of the City of Pembroke Pines' finances for all those with an interest in the City's finances.

Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Lisa Chong, Assistant City Manager/Finance Director, Finance Department, City of Pembroke Pines, 601 City Center Way, Pembroke Pines, Florida 33025.



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Basic Financial Statements



Government-wide Financial Statements

City of Pembroke Pines, Florida

Statement of Net Position

September 30, 2023

	Governmental Activities	Business-type Activities	Total
Assets			
Pooled cash and cash equivalents	\$ 88,586,174	\$ 8,062,072	\$ 96,648,246
Investments:			
Marketable securities	104,387,954	49,571,405	153,959,359
Real estate	-	22,000,447	22,000,447
Receivables, net	25,922,937	7,972,019	33,894,956
Lease receivables	37,566,127	-	37,566,127
Inventories	371,559	8,113	379,672
Restricted assets:			
Pooled cash and cash equivalents	19,408,016	10,978,739	30,386,755
Prepaid costs	215,738	79,564	295,302
Unamortized prepaid bond insurance	158,123	-	158,123
Capital assets, not being depreciated	72,279,067	28,771,300	101,050,367
Capital assets, being depreciated, net	292,670,418	154,026,492	446,696,910
Total assets	<u>641,566,113</u>	<u>281,470,151</u>	<u>923,036,264</u>
Deferred outflows of resources			
Deferred charge on refundings	14,646,560	-	14,646,560
Pension related	195,401,639	2,973,414	198,375,053
OPEB related	47,474,285	2,986,375	50,460,660
Total deferred outflows of resources	<u>257,522,484</u>	<u>5,959,789</u>	<u>263,482,273</u>
Liabilities			
Accounts payable and accrued liabilities	38,904,690	3,572,187	42,476,877
Deposits	2,566,414	-	2,566,414
Internal balances	488,740	(488,740)	-
Unearned revenue	11,629,436	4,421,921	16,051,357
Payable from restricted assets:			
Deposits	1,203,896	4,587,298	5,791,194
Noncurrent liabilities:			
Due within one year	33,185,933	1,262,023	34,447,956
Due in more than one year	642,079,947	8,125,072	650,205,019
Total liabilities	<u>730,059,056</u>	<u>21,479,761</u>	<u>751,538,817</u>
Deferred inflows of resources			
Leases	36,195,336	-	36,195,336
Pension related	4,103,370	-	4,103,370
OPEB related	24,046,901	1,731,484	25,778,385
Total deferred inflows of resources	<u>64,345,607</u>	<u>1,731,484</u>	<u>66,077,091</u>
Net position			
Net investment in capital assets	184,123,777	178,732,530	362,856,307
Restricted for:			
\$2 Police Education	70,627	-	70,627
Debt Service	9,054,301	931,092	9,985,393
FDLE - Confiscated	1,253,501	-	1,253,501
Justice - Confiscated	462,265	-	462,265
Road and bridge fund	7,101,127	-	7,101,127
Housing and economic development	4,029	-	4,029
Community Bus program	242,075	-	242,075
Building services	582,079	-	582,079
Treasury - Confiscated	557,625	-	557,625
Wetland Mitigation Trust Fund:			
Nonexpendable	452,080	-	452,080
Expendable	253,968	-	253,968
Unrestricted (deficit)	<u>(99,473,520)</u>	<u>84,555,073</u>	<u>(14,918,447)</u>
Total net position	<u>\$ 104,683,934</u>	<u>\$ 264,218,695</u>	<u>\$ 368,902,629</u>

See notes to basic financial statements.

City of Pembroke Pines, Florida

Statement of Activities

Fiscal Year Ended September 30, 2023

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:							
General government services	\$ 42,500,586	\$ 26,457,870	\$ -	\$ -	\$ (16,042,716)	\$ -	\$ (16,042,716)
Public safety	171,281,440	52,541,650	2,025,507	9,229	(116,705,054)	-	(116,705,054)
Physical environment	3,094,988	-	-	-	(3,094,988)	-	(3,094,988)
Transportation	9,908,461	-	602,166	-	(9,306,295)	-	(9,306,295)
Economic environment	11,174,046	9,729,477	3,346,962	-	1,902,393	-	1,902,393
Human services	77,359,112	62,760,218	13,361,480	57,752	(1,179,662)	-	(1,179,662)
Culture/recreation	23,511,567	5,674,546	266,407	-	(17,570,614)	-	(17,570,614)
Interest on long-term debt	10,162,807	11,063,833	-	-	901,026	-	901,026
Total governmental activities	<u>348,993,007</u>	<u>168,227,594</u>	<u>19,602,522</u>	<u>66,981</u>	<u>(161,095,910)</u>	<u>-</u>	<u>(161,095,910)</u>
Business-type activities:							
Water utility services	10,060,923	30,378,507	-	580,264	-	20,897,848	20,897,848
Sewer/wastewater services	18,066,819	32,540,659	-	1,345,447	-	15,819,287	15,819,287
Solid waste control services	6,185,699	6,938,228	-	-	-	752,529	752,529
Water-sewer combined service	38,811,877	218,223	-	-	-	(38,593,654)	(38,593,654)
Total business-type activities	<u>73,125,318</u>	<u>70,075,617</u>	<u>-</u>	<u>1,925,711</u>	<u>-</u>	<u>(1,123,990)</u>	<u>(1,123,990)</u>
Total	<u>\$ 422,118,325</u>	<u>\$ 238,303,211</u>	<u>\$ 19,602,522</u>	<u>\$ 1,992,692</u>	<u>(161,095,910)</u>	<u>(1,123,990)</u>	<u>(162,219,900)</u>

General revenues:

Property taxes, levied for debt service	5,923,911	-	5,923,911
Property taxes, levied for general purposes	87,565,264	-	87,565,264
Utility taxes	17,496,742	-	17,496,742
Communications services tax	4,801,426	-	4,801,426
Insurance premium taxes	4,122,850	-	4,122,850
Local option gas taxes	2,972,388	-	2,972,388
Franchise fees	20,518,088	-	20,518,088
Local business tax	3,282,418	-	3,282,418
Intergovernmental revenue - unrestricted	30,885,018	3,759,737	34,644,755
Gain on sale of wetland credits	9,192,555	-	9,192,555
Miscellaneous revenues	1,123,776	48,069	1,171,845
Investment earnings not restricted	8,032,724	2,596,700	10,629,424
Loss on disposal of capital assets	(2,740,300)	(377,980)	(3,118,280)
Total general revenues	<u>193,176,860</u>	<u>6,026,526</u>	<u>199,203,386</u>
Change in net position	32,080,950	4,902,536	36,983,486
Net position, beginning	72,602,984	259,316,159	331,919,143
Net position, ending	<u>\$ 104,683,934</u>	<u>\$ 264,218,695</u>	<u>\$ 368,902,629</u>

See notes to basic financial statements.



Fund Financial Statements

City of Pembroke Pines, Florida

Balance Sheet Governmental Funds September 30, 2023

	General	Debt Service	Capital Projects	Other Nonmajor Governmental Funds	Total Governmental Funds
Assets					
Pooled cash and cash equivalents	\$ 68,255,129	\$ -	\$ 2,899,447	\$ 16,448,506	\$ 87,603,082
Investment in marketable securities	84,027,197	-	-	1,010,192	85,037,389
Franchise fees and taxes receivable	6,860,552	-	-	476,668	7,337,220
Other receivables	3,083,016	-	-	334,367	3,417,383
Lease receivables	37,566,127	-	-	-	37,566,127
Inventory	371,559	-	-	-	371,559
Prepaid costs	73,071	-	-	142,667	215,738
Due from other funds	2,751,679	-	-	-	2,751,679
Due from other governments	3,547,316	-	-	10,987,443	14,534,759
Restricted pooled cash and cash equivalents	5,206,523	12,058,904	1,436,541	706,048	19,408,016
Total assets	\$ 211,742,169	\$ 12,058,904	\$ 4,335,988	\$ 30,105,891	\$ 258,242,952
Liabilities and Fund Balances					
Liabilities:					
Accounts payable and accrued liabilities	\$ 31,037,965	\$ -	\$ 713,041	\$ 3,229,662	\$ 34,980,668
Retainage payable	260,597	-	37,924	39,874	338,395
Due to other funds	-	-	-	2,751,679	2,751,679
Due to other governments	29,175	-	-	-	29,175
Deposits	1,385,916	-	-	1,181,381	2,567,297
Unearned revenue	7,310,854	-	-	3,685,007	10,995,861
Deposits payable from restricted assets	1,203,013	-	-	-	1,203,013
Total liabilities	41,227,520	-	750,965	10,887,603	52,866,088
Deferred inflows of resources - leases	36,195,336	-	-	-	36,195,336
Fund balances:					
Nonspendable:					
Inventory and prepaid costs	444,630	-	-	-	444,630
Wetland Mitigation Trust	-	-	-	452,080	452,080
Restricted for:					
Debt covenants	-	12,058,904	-	-	12,058,904
Capital projects	-	-	1,436,541	-	1,436,541
Road and sidewalks	-	-	-	7,101,127	7,101,127
Community bus program	-	-	-	242,075	242,075
Law enforcement	-	-	-	2,344,018	2,344,018
Wetland Mitigation	-	-	-	253,968	253,968
Building services	-	-	-	582,079	582,079
Human services	-	-	-	4,029	4,029
Assigned to:					
Disaster assistance	2,125,000	-	-	-	2,125,000
Capital projects	-	-	2,148,482	-	2,148,482
Rent payments	-	-	-	8,238,912	8,238,912
Subsequent year's budget	79,231,374	-	-	-	79,231,374
Unassigned	52,518,309	-	-	-	52,518,309
Total fund balances	134,319,313	12,058,904	3,585,023	19,218,288	169,181,528
Total liabilities and fund balances	\$ 211,742,169	\$ 12,058,904	\$ 4,335,988	\$ 30,105,891	\$ 258,242,952

See notes to basic financial statements.

City of Pembroke Pines, Florida
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
September 30, 2023

Fund Balances - Total governmental funds (page 23)		\$ 169,181,528
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 funds.		364,949,485
Deferred charge on refundings and Swap termination fee, included in deferred outflows of resources, relates to future periods and, therefore, is not reported in the funds.		14,646,560
Unamortized prepaid insurance is not available to pay for current-period expenditures and, therefore, is not reported in the funds.		158,123
Noncurrent liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Bonds payable	(226,004,100)	
Lease liability	(2,109,552)	
SBITA liability	(3,194,909)	
Deferred amounts for issuance discounts/premiums	(15,294,193)	
Interest payable	(3,162,726)	
Net pension liability	(355,444,174)	
Net OPEB liability	(43,652,999)	
Compensated absences	(18,373,109)	
	(667,235,762)	(667,235,762)
Deferred outflows and inflows of resources are applicable to future periods and, therefore, are not reported in the funds:		
Pension and OPEB related deferred outflows of resources		242,745,121
Pension and OPEB related deferred inflows of resources		(28,114,610)
Assets and liabilities of the internal service fund are included in the statement of net position adjusted by the cumulative internal balance for the net effect of the activity between the internal service fund and the enterprise fund over time.		8,353,489
Net position of governmental activities (page 21)		\$ 104,683,934

See notes to basic financial statements.

City of Pembroke Pines, Florida
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Fiscal Year Ended September 30, 2023

Revenues	General	Debt Service	Capital Projects	Other Nonmajor Governmental Funds	Total Governmental Funds
Taxes:					
Property taxes	\$ 87,565,264	\$ 5,923,911	\$ -	\$ -	\$ 93,489,175
Utility taxes	16,424,805	1,071,937	-	-	17,496,742
Communications services tax	-	4,801,426	-	-	4,801,426
Insurance premium taxes	4,122,850	-	-	-	4,122,850
Local option, use and fuel taxes	-	-	-	2,972,388	2,972,388
Local business tax	3,282,418	-	-	-	3,282,418
Special assessments	30,168,400	-	-	-	30,168,400
Permits, fees, and licenses	18,982,740	744,058	-	12,498,045	32,224,843
Intergovernmental	32,182,635	-	-	71,841,061	104,023,696
Charges for services	40,856,153	-	-	3,646,355	44,502,508
Fines and forfeitures	347,607	-	-	17,924	365,531
Investment income	7,235,825	582,016	232,628	569,383	8,619,852
Contributions	5,813	-	-	542,033	547,846
Rental revenue	15,450,128	11,063,832	-	700,219	27,214,179
Gain on sale of wetland credits	9,192,555	-	-	-	9,192,555
Other	478,941	-	-	310,906	789,847
Total revenues	<u>266,296,134</u>	<u>24,187,180</u>	<u>232,628</u>	<u>93,098,314</u>	<u>383,814,256</u>
Expenditures					
Current:					
General government	49,048,187	-	-	-	49,048,187
Public safety	142,539,051	-	-	11,191,981	153,731,032
Physical environment	2,828,108	-	-	1,460	2,829,568
Transportation	-	-	-	7,014,315	7,014,315
Economic environment	8,554,049	-	-	1,499,635	10,053,684
Human services	4,479,845	-	-	63,163,323	67,643,168
Culture and recreation	19,482,406	-	-	-	19,482,406
Debt Service:					
Principal	2,092,895	16,312,900	-	6,464,999	24,870,794
Interest	22,469	10,538,984	-	432,346	10,993,799
Capital Outlay:					
General government	3,362,738	-	1,155,204	-	4,517,942
Public safety	6,757,815	-	-	22,903	6,780,718
Physical environment	193,264	-	-	-	193,264
Transportation	-	-	-	127,306	127,306
Economic environment	-	-	-	1,695,723	1,695,723
Human services	-	-	-	1,298,227	1,298,227
Culture and recreation	4,042,803	-	474,023	-	4,516,826
Total expenditures	<u>243,403,630</u>	<u>26,851,884</u>	<u>1,629,227</u>	<u>92,912,218</u>	<u>364,796,959</u>
Excess (deficiency) of revenues over (under) expenditures	<u>22,892,504</u>	<u>(2,664,704)</u>	<u>(1,396,599)</u>	<u>186,096</u>	<u>19,017,297</u>
Other financing sources (uses)					
Transfers in	-	-	-	1,713,582	1,713,582
Transfers out	(1,100,968)	-	-	(712,614)	(1,813,582)
Issuance of lease financing	1,616,676	-	-	-	1,616,676
Issuance of subscription financing	628,459	-	-	503,517	1,131,976
Sale of equipment	105,304	-	-	-	105,304
Total other financing sources	<u>1,249,471</u>	<u>-</u>	<u>-</u>	<u>1,504,485</u>	<u>2,753,956</u>
Net change in fund balances	<u>24,141,975</u>	<u>(2,664,704)</u>	<u>(1,396,599)</u>	<u>1,690,581</u>	<u>21,771,253</u>
Fund balances, beginning	110,177,338	14,723,608	4,981,622	17,527,707	147,410,275
Fund balances, ending	<u>\$ 134,319,313</u>	<u>\$ 12,058,904</u>	<u>\$ 3,585,023</u>	<u>\$ 19,218,288</u>	<u>\$ 169,181,528</u>

See notes to basic financial statements.

City of Pembroke Pines, Florida
Reconciliation of the Statement of Revenues, Expenditures and Changes in
Fund Balances of Governmental Funds to the Statement of Activities
Fiscal Year Ended September 30, 2023

Amounts reported for governmental activities in the statement of activities (page 22)
are different because:

Net change in fund balances - total governmental funds (page 25) \$ 21,771,253

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

The details of the difference is as follows:

Capital outlay	\$ 19,179,800	
Depreciation and amortization expense	<u>(21,254,358)</u>	
Net adjustment		(2,074,558)

The net effect of various miscellaneous transactions involving capital assets (2,845,606)

The issuance of long-term debt (e.g., bonds, leases, SBITAs) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The details of the net effect of these differences are as follows:

Principal payments:

General Obligation Bonds	3,085,000	
Refunded Capital Improvement Revenue Bonds	5,453,000	
Refunded Public Improvement Revenue Bonds	4,274,900	
Refunded Taxable Revenue Bonds	3,500,000	
Lease liability	359,580	
SBITA liability	<u>2,476,251</u>	
Total principal payments	19,148,731	

Leases and SBITAs financing (2,748,651)

Prepaid Bond Insurance, Bond Discount/Premium and Loss on Refunded Bonds	<u>725,958</u>	
Net adjustment		17,126,038

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:

The details of the difference are as follows:

Compensated absences		(2,097,419)
Accrued interest		105,031
OPEB expense, net of contributions		13,012,088
Pension expense, net of contributions		<u>(13,015,877)</u>

Internal service funds are used by management to charge the cost of certain activities such as insurance and fleet management, to individual funds. The net revenue of internal service funds is reported within governmental activities.

100,000

Change in net position of governmental activities (page 22)		<u><u>\$ 32,080,950</u></u>
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See notes to basic financial statements.

City of Pembroke Pines, Florida
Statement of Net Position
Proprietary Funds
September 30, 2023

	Business-Type Activities <u>Enterprise Fund</u> <u>Utility Fund</u>	Nonmajor Governmental Activities <u>Internal Service Fund</u> <u>Public Insurance</u>
Assets		
Current assets		
Pooled cash and cash equivalents	\$ 8,062,072	\$ 983,092
Investment in marketable securities	49,571,405	19,350,565
Investment in real estate	22,000,447	-
Accounts receivable, net	7,972,019	-
Inventories	8,113	-
Prepaid costs	79,564	-
Total current assets	<u>87,693,620</u>	<u>20,333,657</u>
Noncurrent assets		
Restricted pooled cash and cash equivalents	10,978,739	-
Capital assets, not being depreciated	28,771,300	-
Capital assets, being depreciated, net	154,026,492	-
Total noncurrent assets	<u>193,776,531</u>	<u>-</u>
Total assets	<u>281,470,151</u>	<u>20,333,657</u>
Deferred outflows of resources		
Pension related	2,973,414	69,869
OPEB related	2,986,375	60,934
Total deferred outflows of resources	<u>5,959,789</u>	<u>130,803</u>
Liabilities		
Current liabilities		
Accounts payable	2,487,650	393,726
Retainage payable	1,064,441	-
Compensated absences	295,648	58,851
Claims payable	-	2,311,946
Accrued interest payable	20,096	-
Current portion of lease liability	455	-
Current portion of bonds payable	965,920	-
Unearned revenue	4,421,921	-
Total current liabilities	<u>9,256,131</u>	<u>2,764,523</u>
Noncurrent liabilities		
Customer deposits payable from restricted assets	4,587,298	-
Claims payable	-	8,649,841
Compensated absences	46,786	15,825
Long-term portion of bonds payable	2,034,445	-
Net pension liability	728,870	17,127
Net OPEB liability	5,314,971	139,254
Total noncurrent liabilities	<u>12,712,370</u>	<u>8,822,047</u>
Total liabilities	<u>21,968,501</u>	<u>11,586,570</u>
Deferred inflows of resources		
OPEB related	1,731,484	35,661
Total deferred inflows of resources	<u>1,731,484</u>	<u>35,661</u>
Net position		
Net investment in capital assets	178,732,530	-
Restricted for debt service	931,092	-
Unrestricted	84,066,333	8,842,229
Total net position	<u>263,729,955</u>	<u>\$ 8,842,229</u>
Adjustment to report the cumulative internal balance for the net effect of the activity between the internal service fund and enterprise fund over time	<u>488,740</u>	
Net position of business type activities (page 22)	<u>\$ 264,218,695</u>	

See notes to basic financial statements.

City of Pembroke Pines, Florida
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
Fiscal Year Ended September 30, 2023

	Business-Type Activities <u>Enterprise Fund</u> <u>Utility Fund</u>	Nonmajor Governmental Activities <u>Internal Service Fund</u> <u>Public Insurance</u>
Operating revenues:		
Charges for services	\$ 70,075,617	\$ 23,098,935
Other	48,069	4,819,445
Total operating revenues	<u>70,123,686</u>	<u>27,918,380</u>
Operating expenses:		
Operating, administrative and maintenance	65,180,394	28,728,796
Depreciation and amortization	7,834,458	-
Total operating expenses	<u>73,014,852</u>	<u>28,728,796</u>
Operating loss	<u>(2,891,166)</u>	<u>(810,416)</u>
Nonoperating revenues and (expenses):		
Intergovernmental	3,759,737	-
Investment income	2,596,700	810,416
Interest expense	(110,466)	-
Loss on disposal of capital assets	(377,980)	-
Total nonoperating revenues	<u>5,867,991</u>	<u>810,416</u>
Income before contributions and transfers	2,976,825	-
Transfers in	-	100,000
Capital contributions	1,925,711	-
Total contributions and transfers	<u>1,925,711</u>	<u>100,000</u>
Change in net position	4,902,536	100,000
Net position, beginning	<u>258,827,419</u>	<u>8,742,229</u>
Net position, ending	<u>\$ 263,729,955</u>	<u>\$ 8,842,229</u>

See notes to basic financial statements.

City of Pembroke Pines, Florida

Statement of Cash Flows

Proprietary Funds

Fiscal Year Ended September 30, 2023

	Business-type Activities	Nonmajor Governmental Activities
	<u>Enterprise Fund</u>	<u>Internal Service Fund</u>
	<u>Utility Fund</u>	<u>Public Insurance</u>
Cash flows from operating activities:		
Cash received from customers for services	\$ 72,073,175	\$ 27,918,380
Cash received from customers for deposits	79,496	-
Cash payments to suppliers for goods and services	(41,879,114)	(27,237,910)
Cash payments to employees for services	(3,205,894)	(177,124)
Interfund services used	(22,232,486)	-
Net cash provided by operating activities	<u>4,835,177</u>	<u>503,346</u>
Cash flows from capital and related financing activities:		
Principal paid on revenue bonds	(933,257)	-
Acquisition and construction of capital assets	(17,462,211)	-
Interest paid on revenue bonds	(136,263)	-
Proceeds from sale of equipment	775	-
Capital contributions	1,247,144	-
Net cash (used for) capital and related financing activities	<u>(17,283,812)</u>	<u>-</u>
Cash flows from noncapital and related financing activities:		
Transfers from other funds	-	100,000
Net cash provided by noncapital and related financing activities	<u>-</u>	<u>100,000</u>
Cash flows from investing activities:		
Income on cash and cash equivalents	1,136,509	230,996
Net cash provided by investing activities	<u>1,136,509</u>	<u>230,996</u>
Net increase (decrease) in equity in pooled cash and cash equivalents	(11,312,126)	834,342
Pooled cash and cash equivalents at beginning of year	30,352,937	148,750
Pooled cash and cash equivalents at end of year	<u>\$ 19,040,811</u>	<u>\$ 983,092</u>
Displayed as:		
Unrestricted	\$ 8,062,072	\$ 983,092
Restricted	10,978,739	-
Total pooled cash and cash equivalents	<u>\$ 19,040,811</u>	<u>\$ 983,092</u>

(continued)

See notes to the basic financial statements.

City of Pembroke Pines, Florida

Statement of Cash Flows Proprietary Funds Fiscal Year Ended September 30, 2023 (continued)

	Business-type Activities	Nonmajor Governmental Activities
	<u>Enterprise Fund</u>	<u>Internal Service Fund</u>
	<u>Utility Fund</u>	<u>Public Insurance</u>
Reconciliation of operating loss to net cash provided by operating activities:		
Operating loss	\$ (2,891,166)	\$ (810,416)
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	7,834,458	-
Pension expense (benefit)	28,018	(30,826)
OPEB expense	2,909,868	11,463
Change in assets and liabilities:		
Decrease in customer accounts, net	1,949,489	-
Decrease in pension assets	6,849,680	165,461
(Increase) in pension related outflow of resources	(8,389,300)	(125,910)
(Increase) in OPEB related outflow of resources	(722,676)	(30,019)
(Decrease) in accounts payable	(3,976,811)	(50,377)
Increase in compensated absences	246,576	-
Increase in customer deposits	79,496	-
Increase in insurance claims payable	-	1,348,565
Increase in net pension liability	728,870	17,127
Increase in net OPEB liability	188,675	8,278
 Net cash provided by operating activities	 \$ 4,835,177	 \$ 503,346
 Noncash Capital and Financing Activities		
Contributed capital improvements	\$ 678,567	\$ -
Net increase in fair value of investments	\$ 1,460,191	\$ 579,420

See notes to the basic financial statements.

City of Pembroke Pines, Florida

Statement of Net Position

Fiduciary Funds

September 30, 2023

	<u>Pension and OPEB Trust Funds</u>	<u>Custodial Fund</u>
Assets		
Cash and short term investments	\$ 27,250,112	\$ 887,753
Accrued interest and dividend receivables	832,972	-
Accounts receivable - sale of investments	126,804	-
DROP loans receivable	2,739,248	-
Contribution receivable	12,072,160	-
Investments, at fair value		
U.S. Government securities	56,740,445	-
Corporate bonds	41,705,966	-
Foreign bonds	1,483,054	-
Equity securities	308,325,451	-
Domestic equity fund	162,208,686	-
International equity fund	48,026,119	-
Real estate funds	72,862,545	-
Timber funds	23,697,332	-
Farmland funds	27,648,207	-
Mutual funds	398,626,223	-
Total investments	1,141,324,028	-
Capital assets, being depreciated, net	1,261,156	-
Total assets	1,185,606,480	887,753
Liabilities		
Accounts payable	799,283	-
Accounts payable - purchases of investments	555,040	-
Reserve for health insurance claims	813,970	-
Total liabilities	2,168,293	-
Net Position		
Net position restricted for pension benefits	1,047,399,114	-
Net position restricted for OPEB benefits	136,039,073	-
Net position restricted for private organizations	-	887,753
Total net position restricted for benefits	\$ 1,183,438,187	\$ 887,753

See notes to basic financial statements.

City of Pembroke Pines, Florida
Statement of Changes in Net Position
Fiduciary Funds
Fiscal Year Ended September 30, 2023

	<u>Pension and OPEB Trust Funds</u>	<u>Custodial Fund</u>
Additions		
Contributions:		
Plan members	\$ 3,447,218	\$ -
Employer	56,964,995	-
Chapter 175 and 185	4,122,850	-
Total contributions	64,535,063	-
Investment income:		
Net appreciation in fair value of investments	106,145,791	-
Investment income	10,185,225	-
Less investment expenses	5,220,340	-
Net investment income	111,110,676	-
Other additions:		
Specific stop loss and medical claims recovery	599,156	-
Other income	46,815	-
Fees collected for private organizations	-	27,102,569
Total other additions	645,971	27,102,569
Total additions	176,291,710	27,102,569
Deductions		
Benefit payments and insurance premiums	65,228,748	-
DROP distribution	7,488,043	-
Refunds of contributions	292,016	-
Administrative expenses	1,197,637	-
Disbursement of fees collected for private organizations	-	27,287,773
Total deductions	74,206,444	27,287,773
Change in net position	102,085,266	(185,204)
Net position, beginning	1,081,352,921	1,072,957
Net position, ending	\$ 1,183,438,187	\$ 887,753

See notes to basic financial statements.



Notes to Basic Financial Statements

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Pembroke Pines (the City) was incorporated in 1960. The City operates under a Commission-Manager form of government. In addition to police and fire services, general government, recreation, and public works services provided to its residents, the City operates water and sewer utilities and maintains various trust and custodial funds in a fiduciary capacity. The City also provides educational facilities to its residents with the seven (7) Charter Schools that it owns and operates in addition to those facilities provided by the School Board of Broward County.

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

a. Financial Reporting Entity

The City's financial reporting entity comprises the City of Pembroke Pines as the primary government with no component units. In determining the financial reporting entity, the City complies with the provisions of GASB Statements No.14 (amended by GASB No. 61) and No.39 relating to "The Financial Reporting Entity." The criterion used for including component units consists of identification of legally separate organizations for which the elected officials of the City are financially accountable. This criterion also includes identification of organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Under the blended method, component unit balances and transactions are reported in a manner similar to the balances and transactions of the primary government itself.

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, as the City Commission or the component unit provides services entirely to the City. Currently, the City has no blended component units.

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 City. For the most part, the effect of interfund activity has been removed from these statements. *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 Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended 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 is 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 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, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and the major enterprise fund are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as nonmajor funds.

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. 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.

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. When the primary eligibility requirement under a grant is incurring an eligible expenditure, the City recognizes revenue at the time the expenditure is incurred. The City considers the availability period of grant revenues susceptible to accrual to be a year.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under leases are reported as other financing sources.

Property taxes, franchise fees and communications 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. All other revenue items are considered to be measurable and available only when cash is received by the City.

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended 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 governmental funds:

The *general fund* is the City's primary operating fund and is always classified as a major fund. It accounts for all financial resources of the City, except those required to be accounted for in another fund.

The *debt service fund* accounts for the accumulation of financial resources for the payment of interest and principal on the general long-term debt of the City. Pledged revenues are used for the debt service payments of principal and interest.

The *capital projects fund* is used to account for resources restricted for the acquisition or construction of specific capital projects or items. The City reports only one Capital Projects Fund, and it is used to account for the acquisition and construction of capital assets from bond proceeds.

The City reports the following nonmajor governmental funds:

The *special revenue funds* account for the proceeds of specific revenue sources (other than those for major capital projects) that are restricted legally to expenditures for specified purposes. These include, but are not limited to, building services fund, various grant funds and the City's Charter School funds.

The City owns and operates seven charter schools. Three Elementary Schools, two Middle Schools and one High School are operated under individual charters of the sponsoring Broward County School Board, and one Elementary School is operated under a charter granted by Florida State University. These schools are accounted for as special revenue funds of the City. The Charter Schools have a fiscal year of July 1st through June 30th and are included in the financial statements of the City as of and for the period ended June 30th. The Charter Schools are required to legally adopt budgets in accordance with Section 30.30(F) of the City's Code of Ordinances and are also required to issue separately audited special purpose financial statements.

The *permanent fund (Wetland Mitigation Trust Fund)* accounts for resources which are legally restricted to the extent that only the earnings, and not the principal, may be used for purposes that support the City's long-term obligations to maintain its wetlands areas.

The City reports the following major proprietary fund:

The *utility fund* accounts for activities of providing water, wastewater, and sanitation services to the public.

Additionally, the City reports the following fund types:

The *internal service fund* accounts for general liability, workers' compensation and health and life insurance coverage provided to other departments or agencies of the City on a cost reimbursement basis.

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

The *custodial fund* is used to account for assets held by the City in a purely custodial capacity. The reporting entity includes one custodial fund - Sanitation Fund – that is used to account for assets held by the City as the collection agent for private organizations.

The *Pension and Other Post-Employment Benefit (OPEB) trust funds* account for the activities of the General Employees' Pension Plan (GEPP) and the City's Pension Fund for the Firefighters and Police Officers (CPFFPO), which accumulate resources for pension benefits. The OPEB Trust Fund accounts for activities related to the City's retiree health and life insurance benefits.

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

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

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 a proprietary fund's principal ongoing operations. The principal operating revenues of the City's utility fund and internal service fund are charges for services. Operating expenses for the utility fund and the internal service fund 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.

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

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

d. Assets, Liabilities, Deferred Outflows/ (Inflows) of Resources, and Net Position/Fund Balance

1. Deposits and Investments

The City's pooled cash and cash equivalents are considered to be cash on hand, demand deposits, money market deposits and deposits held with the State Board of Administration (SBA) Investment Pool. For the purpose of the proprietary fund's Statement of Cash Flows, pooled cash and cash equivalents include all demand and savings accounts, money market accounts, short-term investments with original maturities of three months or less from the date of acquisition.

All investments of the City, except the SBA Investment Pool and the FMIvT, are reported at fair value, which is based on quoted market price. The SBA Investment Pool and the FMIvT is recorded at its value of the pool shares (2A-7 Pool), which approximates fair value, and the investment in real estate is valued at appraised value and the value of contracts for pending sales. Additional deposits and investment disclosures are presented in Note 3.

2. Interfund Receivables and Payables

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

Advances between funds, as reported in the fund financial statements, are offset by assigned fund balance in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

3. Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Financial allowances for uncollectible receivables are based upon historical trends and the periodic aging of receivables. Major receivable balances for the governmental activities include franchise fees, lease receivables, and utility taxes, and amounts due from other governments. Business-type activities report utility billings as the major receivable.

4. Capital Assets

Capital assets, which include property, plant and equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an estimated useful life in excess of one year and an initial, individual cost of \$5,000 or more. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase for capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

The City's capitalization threshold for intangible assets is \$5,000. Intangible assets that are considered to have an indefinite useful life because there is no legal, contractual, regulatory, technological, or other factor that limits the useful life are not amortized. As used in these statements, accumulated depreciation includes amortization of intangibles assets.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	Useful Lives (Years)
	<u>Estimated</u>
Buildings	20-50
Improvements other than buildings	5-50
Machinery and equipment	3-10
Infrastructure	10-50
Right of use assets	2-5

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

5. Inventories and Prepaid Items

Inventories of governmental funds, which consist of expendable supplies held for consumption, are recorded as expenditures when consumed rather than when purchased, (consumption method). The inventories of supplies, diesel fuel and gasoline are recorded at cost using the moving average method.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as an expenditure/expenses when consumed rather than when purchased (consumption method).

6. Restricted Assets

Restricted assets include cash and investments of the governmental and enterprise funds that are legally restricted as to their use. The primary restricted assets of the governmental funds are related to amounts that the City is required to segregate in connection with the issuance of bonds, including sinking fund and reserve requirements, as well as amounts segregated for construction projects. The primary restricted assets of the enterprise fund are related to the Consolidated Utility System Revenue Bonds, Series 2010, and the customer utility deposits. See Note 5 for more details on the restricted assets.

7. Leases and Subscription Obligations

The City has both leases under which it is obligated as a lessee and leases for which it is a lessor. Leases and Subscription-Based Information Technology Arrangements (SBITAs) are included in capital assets and long-term liabilities on the Statement of Net Position.

An intangible right-of-use (ROU) asset represents the City's right to use an underlying asset for the lease or SBITA term. Lease obligations represent the City's liability to make lease payments arising from lease agreements or SBITA agreements. Intangible right-of-use assets and lease obligations are recognized based on the present value of lease payments over the lease term, where the initial term exceeds twelve months. Residual value guarantees and the value of an option to extend or terminate a lease are reflected to the extent it is reasonably certain to be paid or exercised. Variable payments, if any, based on future performance or usage are not included in the measurement of the lease obligation. Intangible right-of-use assets are amortized using a straight-line basis over the shorter of the lease term or useful life of the underlying asset.

The City is a lessor for non-cancelable leases of land, land improvements, and buildings. Rental income arising from leases as a lessor is included as a receivable and deferred inflow of resources at the commencement of the lease and revenue is recognized on a straight-line basis over the lease term. For additional information, refer to Note 8.

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

7. Leases and Subscription Obligations (continued)

At the commencement of the leases, the lease receivables are measured at the present value of payments expected to be received during the lease term. Subsequently, the lease receivables are reduced by the principal portion of lease payments received. The deferred inflows of resources are initially measured as the amounts of the lease receivables, adjusted for lease payments received at or before the lease commencement dates. Subsequently, the deferred inflows of resources are recognized as revenue over the life of the lease terms.

Key estimates and judgments include how the City determines the discount rate it uses to discount the expected lease receipts to present value, lease term, and lease receipts.

- a. The City uses its estimated incremental borrowing rate as the discount rate for leases.
- b. The lease terms include the noncancelable periods of the leases.
- c. Lease receipts included in the measurement of the lease receivables are composed of fixed payments from the lessees.

The City monitors changes in circumstances that would require a remeasurement of its leases, and will remeasure the lease receivables and deferred inflows of resources if certain changes occur that are expected to significantly affect the amounts of the lease receivables. Lease detail is included in Note 8.

At the commencement of each lease and subscription, the liability is measured at the present value of payments expected to be made during the term. Subsequently, the lease and subscription liabilities are reduced by the principal portions of payments made. The ROU lease and subscription assets are measured as the initial amount of the individual liabilities, adjusted for payments made at or before the lease and subscription commencement dates, plus certain initial direct costs. Subsequently, the ROU lease and subscription assets are amortized on a straight-line basis over their useful lives.

Key estimates and judgments related to leases and subscriptions include how the City determines the discount rate it uses to discount the expected lease and subscription payments to present value, lease and subscription term, and lease and subscription payments.

- The interest rate charged by the lessor is used as the discount rate. When an interest rate charged by the lessor is not provided, the estimated incremental borrowing rate is used as the discount rate for leases and subscriptions.
- The lease terms include the noncancelable period of the leases and subscriptions and option years that the City is reasonably certain to exercise. Lease and subscription payments included in the measurement of the lease and subscription liabilities are composed of fixed payments and purchase option prices that the City is reasonably certain to exercise.

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

7. Leases and Subscription Obligations (continued)

The City monitors changes in circumstances that would require a remeasurement of its leases and subscriptions and will remeasure the lease and subscription assets and liabilities if certain changes occur that are expected to significantly affect the amount of the lease and subscription liabilities. Lease and subscription assets are reported with capital assets and lease and subscription liabilities are reported with noncurrent liabilities on the statement of net position. For additional information, refer to Note 8 and 9 for leases and subscriptions, respectively.

8. Deferred Outflows/ (Inflows) of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflow of resources. This separate financial statement element, deferred outflow of resources, represents a consumption of net assets that applies to future periods and therefore will not be recognized as an outflow of resources (expense/expenditure) until then. There are three items that qualify for reporting in this category: deferred charge on refundings, pension related activities and other post-employment benefit related activities, all of which are reported in the government-wide statement of net position.

The deferred charge on refundings represents the difference in the carrying value of refunded debt and the reacquisition price, both of which is deferred and amortized over the shorter of the life of the refunded or refunding debt. The City's deferred outflows of resources related to pensions are discussed in Note 15. The City's deferred outflows of resources related to other post-employment benefits are discussed in Note 14.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to future periods and therefore will not be recognized as an inflow of resources (revenues) until that time. There are three items that qualify for reporting in this category: leases receivables, pension related activities and other post-employment benefit related activities. The City's deferred inflows of resources related to lease receivables are discussed in Note 8. The City's deferred inflows of resources related to pensions are discussed in Note 15. The City's deferred inflows of resources related to other post-employment benefits are discussed in Note 14.

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

d. Assets, Liabilities, Deferred Outflows/ (Inflows) of Resources, and Net Position/Fund Balance (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. Bond premiums and discounts, as well as prepaid bond insurance issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Prepaid bond insurance issuance costs are reported as unamortized bond issue costs and amortized over the term of the related debt. Effective October 1, 2013, only bond premiums, discounts and prepaid insurance costs are deferred and amortized over the life of the bonds, all other bond issue costs are expensed in the reporting period in which they are incurred.

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

10. Net Position/Fund Balance

Net Position. Net position in government-wide and proprietary fund financial statements are classified as net investment in capital assets, restricted, and unrestricted. Restricted net position represents constraints on resources that are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through State statute.

Fund Balance. In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Amounts that are restricted to specific purposes either by a) constraints placed on the use of resources by creditors, grantors, contributors, or laws or regulations of other governments or b) imposed by law through constitutional provisions or enabling legislation are classified as restricted fund balances. Amounts that can only be used for specific purposes pursuant to constraints imposed by the City Commission through an ordinance are classified as committed fund balances. Amounts that are constrained by the City's intent to be used for specific purposes but are neither restricted nor committed are classified as assigned fund balances.

Assignments are made by the City Manager based on Commission direction. Commitments and assignments of fund balance have been established by the City Commission pursuant to a fund balance reserve policy adopted per Ordinance 1699 on September 7, 2011. Nonspendable fund balances include amounts that cannot be spent because they are either (a) not spendable in form or (b) legally or contractually required to be maintained intact. Unassigned fund balance represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund.

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

10. Net Position/Fund Balance (continued)

Unassigned fund balance is the residual classification for the general fund. The general fund should be the only fund that reports a positive unassigned fund balance amount. In a governmental fund other than the general fund, expenditures incurred for a specific purpose might exceed the amounts in the fund that are restricted, committed, and assigned to that purpose and a negative residual balance for that purpose may result. If that occurs, amounts assigned to other purposes in that fund should be reduced to eliminate the deficit. If the remaining deficit eliminates all other assigned amounts in the fund, or if there are no amounts assigned to other purposes, the negative residual amount should be classified as unassigned fund balance. A negative residual amount should not be reported for restricted, committed, or assigned fund balances in any fund.

11. Fund Balance Reserve Policy

On September 7, 2011, the City of Pembroke Pines adopted a fund balance reserve policy per Ordinance 1699. This fund balance reserve policy excludes the special revenue funds of the City, including, but not limited to, the Charter Schools, and states that the unassigned fund balance of the City's General Fund shall not be less than 10% of the following year's projected budgeted expenditures.

In any fiscal year where the City is unable to maintain the 10% minimum reservation of fund balance, the unassigned fund balance is to be rebuilt through an appropriation during the next annual budget process of at least 20% of the shortfall in the unassigned fund balance until the minimum level of 10% has been reached.

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

e. Revenues and Expenditures/Expenses

1. Property Taxes

Under State law, municipalities are able to levy up to 10 mills (\$1 per \$1,000 of taxable value) for operating purposes. In addition, they are permitted to levy additional millage for general obligation debt service purposes, provided a referendum to that effect is approved by the voters. Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied annually on November 1 and are due by March 31. Uncollected Ad Valorem taxes as of May 31 are sold as Tax Certificates to investors. The Broward County Revenue Collector bills and collects the property taxes and remits to the City its portion. Due to the immaterial amount of any additional property taxes receivable after the 60-day period, no additional accrual is made in the government-wide financial statements, or in the fund financial statements.

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

e. Revenues and Expenditures/Expenses (continued)

2. Compensated Absences

Compensated absences are salary related payments to employees for accumulated vacation and sick leave. They are recorded as expenditures when used or are accrued as a payable to employees who are entitled to cash payment in lieu of taking leave. Employees may accumulate unused sick and vacation leave with limitations as described in the various collective bargaining agreements for police officers, firefighters, general, charter school and Early Development Center employees. The City's policy regarding vacation time is to encourage employees to use it within one year of having earned the leave.

The liability for these compensated absences is recorded as long-term liability in the government-wide financial statements. The current portion of this debt is estimated based on historical trends. In the fund financial statements, governmental funds report only the compensated absence liability due and payable at September 30th and paid from expendable available financial resources, while the proprietary funds report the liability as it is incurred.

f. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts of assets, deferred outflows of resources, liabilities, deferred inflows of resources, disclosure of contingent liabilities, revenues, and expenditures/expenses reported in the financial statements and accompanying notes. These estimates include assessing the collectability of receivables, the realization of pension and OPEB liability, fair value, compensated absences, initial lease/SBITA liabilities and the useful lives of capital assets. Although those 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.

NOTE 2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

By its nature as a local government unit, the City is subject to various federal, state, and local laws and contractual regulations. The City has no material violations of finance-related legal and contractual obligations.

a. Fund Accounting Requirements

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, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related requirements, bond covenants, and segregation for management purposes.

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (continued)

b. Revenue Restrictions

The City has various restrictions placed over certain revenue sources from federal, state, or local requirements. The primary restricted revenue sources include:

<u>Revenue Source</u>	<u>Legal Restrictions of Use</u>
Gas Tax	Roads, bridges, sidewalks, and streetlights
School Board of Broward County	Charter School Expenditures
Florida State University	Charter School Expenditures
Older Americans Act Grant	Grant Program Expenditures
Community Development Block Grant (CDBG)	Grant Program Expenditures
State Housing Initiative Program Grant (SHIP)	Grant Program Expenditures
Confiscated Law Enforcement Trust Funds – (Treasury Confiscated, Justice Confiscated, \$2 Police Education, and FDLE Confiscated)	Law Enforcement Expenditures
Building Permit and Fees	Building Code Administration

For the year ended September 30, 2023, the City complied, in all material respects, with these revenue restrictions.

c. New Pronouncements

Pronouncements implemented in the current year:

The GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements* (GASB 96) to provide guidance on the accounting and financial reporting of SBITAs for governments. The Statement is based on the principles that SBITAs are financing of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets). It establishes that a SBITA results in a right-of-use subscription asset (an intangible asset) and a corresponding subscription liability. Additionally, the Statement provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA. The new SBITA standard also requires enhanced disclosures which include a general description of a SBITA arrangement, the total amount of subscription assets and the related accumulated amortization, the amount of outflow of resources recognized from SBITA contracts that are not included in the measurement of the liability, and the disclosure of the long-term effect of SBITA arrangement on a government's resources.

The City implemented Statement No. 96 in the fiscal year ended September 30, 2023. The adoption of GASB 96 resulted in recognition of subscription assets and liability amounting to \$4,539,185 as of October 1, 2022.

During the year ended September 30, 2023, the City adopted GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The objectives of this statement are to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). The adoption of this statement did not have a material impact on the City's financial statements.

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (continued)

c. New Pronouncements (Continued)

Pronouncements implemented in the current year:

During the year ended September 30, 2023, the City adopted GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. The objectives of this statement are 1) to increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; 2) mitigate cost associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans; 3) enhance the relevance, consistency and comparability of the accounting and financial reporting for Internal Revenue Code Section 457 deferred compensation plans that meet the definition of a pension plan and for benefits provided through those plans. The adoption of this statement did not have a material impact on the City's financial statements.

During the year ended September 30, 2023, the City adopted GASB Statement 91, *Conduit Debt Obligations*, which provides a single method of reporting conduit debt obligations by issuers and eliminates diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The Statement achieves these objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The adoption of this statement did not have a material impact on the City's financial statements.

Pronouncements yet to be implemented:

In June 2022, the GASB issued Statement No. 100, *Accounting Changes and Error Corrections – Amendment of GASB Statement No. 62*. This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior period, (b) changes to or within the financial reporting entity be reported by adjusting the beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. The requirements of this statement are effective for financial statements for reporting period beginning after June 15, 2023. The City is evaluating the impact that adoption of this Statement will have on its financial statements.

In June 2022, the GASB issued Statement No. 101 *Compensated Absences*. This Statement clarifies the recognition and measurement guidance for compensated absences. This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. The requirements of this Statement are effective for financial statements for reporting periods beginning after December 15, 2023. The City is evaluating the impact that adoption of this Statement will have on its financial statements.

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 3. DEPOSITS AND INVESTMENTS

The City pools substantially all cash, cash equivalents, and investments, except for accounts that are maintained separately in accordance with legal restrictions.

Deposits and investments as of September 30, 2023 are classified in the accompanying financial statements as follows:

		<u>Balance</u>
Statement of net position:		
Cash and cash equivalents	\$ 96,648,246	
Investments:		
Marketable securities	153,959,359	
Real estate	22,000,447	
Restricted assets:		
Pooled cash and cash equivalents	30,386,755	\$ 302,994,807
Statement of net position - Fiduciary Funds:		
Cash and short-term investments	27,250,112	
Investments	1,141,324,028	1,168,574,140
Total cash and investments	<u>\$ 1,471,568,947</u>	<u>\$ 1,471,568,947</u>

Cash on hand, deposits and investments as of September 30, 2023 consist of the following:

		<u>Balance</u>
Governmental and Business-type investments:		
Cash on hand	\$ 20,482	
Deposits with financial institutions	25,634,356	
Florida PRIME	101,380,163	
Florida Municipal Investment Trust (FMIvT)	26,849,701	
Investments held with external Investment manager	127,109,658	
Investment in real estate	22,000,447	\$ 302,994,807
Firefighters and Police Officers Pension Fund:		
Cash and short-term investments	27,118,788	
Investments	805,932,128	
General Employees' Pension Fund:		
Investments in mutual funds	204,432,024	
Other Post-Employment Benefits (OPEB):		
Cash and short-term investments	131,324	
Investments	130,959,876	1,168,574,140
Total cash and investments	<u>\$ 1,471,568,947</u>	<u>\$ 1,471,568,947</u>

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 3. DEPOSITS AND INVESTMENTS (continued)

General Investment Policy Guidelines

The City's investment objective order of priority is safety of capital, liquidity of funds, and investment income, in that order. Authorized investments of the City are subject to limitations prescribed in the City of Pembroke Pines' Investment Policy as adopted per Ordinance 1493, dated September 1, 2004. The average duration of the entire portfolio as a whole may not exceed five (5) years. This calculation excludes maturities of the underlying securities of a repurchase agreement. This calculation also applies to the expected average life of asset-backed securities and mortgage-backed securities (rather than the stated final maturity). No more than 30% of the total investment portfolio shall be placed in securities with an expected duration of more than five (5) years. This calculation excludes maturities of the underlying securities of a repurchase agreement. Authorized Investments per the Investment Policy are as follows:

List of Authorized Investments:

(a) The Local Government Surplus Funds Trust Fund and any other investment plan or investment trust developed by the Florida League of Cities, the Florida Association of Counties, the Florida Association of Court Clerks, or similar state or national associations, approved by the City.

(b) Negotiable direct obligations of, or obligations the principal and interest of which are unconditionally guaranteed by the United States Government or its agencies, including but not limited to, U.S. Government Treasury Securities, and Government National Mortgage Associations (GNMAs).

(c) Non-negotiable interest-bearing time certificates of deposits or savings accounts in state or federal banks, state or federal savings and loan associations as permitted and/or prescribed by Chapter 280 of the Florida Statutes.

(d) Government Sponsored Enterprises including but not limited to Federal Farm Credit Banks, Federal Home Loan Bank or its district banks, Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, and Student Loan Marketing Association.

(e) Prime commercial paper. Commercial Paper having a maturity of 90 days or less shall require one of the following three minimum ratings: A-1, P-1 or F-1, or better as rated by Standard & Poor's, Moody's, and/or Fitch Investors Service rating services. Prime commercial paper of U.S. Corporations having a maturity in excess of 90 days shall require two of the three above-mentioned ratings.

(f) Repurchase agreements comprised of only those investment instruments as otherwise authorized herein.

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 3. DEPOSITS AND INVESTMENTS (continued)

List of Authorized Investments (continued)

(g) State or local government taxable and tax-exempt debt, general obligation and/or revenue bonds rated at least "A3" by Moody's or "A-" by Standard & Poor's for long-term debt or rated at least MIG-2 by Moody's or SP-2 Standard & Poor's for short-term debt.

(h) Securities or, other interests in, any open-end or closed-end management type investment company or investment trust registered under the Investment Company Act of 1940, provided the portfolio meets the City's investment policy.

(i) Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency. The funds must be in compliance with Title 17, Part 270, Section 2a-7 of the Federal Code of Regulations (Appendix B).

(j) U.S dollar denominated debt obligations of domestic or foreign corporations, or foreign sovereignties issued in the U.S. or in foreign markets having two of the following three minimum ratings: BBB, Baa2, or BBB, as rated by Standard and Poor's, and/or Moody's, and/or Fitch Investors Service rating services. However, if such obligations are rated by only one rating service, then such rating shall be at least A-, A3, or A- by Standard & Poor's, or Moody's or Fitch.

(k) Real estate, so long as the acquisition and sale complies with applicable federal and state laws and regulations in addition to applicable City Charter provisions, if any, and the City Code of Ordinances.

(l) Real Estate Investment Trusts ("REIT") which are properly registered pursuant to applicable Federal and State laws, provided the ("REIT") portfolio meets the City's Investment Policy.

(m) Land Trusts or Title Trusts as described in Sections 689.07 or 689.071, Florida Statutes, so long as the Land Trust complies with any applicable Federal and State laws and regulations, applicable City Charter provisions, if any, and the City's Code of Ordinances.

(n) Mortgage-Backed Securities. Securities collateralized by mortgages on residential property or commercial (industrial, office, retail etc.) property ("Commercial Mortgage-Backed Securities"). The securities may be issued by a Federal Instrumentality or by a private corporation and may be structured as collateralized mortgage obligations or unstructured pass-through securities.

(o) Asset-Backed Securities. Securities collateralized by pools of assets (credit cards, autos, home equity loans). The securities may be structured or unstructured pass-through securities.

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 3. DEPOSITS AND INVESTMENTS (continued)

Public Deposits

At September 30, 2023, the book balance of the City's public deposits was \$25,634,356 and the bank balance was \$30,455,091. The institutions in which the City's monies are deposited are certified as Qualified Public Depositories pursuant to Florida Statutes, Chapter 280 - *Florida Security for Public Deposits Act*. Therefore, the City's total bank balances on deposit are entirely insured or collateralized by the Federal Depository Insurance Corporation and the Bureau of Collateral Securities, Division of Treasury, State Department of Insurance. When public deposits are made in accordance with Chapter 280, no public depositor shall be liable for any loss thereof. It is the City's practice to ensure that all its public deposits are maintained with a qualified depository. The Investment Policy allows for a maximum of 50% of the portfolio may be deposited with any one financial institution.

Investments in External Investments Pools

State Board of Administration (SBA)

The State Board of Administration (SBA) was created by the Florida Constitution and is governed by a three-member Board of Trustees (Trustees), comprised of the Governor as Chair, the Chief Financial Officer and the Attorney General. The SBA's Local Government Surplus Funds Trust Fund currently known as the Florida PRIME is governed by Chapter 19-7 of the Florida Administrative Code, which identifies the Rules of the State Board of Administration. These rules provide guidance and establish the general operating procedures for the administration of the Florida PRIME. Additionally, the Office of the Florida Auditor General performs the operational audit of the activities and investments of the State Board of Administration.

As of September 30, 2023, the City had \$101,380,163 invested in the Florida PRIME. The investments of the Florida PRIME are not restricted as to deposits or withdrawals. Florida PRIME currently meets all of the necessary criteria to elect to measure all of the investments in Florida PRIME at amortized cost. Therefore, Florida PRIME investment is exempt from the GASB 72 fair value hierarchy disclosures, and the account balance should also be considered the fair value of the investment.

Florida Municipal Investment Trust (FMIVT)

The Florida Municipal Investment Trust (FMIVT) was created under the laws of the State of Florida to provide eligible units of local governments with an investment vehicle to pool their surplus funds and to reinvest such funds in one or more investment portfolios under the direction and daily supervision of an investment advisor.

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 3. DEPOSITS AND INVESTMENTS (continued)

Investments in External Investments Pools (continued)

Florida Municipal Investment Trust (FMIvT) (continued)

The State Board of Administration's Local Government Surplus Funds Trust Fund and the Florida Municipal Investment Trust (FMIvT) are not registrants with the Securities and Exchange Commission (SEC) and is not subject to other regulatory oversight; however, the funds have adopted operating procedures consistent with the requirements for a 2a-7 Fund. Oversight is provided by a Board of Trustees consisting of the President (or appointee) and Second Vice President of the Florida League of Cities (FLOC), two appointed representatives from the Florida Municipal Insurance Trust, and three additional appointed members who are elected officials of municipalities (city, town or village) who actively participate in the Trust. In addition, an Investment Advisory Committee comprised of Finance Directors from throughout the state, assists the Administrator with developing and maintaining the investment guidelines and policies of the Trust. The City invests operating funds in the following funds:

<u>FMIvT Bond Funds:</u>	<u>Balance</u>
0-2 Year High Quality Bond Fund	\$ 26,644,099
1-3 Year High Quality Bond Fund	56,346
Intermediate High Quality Bond Fund	149,256
Total FMIvT Bond Funds	<u><u>\$ 26,849,701</u></u>

Firefighters and Police Officers Pension Investments

The investment portfolio of the Firefighters and Police Officers pension fund is managed by a separate Board of Trustees, which have established an Operating Investment Policy, and detailed guidelines to manage the risk, diversification, maturity and liquidity requirements of the Fund. Certain investments are measured at the net asset value (NAV), which is exempt from GASB 72 disclosure. As of September 30, 2023, \$334,442,889 out of \$805,932,128 of the Firefighters and Police Officers pension fund's investment value is measured at the NAV.

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 3. DEPOSITS AND INVESTMENTS (continued)

Investments in External Investments Pools (continued)

General Employees' Pension Investments

The investments of the General Employees' Pension Fund are managed by the Principal Financial Group. These are pooled as separate investment accounts, under a group annuity contract and operate similar to a mutual fund. These investments are not subject to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form.

The General Employees' Pension Investments are measured using the net assets value (NAV) per share practical expedient. Therefore, they are exempt from the GASB 72 fair value hierarchy disclosures.

Other Post-Employment Benefits (OPEB) Investments

The Other Post Employment Benefit (OPEB) Trust Fund is invested with various investment managers in both the fixed income, equity funds, and real estate. Refer to investment managers as shown in the table below:

	<u>Balance</u>
TD Bank Money Market	\$ 211,782
Cash in Pool	(80,458)
Investment Accounts:	
Fiduciary Trust	8,468
Lee Munder Capital Group - Mid Cap Core	9,251,810
Atlanta Capital Management - Small Cap Core	10,926,518
Garcia Hamilton & Associates - Barclay's Aggregate Fixed Income	35,323,997
State Street Global Advisors	26,752,868
Intercontinental Real Estate Corporation	6,814,374
Black Rock US Core Property Fund	6,889,508
Loomis Sayles & Company - Loomis Large Cap Growth Trust	18,968,923
Aristotle	16,023,410
Total cash and investments	<u>\$ 131,091,200</u>

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 3. DEPOSITS AND INVESTMENTS (continued)

Investment in Real Estate

City Center Property

In fiscal year 2003, the City purchased approximately 115 acres of undeveloped land adjacent to City Hall for approximately \$22 million using funds from the Utility Fund. The City's investment in real estate, also referred to as the "City Center" project, had an additional \$46.3 million spending for spine roads, infrastructure and hardscape development. In 2003, the City transferred the investment in real estate from the Utility Fund to the General fund creating an interfund loan between the two funds. As part of this transaction, the Utility Fund charged borrowing interest to the General Fund.

In fiscal year 2011, the City transferred the investment in real estate back to the Utility Fund and since the Utility Fund cannot charge interest to itself, the interest portion of the cost was written off and was charged against interest income during the year. To compensate this write down, the General Fund transferred approximately \$7.8 million to the Utility Fund in fiscal year 2011.

Prior to fiscal year 2018, the City sold portions of land for \$38,327,167 and recognized a net gain on sale of \$4,258,740.

In fiscal year 2018, the City sold 2 portions of land for \$21,795,404 and recognized a gain of \$8,362,344.

At the fiscal year ended September 30, 2023, the investment in real estate for City Center is valued at \$9,377,447, which approximates fair value of the remaining unsold parcels of land.

Weekley

On December 29, 2016, the City bought the property at 20710 SW 54th Place for \$385,000. At the fiscal year ended September 30, 2023, the fair value of this investment in real estate is estimated at \$741,000.

Vardaman

On February 15, 2017, the City bought the Vardaman Property at 20700 SW 54th Place for \$775,000. At the fiscal year ended September 30, 2023, the fair value of this investment in real estate is estimated at \$1,428,000.

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 3. DEPOSITS AND INVESTMENTS (continued)

Investment in Real Estate (continued)

Pando

On June 5, 2017, the City bought the Pando Property located at 5400 SW 208th Lane for \$5,500,000. At the fiscal year ended September 30, 2023, the fair value of this investment in real estate is estimated at \$10,454,000.

Interest Rate Risk

Interest rate risk is the risk that changes in the market interest rates will adversely affect the fair value of an investment. Information about the sensitivity of the fair values of the City's investments to market interest rate fluctuations is provided in the following table as of September 30, 2023.

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City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 3. DEPOSITS AND INVESTMENTS (continued)

Interest Rate Risk (continued)

<u>Investment Type</u>	<u>Fair Value</u>	<u>Years to Maturity</u>	<u>Effective Duration (Years)</u>	<u>% of the Total Fixed Income Investment Portfolio</u>
GOVERNMENTAL & BUSINESS-TYPE INVESTMENTS:				
<u>Managed by External Investment Manager:</u>				
Temporary investments	\$ 1,260,308	-	-	0.5%
Treasuries	49,149,870	2.09	2.00	19.2%
Mortgage pass-through	4,668,646	1.74	1.48	1.8%
Collateralized mortgage obligations (Agency & Private)	1,487,387	2.18	1.06	0.6%
Asset-backed securities	25,302,741	3.50	-	9.9%
Municipal	209,226	1.14	1.14	0.1%
Corporate bonds	45,031,480	2.05	1.69	17.6%
<u>Investment in External Investment Pools:</u>				
FMLvT -0-2 Year high quality bond fund	26,644,099	0.80	0.32	10.4%
FMLvT -1-3 Year high quality bond fund	56,346	1.60	1.51	0.0%
FMLvT -Intermediate high quality bond fund	149,256	4.90	4.22	0.1%
Florida PRIME	101,380,163	0.10	0.21	39.7%
Total Governmental & Business-type Fixed Income	\$ 255,339,522			100.0%
Weighted average effective duration of the Governmental & Business-type activities			0.84	
FIDUCIARY FUNDS:				
Firefighters and Police Officers Pension Fund:				
U.S. treasury securities	\$ 26,959,507	7.36	6.62	16.5%
U.S. agency securities	29,780,938	7.53	6.48	18.3%
Fixed income mutual funds	63,234,323	10.25	8.08	38.8%
Foreign bonds	1,483,054	-	-	0.9%
Corporate bonds	41,705,966	3.45	3.13	25.6%
Total Fixed Income Firefighters and Police Officers Pension Fund	\$ 163,163,788			100.0%
Weighted average effective duration of Police & Fire Pension Fund			6.21	
General Employees' Pension Fund:				
<u>Investment in separate fixed income investments accounts:</u>				
Principal global investors core fixed income account	\$ 57,628,462	8.53	5.93	60.22%
Principal global investors bond market account	16,003,960	8.29	5.98	16.72%
DDJ/Insight – High income separate account	6,928,790	5.21	3.29	7.24%
Principal US property separate account	15,133,643	-	-	15.81%
Total Fixed Income General Employees' Pension Fund	\$ 95,694,855			100.0%
Weighted average effective duration of the General Employees' Pension Fund			4.81	
Other Post-Employment Benefit (OPEB) Trust Fund:				
<u>Investment in Funds of Garcia Hamilton & Associates</u>				
Corporate bonds	\$ 5,318,066	5.80	4.78	15.1%
Government bonds	14,199,443	4.70	9.42	40.2%
Mortgage-backed securities-FNMA	9,671,682	4.60	5.08	27.4%
Mortgage-backed securities-FHLMC	6,061,547	4.90	5.45	17.2%
US Treasury	73,259	-	-	0.2%
Total Fixed Income -Other Post-Employment Benefits Trust Fund	\$ 35,323,997			100.0%
Weighted average effective duration of the Other Post-Employment Benefits Trust Fund			6.83	

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 3. DEPOSITS AND INVESTMENTS (continued)

Interest Rate Risk (continued)

Governmental and Business-type Investments

The City limits its exposure to fair value losses arising from increasing interest rates by limiting the effective duration of the investment portfolio. The Operating Investment Policy of the City states that the average effective duration of the portfolio as a whole may not exceed five (5) years, and that no more than 30% of the total investment in debt securities shall be placed in securities with an expected duration of more than five (5) years. This calculation excludes the maturities of the underlying securities of a repurchase agreement. The Operating Investment Policy of the City limits the investment in collateralized mortgage obligations to a maximum of 30% of the portfolio. The maximum effective duration for an investment in any mortgage-backed security issued by a Federal Instrumentality is ten (10) years, and for a private corporation is five (5) years. A maximum of 50% of the City's operating investments may be directly invested in the combined categories of commercial paper and corporate obligations. The maximum duration for corporate obligations is five (5) years for both fixed and variable rate securities. The weighted average days to maturity and the weighted average life of the Florida PRIME as of September 30, 2023 are 35 days and 75 days, respectively.

Firefighters and Police Officers Pension Investments

As a means of limiting its exposure to interest rate risk, the Firefighters and Police Officers Pension Plan diversifies its investments by security type and institution, and limits holdings in any one type of investment with any one issuer with various durations of maturities.

General Employees' Pension Investments

The General Employees' Pension Investment Policy allows for various authorized investments including all the separate accounts offered by the Principal Financial Group. In the event that the Principal Financial Group deems it necessary to offer or discontinue any separate account(s), the City Administration is authorized to execute the necessary documents to implement the change. Currently, all the investments of the General Employees' Pension Fund are invested in the separate accounts of the Principal Financial Group which operate like a mutual fund, since the investments are not evidenced by securities that exist in physical or book entry form. The General Employees' Pension Investment Policy does not limit the amount of fixed income securities of the portfolio. The weighted expected average maturity of U.S. government and agency securities shall not exceed 10 years, and the weighted expected average maturity of corporate bonds shall not exceed 10 years.

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 3. DEPOSITS AND INVESTMENTS (continued)

Interest Rate Risk (continued)

Other Post-Employment Benefits (OPEB) Investments

The OPEB Investment Policy allows for various authorized investments including all the investment accounts offered by the Fiduciary Trust International of the South and State Street Global Advisors. Currently, the investments of the OPEB Trust Fund are invested in fixed income, equities, and mutual funds. The OPEB Investment Policy does not limit the amount of fixed income securities of the portfolio. The weighted expected average maturity of U.S. government and agency securities shall not exceed 10 years, and the weighted expected average maturity of corporate bonds shall not exceed 10 years.

Credit Risk

Credit risk exists when there is a possibility that the issuer or other counterparty to an investment may be unable to fulfill its obligations. The City of Pembroke Pines utilizes portfolio diversification and credit quality rating in order to control this risk.

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City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 3. DEPOSITS AND INVESTMENTS (continued)

Credit Risk (continued)

<u>Investment Type</u>	<u>Credit Quality Rating</u>		<u>Moody's</u>	<u>Fair Value</u>
	<u>Fitch</u>	<u>S&P</u>		
GOVERNMENTAL & BUSINESS-TYPE INVESTMENTS:				
<u>Managed by External Investment Manager:</u>				
Temporary investments		NR		\$ 1,260,308
Treasuries		AA+		49,149,870
Mortgage pass-through		AA+		4,668,646
Collateralized mortgage obligations (Agency & Private)		AA+		1,487,387
Asset-backed securities		AA+		25,302,741
Municipal		AA+		209,226
Corporate		A		45,031,480
<u>Investment in External Investment Pools:</u>				
FMLvT -0-2 Year high quality bond fund	AAAf/S1			26,644,099
FMLvT -1-3 Year high quality bond fund	AAAf/S2			56,346
FMLvT -Intermediate high quality bond fund	AAAf/S3			149,256
Florida PRIME		AAAm		101,380,163
Total Governmental & Business-type Fixed Income				<u>\$ 255,339,522</u>
FIDUCIARY FUNDS:				
Firefighters and Police Officers Pension Fund:				
Fixed income		Aaa		\$ 68,669,495
Fixed income		Aa		8,421,125
Fixed income		A		1,549,958
Fixed income		Aa1		4,963,894
Fixed income		Aa2		2,311,426
Fixed income		Aa3		6,441,260
Fixed income		A1		9,371,083
Fixed income		A2		7,932,980
Fixed income		A3		8,519,146
Fixed income		Baa		14,234,293
Fixed income		Ba		2,067,306
Fixed income		Baa1		829,054
Fixed income		Baa2		1,783,340
Fixed income		Bbb		7,964,376
Fixed income		Bb		2,021,134
Fixed income		B		1,427,388
Fixed income		Ccc		339,501
Fixed income		Not rated		14,317,029
Total Fixed Income Firefighters and Police Officers Pension Fund				<u>\$ 163,163,788</u>

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 3. DEPOSITS AND INVESTMENTS (continued)

Credit Risk (continued)

<u>Investment Type</u>	<u>Fitch</u>	<u>S&P</u>	<u>Moody's</u>	<u>Fair Value</u>
General Employees' Pension Fund:				
<u>Investment in separate fixed income investments accounts:</u>				
Principal global investors core plus bond separate account		AAA		\$ 4,057,044
Principal global investors core plus bond separate account		BBB		172,885
Principal global investors core plus bond separate account		BB		13,732,862
Principal global investors core plus bond separate account		B		27,396,571
Principal global investors core plus bond separate account		Below B		11,698,578
Principal global investors core plus bond separate account		Not rated		570,522
Principal global investors bond market account		AAA		510,526
Principal global investors bond market account		AA		11,663,686
Principal global investors bond market account		A		1,950,883
Principal global investors bond market account		BBB		1,878,865
DDJ/Insight – High income separate account		AAA		3,560,705
DDJ/Insight – High income separate account		AA		110,861
DDJ/Insight – High income separate account		A		1,357,350
DDJ/Insight – High income separate account		BBB		1,833,358
DDJ/Insight – High income separate account		BB		45,037
DDJ/Insight – High income separate account		B		11,779
DDJ/Insight – High income separate account		Below B		9,700
Principal US property separate account		Not rated		15,133,643
Total Fixed Income General Employees' Pension Fund				<u>\$ 95,694,855</u>
Other Post-Employment Trust Fund:				
<u>Investment in Funds of Garcia Hamilton & Associates</u>				
Corporate bonds		A+		\$ 2,272,627
Corporate bonds		A-		1,585,738
Corporate bonds		A		1,459,701
Government bonds		AA+		14,199,443
Mortgage-backed securities		AA+		15,733,229
US Treasury		Not rated		73,259
Total Fixed Income -Other Post-Employment Benefits Trust Fund				<u>\$ 35,323,997</u>

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 3. DEPOSITS AND INVESTMENTS (continued)

Credit Risk (continued)

Governmental and Business-type Investments

Credit risk is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. This risk is generally measured by the assignment of a rating by a nationally recognized statistical rating organization. The City of Pembroke Pines utilizes portfolio diversification and credit quality rating in order to control this risk.

The Operating Investment Policy of the City does not specify a credit quality rating for its mortgage-backed securities. However, the City currently uses the rating established for corporate bonds. Currently, the mortgage pass-throughs, Federal Agencies (AGY), and the commercial mortgage-backed securities (CMBS) are rated "AAA" by Standard and Poor's. The Operating Investment Policy limits the exposure of mortgage-backed securities to a maximum of 30% of the portfolio.

The Operating Investment Policy stipulates that corporate bonds must have two (2) of the following three minimum ratings: BBB, Baa2, or BBB, as rated by Standard and Poor's, and/or Moody's, and/or Fitch Investor Service rating services, respectively. However, if such obligations are rated by one rating service, then such rating shall be at least A-, A3, or A- by Standard and Poor's, Moody's or Fitch, respectively. The City's operating investments in corporate bonds were rated A by Standard and Poor's and A2 by Moody's, respectively, and investments in corporate bonds – Non-U.S. were rated AA- by Standard and Poor's and Aa3 by Moody's, respectively.

The Florida PRIME is currently rated AAAM by Standard and Poor's.

Firefighters and Police Officers Pension Investments

The Firefighters and Police Officers Pension Plan uses portfolio diversification in order to control this risk. The Firefighters and Police Officers Pension Investment Policy stipulates that fixed investments must have a minimum credit quality of "A" or equivalent as rated by one or more recognized bond rating services at the time of purchase. Fixed income investments that are downgraded below "BAA" shall be liquidated within a reasonable time as determined by the Investment Manager, but not to the detriment of the Firefighters and Police Officers Pension Plan. If the Investment Manager determines it is prudent to hold an investment that has been downgraded below BAA, they will be required to report to the Board on the status of the bonds and the reason for holding the downgraded bond.

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 3. DEPOSITS AND INVESTMENTS (continued)

Credit Risk (continued)

General Employees' Pension Investments

The General Employees' Pension Investment Policy sets no minimum credit quality rating for the insurance company separate accounts of the Principal Financial Group. The separate accounts are commingled pools, rather than individual securities and, therefore, these accounts are not rated.

Other Post-Employment Benefits (OPEB) Investments

The OPEB Investment Policy sets no minimum credit quality rating for the investment accounts of the Fiduciary Trust International of the South and State Street Global Advisors. The investment accounts comprise of fixed income, equity, commingled pools, and mutual funds. The fixed income portfolio's ratings from Standard and Poor's and Moody's range from A- to AA+, and Aaa to A3, respectively.

Concentration of Credit Risk

Concentration risk exists when investments are concentrated in one issuer. Investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools and other pooled investment are excluded from the concentration of credit risk disclosure requirements.

The City of Pembroke Pines' Operating Investment Policy does not allow for an investment in any one issuer that is in excess of five percent (5%) of the City's total investments. This limitation also applies to the Firefighters and Police Officers Pension Plan. The General Employees' Pension Plan is not subject to concentration of credit risk, custodial credit risk or foreign currency risk, as the investments of Plan operate like mutual funds, and are not evidenced by securities that exist in physical or book entry form.

Custodial Credit Risk - Deposits

Deposits are exposed to custodial credit risk if they are not covered by depository insurance and they are uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent, but not in the City's name.

All deposits of the City are either covered by depository insurance or are collateralized by the pledging financial institution's trust department or agent in the City's name.

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 3. DEPOSITS AND INVESTMENTS (continued)

Credit Risk (continued)

Custodial Credit Risk – Investments

Investment securities are exposed to custodial credit risk if they are uninsured and are not registered in the name of the government and are held by either the counterparty or by the counterparty's trust department or agent but not in the government's name. It is the City's policy that all investments purchased by the City be designated as an asset of the City in the City's name, despite being held in safekeeping by the City's custodial bank or a third-party custodial institution, chartered by the United States Government or the State of Florida. Therefore, consistent with policy, all identifiable investment securities of the City are either insured or are registered in the Custodian's Street name for the benefit of the City and are held by the counterparty's trust department or agent. Investments in mutual funds and external investment pools are not subject to custodial credit risk.

Fair Value Measurement

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Security prices are obtained from a pricing service, Interactive Data Corporation. Therefore, the prices are based on market-corroborated data rather than publicly quoted prices. Level 3 inputs are significant unobservable inputs. Level 3 inputs are developed using a government's own data and cannot be corroborated by observable market data.

The overall valuation process and information sources by major investment classification are as follows:

1. Equity securities: These include common stocks and international equity funds. They are valued at the last reported sales price on the last business day of the fiscal year. 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.
2. Debt securities: Debt securities consist primarily of negotiable obligations of the U.S. government and U.S. government-sponsored agencies and corporate bonds. These securities can typically be valued using the close or last traded price on a specific date (quoted prices in active markets). When quoted prices are not available, fair value is determined based on valuation models that use inputs that include market observable inputs. These inputs included recent trades, yields, price quotes, cash flows, maturity, credit ratings, and other assumptions based upon the specifics of the investment's type.
3. Alternative investments: These investments include real estate equity and venture capital investments where no readily ascertainable market value exists. To value these investments, management, in consultation with the general partner and investment advisors, determines the fair values for the individual investments based upon the partnership's or limited liability company's most recent available financial information adjusted for cash flow activities through September 30, 2023. The estimated fair value of these investments may differ from values that would have been used had a ready market existed.

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 3. DEPOSITS AND INVESTMENTS (continued)

Fair Value Measurement (continued)

4. Commercial real estate: A level 3 input would be a financial forecast (for example, of cash flows or earnings) developed using a government's own data if there is no reasonably available information that indicates that market participants would use different assumptions.

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City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 3. DEPOSITS AND INVESTMENTS (continued)

Fair Value Measurement (continued)

The City has the following recurring fair value measurements as of September 30, 2023:

<u>Investment Type</u>	<u>Balance</u>	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets <u>(Level 1)</u>	Significant Other Observable Inputs <u>(Level 2)</u>	Significant Unobservable Inputs <u>(Level 3)</u>
GOVERNMENTAL & BUSINESS-TYPE INVESTMENTS:				
<u>Managed by External Investment Manager:</u>				
Temporary investments	\$ 1,260,308	\$ 1,260,308	\$ -	\$ -
Treasuries	49,149,870	49,149,870	-	-
Mortgage pass-through	4,668,646	-	4,668,646	-
Collateralized mortgage obligations (Agency & Private)	1,487,387	-	1,487,387	-
Asset-backed securities	25,302,741	-	25,302,741	-
Municipal	209,226	-	209,226	-
Corporate	45,031,480	-	45,031,480	-
<u>Investment in External Investment Pools:</u>				
FMLvT -0-2 Year high quality bond fund	26,644,099	-	26,644,099	-
FMLvT -1-3 Year high quality bond fund	56,346	-	56,346	-
FMLvT -Intermediate high quality bond fund	149,256	-	149,256	-
Real estate	22,000,447	-	-	22,000,447
Total Governmental & Business-type Fixed Income	\$ 175,959,806	\$ 50,410,178	\$ 103,549,181	\$ 22,000,447
FIDUCIARY FUNDS:				
Firefighters and Police Officers Pension Fund:				
Common stock	\$ 308,325,451	\$ 308,325,451	\$ -	\$ -
U.S. treasury securities	26,959,507	2,245,926	24,713,581	-
U.S. agency securities	29,780,938	-	29,780,938	-
Fixed Income Mutual Funds	63,234,323	-	63,234,323	-
Foreign bonds	1,483,054	-	1,483,054	-
Corporate bonds	41,705,966	-	41,705,966	-
Total Firefighters and Police Officers Pension Fund	\$ 471,489,239	\$ 310,571,377	\$ 160,917,862	\$ -
Other Post-Employment Trust Fund:				
<u>Investment in Funds of Garcia Hamilton & Associates</u>				
Corporate bonds	\$ 5,318,066	\$ 5,318,066	\$ -	\$ -
Government bonds	14,199,443	14,199,443	-	-
Mortgage-backed securities	15,733,229	15,733,229	-	-
US Treasury	73,259	73,259	-	-
Fiduciary Trust	8,468	8,468	-	-
Lee Munder Capital Group - Mid Cap Core	9,251,810	9,251,810	-	-
Atlanta Capital Management - Small Cap Core	10,926,518	10,926,518	-	-
State Street Global Advisors	26,752,868	-	26,752,868	-
Intercontinental Real Estate Corporation	6,814,374	-	-	6,814,374
Black Rock US Core Property Fund	6,889,508	-	-	6,889,508
Loomis Sayles & Company - Loomis Large Cap Growth Trust	18,968,923	18,968,923	-	-
Aristotle	16,023,410	16,023,410	-	-
Total Other Post-Employment Benefits Trust Fund	\$ 130,959,876	\$ 90,503,126	\$ 26,752,868	\$ 13,703,882

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 3. DEPOSITS AND INVESTMENTS (continued)

Fair Value Measurement (continued)

<u>Investment Type</u>	<u>Balance</u>
Investments Measured at Net Asset Value (NAV)	
Florida PRIME	\$ 101,380,163
Firefighters and Police Officers Pension Fund:	
Real estate funds	72,862,545
Farmland funds	27,648,207
Timber funds	23,697,332
Commingled equity funds	210,234,805
General Employees' Pension Fund	204,432,024
Total Investment Measured at NAV	<u>\$ 640,255,076</u>
Total Investment Measured at Fair Value	<u>\$ 1,418,663,997</u>

The following table presents the unfunded commitments, redemption frequency (if currently eligible), and the redemption notice period for the City's alternative investments measured at NAV as of September 30, 2023:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>
GOVERNMENTAL & BUSINESS-TYPE INVESTMENTS:				
Investment in External Investment Pools:				
Florida PRIME	\$ 101,380,163	\$ -	Daily	1 day
Total Governmental & Business-type Fixed Income	<u>\$ 101,380,163</u>	<u>\$ -</u>		
FIDUCIARY FUNDS:				
Firefighters and Police Officers Pension Fund:				
Real estate funds	72,862,545	-	Quarterly	10-90 Days
Farmland funds	27,648,207	-	Annual	90 Days
Timber funds	23,697,332	-	N/A	N/A
Commingled equity funds	210,234,805	-	Daily	Same Day
Total Firefighters and Police Officers Pension Fund	<u>\$ 334,442,889</u>	<u>\$ -</u>		
General Employees' Pension Fund:				
General Employees' Pension Fund	\$ 204,432,024	\$ -	Daily	1 day
Total General Employees' Pension Fund	<u>\$ 204,432,024</u>	<u>\$ -</u>		

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 4. RECEIVABLES

Receivables and the related allowance for uncollectible accounts as of September 30, 2023 are as follows:

<u>Receivables</u>	<u>General Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Enterprise Fund</u>	<u>Total</u>
Customer accounts	\$ -	\$ -	\$ 10,782,533	\$ 10,782,533
Franchise fees and taxes	6,860,552	476,668	-	7,337,220
Due from other governments	3,547,316	10,987,443	-	14,534,759
Other receivables	<u>3,083,016</u>	<u>334,367</u>	<u>-</u>	<u>3,417,383</u>
Gross receivables	13,490,884	11,798,478	10,782,533	36,071,895
Less: allowance for uncollectible accounts	<u>-</u>	<u>-</u>	<u>(2,810,514)</u>	<u>(2,810,514)</u>
Net total receivables (fund statements)	\$ 13,490,884	\$ 11,798,478	\$ 7,972,019	\$ 33,261,381
Municipal dedication fees	<u>-</u>	<u>633,572</u>	<u>-</u>	<u>633,575</u>
Net total receivables (government wide)	<u>\$ 13,490,884</u>	<u>\$ 12,432,053</u>	<u>\$ 7,972,019</u>	<u>\$ 33,894,956</u>

NOTE 5. RESTRICTED ASSETS

The City is required to segregate and restrict certain assets in connection with ordinances governing the issuance of Revenue and General Obligation Bonds. Amounts segregated and restricted to these ordinances and related reserves for the payment of principal and interest, as well as customer deposits at September 30, 2023 are as follows:

<u>Restricted assets</u>	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Enterprise Fund</u>	<u>Total</u>
Revenue Bonds sinking fund	\$ -	\$ 11,768,074	\$ -	\$ -	\$ -	\$11,768,074
General Obligation Bonds sinking fund	-	290,830	-	-	-	290,830
Restricted for construction projects	-	-	1,436,541	-	-	1,436,541
Restricted for Utility System Bonds	-	-	-	-	1,972,929	1,972,929
Restricted for Wetland mitigation	-	-	-	706,048	-	706,048
Restricted for American Rescue Plan Act projects	4,009,359	-	-	-	4,421,921	8,431,280
Customer deposits	<u>1,197,164</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,583,889</u>	<u>5,781,053</u>
Total restricted assets	<u>\$ 5,206,523</u>	<u>\$ 12,058,904</u>	<u>\$ 1,436,541</u>	<u>\$ 706,048</u>	<u>\$ 10,978,739</u>	<u>\$30,386,755</u>

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 6. CAPITAL ASSETS

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

	Beginning Balance (as restated)*	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 51,284,768	\$ 3,930,222	\$ -	\$ 55,214,990
Construction-in-progress	13,549,718	5,853,079	(2,338,720)	17,064,077
Total capital assets, not being depreciated	<u>64,834,486</u>	<u>9,783,301</u>	<u>(2,338,720)</u>	<u>72,279,067</u>
Capital assets, being depreciated:				
Buildings	307,617,491	1,326,735	(94,390)	308,849,836
Improvements other than buildings	173,676,349	1,095,831	(407,664)	174,364,516
Machinery and equipment	91,651,654	6,544,961	(12,898,266)	85,298,349
Infrastructure	42,274,483	19,040	(10,336)	42,283,187
Right-of-use-assets – building	-	1,616,676	-	1,616,676
Right-of-use-assets – machinery and equipment	1,102,421	-	(8,990)	1,093,431
Right-of-use-assets – subscription assets *	4,539,185	1,131,976	-	5,671,161
Total capital assets, being depreciated	<u>620,861,583</u>	<u>11,735,219</u>	<u>(13,419,646)</u>	<u>619,177,156</u>
Less accumulated depreciation for:				
Buildings	(107,999,293)	(7,336,651)	44,652	(115,291,292)
Improvements other than buildings	(107,668,796)	(4,890,587)	357,115	(112,202,268)
Machinery and equipment	(64,387,719)	(6,017,910)	10,153,652	(60,251,977)
Infrastructure	(35,518,331)	(531,943)	9,631	(36,040,643)
Right-of-use-assets – building	-	(67,361)	-	(67,361)
Right-of-use-assets – machinery and equipment	(252,281)	(250,882)	8,990	(494,173)
Right-of-use-assets – subscription assets *	-	(2,159,024)	-	(2,159,024)
Total accumulated depreciation	<u>(315,826,420)</u>	<u>(21,254,358)</u>	<u>10,574,040</u>	<u>(326,506,738)</u>
Total capital assets, being depreciated, net	305,035,163	(9,519,139)	(2,845,606)	292,670,418
Governmental activities capital assets, net	<u>\$ 369,869,649</u>	<u>\$ 264,162</u>	<u>\$ (5,184,326)</u>	<u>\$ 364,949,485</u>
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 3,056,488	\$ -	\$ -	\$ 3,056,488
Construction-in-progress	19,423,218	17,683,804	(11,392,210)	25,714,812
Total capital assets, not being depreciated	<u>22,479,706</u>	<u>17,683,804</u>	<u>(11,392,210)</u>	<u>28,771,300</u>
Capital assets, being depreciated:				
Buildings	41,648,644	-	(14,874)	41,633,770
Improvements other than buildings	236,268,434	10,264,076	(671,882)	245,860,628
Machinery and equipment	21,342,694	1,928,702	(523,095)	22,748,301
Right-of-use-assets – machinery and equipment	12,695	-	(1,348)	11,347
Total capital assets, being depreciated	<u>299,272,467</u>	<u>12,192,778</u>	<u>(1,211,199)</u>	<u>310,254,046</u>
Less accumulated depreciation for:				
Buildings	(15,393,603)	(849,222)	8,535	(16,234,290)
Improvements other than buildings	(121,421,418)	(5,355,651)	410,416	(126,366,653)
Machinery and equipment	(12,398,277)	(1,629,586)	412,145	(13,615,718)
Right-of-use-assets – machinery and equipment	(6,345)	(5,896)	1,348	(10,893)
Total accumulated depreciation	<u>(149,219,643)</u>	<u>(7,840,355)</u>	<u>832,444</u>	<u>(156,227,554)</u>
Total capital assets, being depreciated, net	150,052,824	4,352,423	(378,755)	154,026,492
Business-type activities capital assets, net	<u>\$ 172,532,530</u>	<u>\$ 22,036,227</u>	<u>\$ (11,770,965)</u>	<u>\$ 182,797,792</u>

(*) As mentioned in Note 1, the City implemented GASB Statement No.96, *Subscription Based Information Technology Arrangements (SBITA)* in fiscal year 2023. The pronouncement changed the accounting for SBITAs. Statement No. 96 results in the capitalization of an Intangible Right-of-Use SBITA asset and a related liability for the present value of the lease payments to be made during the SBITA term. On October 1, 2022, the SBITA payments to be made were \$4,539,185 for governmental activities. The beginning balance of the Intangible Right-to-Use SBITA assets were restated for those assets as shown in Note 6.

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 6. CAPITAL ASSETS (continued)

Depreciation and amortization expense was charged to functions/programs as follows:

Governmental activities:	
General government services	\$ 3,471,207
Public safety	5,015,194
Physical environment	513,296
Transportation	2,660,577
Economic environment	1,250,922
Human services	3,939,647
Culture/recreation	4,403,515
Total depreciation and amortization expense - governmental activities	\$ 21,254,358
Business-type activities:	
Water-sewer combined service	\$ 7,840,355
Total depreciation and amortization expense - business-type activities	\$ 7,840,355

NOTE 7. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances and transfers as of September 30, 2023 is follows:

Due to/from other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Nonmajor Governmental Funds	\$ 2,751,679	Provide temporary resources

Interfund Transfers:

	Transfers in:			Purpose
	Nonmajor Governmental Funds	Internal Service Fund	Total	
Transfers out:				
General Fund	\$ 1,000,968	\$ 100,000	\$ 1,100,968	Provide temporary resources
Nonmajor Governmental Funds	712,614	-	712,614	Supplement other funds
Total	\$ 1,713,582	\$ 100,000	\$ 1,813,582	

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 8. LEASES

For the year ended September 30, 2023, the financial statements include the adoption of GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below.

Lessee

On October 1, 2021, the City entered a 12-25-month lease as Lessee to use various copiers. An initial lease liability of \$171,088 was recorded, and as of September 30, 2023, the value of the lease liability is \$6,499. The City is required to make monthly fixed payments, on average, of \$7,250. The leases have an average interest rate of 0.2430%. The equipment estimated useful life was 60 months as of the contract commencement. The value of the right-to-use the asset as of September 30, 2023, of \$162,098 and its accumulated amortization of \$155,614 is included as part of the Right-of-Use- Assets – Machinery and Equipment in the capital assets activities table in Note 6.

On October 1, 2021, the City entered a 75-month lease as Lessee to use golf carts. An initial lease liability of \$677,158 was recorded, and as of September 30, 2023, the value of the lease liability is \$463,833. The City is required to make monthly fixed payments of \$9,254 at an annual interest rate of 0.8037%. The golf carts estimated useful life was 60 months as of the contract commencement. The value of the right-to-use asset as of September 30, 2023 of \$677,158 and its accumulated amortization of \$216,691 are included as part of the Right-of-Use- Assets – Machinery and Equipment in the capital assets activities table in Note 6.

On October 1, 2021, the City entered a 48-month lease as Lessee for the use of vehicles. An initial lease liability of \$265,522 was recorded, and as of September 30, 2023, the value of the lease liability is \$133,339. The City is required to make monthly fixed payments of \$5,583 and the lease has an interest rate of 0.4753%. The vehicles estimated useful life was 60 months as of the contract commencement. The value of the right-to-use asset and its accumulated amortization as of September 30, 2023 amounted to \$265,522 and \$132,761, respectively, and are included as part of the Right-of-Use- Assets – Machinery and Equipment in the capital assets activities table in Note 6.

On December 1, 2022, the City entered a 240-month lease as Lessee for the use of a building. An initial lease liability was recorded in the amount of \$1,616,676. As of September 30, 2023, the value of the lease liability is \$1,506,336. The City is required to make annual fixed payments of \$110,340. The lease has an interest rate of 3.549%. The value of the right to use asset as of September 30, 2023 of \$1,616,676 with accumulated amortization of \$67,361 is included as part of the Right-of-Use- Assets – Building in the capital assets activities table in Note 6.

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 8. LEASES (continued)

Lessee (continued)

Principal and interest to maturity are as follows:

Fiscal year ended September 30,	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2024	\$ 237,155	\$ 57,282	\$ 294,437	\$ 455	\$ -	\$ 455
2025	234,315	54,076	288,391	-	-	-
2026	170,453	50,938	221,391	-	-	-
2027	173,501	47,890	221,391	-	-	-
2028	93,121	44,982	138,103	-	-	-
2029-2033	363,480	188,220	551,700	-	-	-
2034-2038	432,723	118,977	551,700	-	-	-
2039-2043	404,804	36,543	441,347	-	-	-
Total	<u>\$ 2,109,552</u>	<u>\$ 598,908</u>	<u>\$ 2,708,460</u>	<u>\$ 455</u>	<u>\$ -</u>	<u>\$ 455</u>

Lessor

Telecommunication Towers

The City entered into twenty (20) ground lease arrangements with various telecommunication service providers to construct, maintain, and operate telecommunication facilities. As of October 1, 2021 – the date of GASB 87 adoption, the terms of leases range from 24-282 months. An initial receivable of \$13,404,031 related to these leases was recorded. During the fiscal year ended September 30, 2023, there were lease modifications for two of the leases resulting in an increase of the lease receivable of \$2,001,908. As of September 30, 2023, the value of the lease receivable totaled \$13,507,167.

The lessees are required to make an aggregated annual fixed payment of \$984,127 with interest rates ranging from 0.2477% to 1.8090% per annum. The aggregated value of the deferred inflow of resources for these leases as of September 30, 2023, amounted to \$13,027,733, and the City recognized lease revenue of \$1,146,071 during the fiscal year. Most lessees have two (2) extension options, each for 60 months.

Senator Howard C. Forman Human Services Campus

On March 15, 2001, the City subleased the 157-acre site of the former South Florida State Hospital from the Department of Children and Families for 50 years beginning July 1, 2001. As of September 30, 2022, the City had sub-subleased portions of the site, now known as the “Senator Howard C. Forman Human Services Campus,” to Citrus Health Network, Department of Children and Families, Department of Juvenile Justice, WestCare, Homes for Veterans, and several other lessees at various rentals and terms. The initial lease receivable for arrangements within the scope of GASB 87 aggregated to \$23,340,516. As of September 30, 2023, the value of the lease receivable totaled \$21,835,765. The lessees are required to make monthly fixed-in-substance principal and interest payments totaling \$91,042. Two lease agreements require the lessee to make monthly variable principal and interest payments of \$3,131 based on a CPI index of 9.6%. The lease interest rates range from 0.2133% to 1.8710%. The value of deferred inflow of resources as of September 30, 2023, totaled \$20,990,379, and the City recognized lease revenue of \$1,175,068 during the fiscal year from these leases.

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 8. LEASES (continued)

Lessor (continued)

Building Facilities

The City also leases a portion of its building facilities to various lessees, such as offices, gift shops, hair salons, dining/restaurant, podiatry clinic, etc., with varying lease terms ranging from 32 – 180 months. The initial lease receivable recorded on these leases aggregated to \$3,047,470.

As of September 30, 2023, the value of the lease receivable is \$2,223,195. The lessees are required to make monthly payments totaling approximately \$40,000, with interest rates ranging from 0.3277% to 0.9503%. The value of the deferred inflow of resources as of September 30, 2023, totaled \$2,183,224, and the City recognized lease revenue of approximately \$480,000 during the fiscal year from these leases.

Principal and Interest Expected to Maturity			
Fiscal Year	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
2024	\$ 2,013,727	\$ 594,852	\$ 2,608,579
2025	1,790,232	562,623	2,352,855
2026	1,791,070	559,141	2,350,211
2027	1,687,819	535,652	2,223,471
2028	1,667,573	512,050	2,179,623
2029 – 2033	8,523,549	2,175,206	10,698,755
2034 – 2038	6,110,563	1,565,554	7,676,117
2039 – 2043	5,961,159	1,051,020	7,012,179
2044 – 2048	5,227,215	512,423	5,739,638
2049 – 2051	2,793,220	70,242	2,863,462
Total	\$ 37,566,127	\$ 8,138,763	\$ 45,704,890

Lease payments not included in receivable

The City acts as a lessor on various arrangements that are not qualified under GASB Statement No. 87 because these are either short-term in nature or outside the scope of the standards. These non-qualified lease agreements have not been recognized or measured as part of the City's lease receivable, and the receipts of these agreements are recognized as revenue as appropriate under standard GAAP revenue recognition rules.

Significant arrangements are as follows:

On June 11, 1986, the City leased 30 acres of the Walter C. Young Resource Center site to the School Board of Broward County to construct and operate a Community Education Facility. The terms call for a rental of \$1 per year for 50 years. At the termination of the lease, all improvements made on the site by the School Board of Broward County will become the property of the City.

On December 3, 1996, the City jointly leased two acres of the Walter C. Young Resource Center site adjacent to the Walter C. Young Middle School to the School Board of Broward County and to Broward County for their construction of a Library facility on the site. The terms call for a rental of \$1 per year for 30 years plus a 20-year option to renew. At the termination of the lease, all improvements made on the site by the School Board of Broward County and by Broward County will become the property of the City.

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 8. LEASES (continued)

Lessor (continued)

On April 20, 1998, the City entered into a Ground Lease Agreement with Children’s Harbor, Inc., a Florida Non-Profit Organization, whereby the Organization will design, develop, construct, and operate a Children’s Development Center with residential and educational facilities on 7.4 acres in western Pembroke Pines to provide family-type homes for abused and neglected children. Upon mutual consent, the lease is for 30 years at \$1 per year with two ten-year renewal periods.

On June 23, 1999, the City leased a site at the Pembroke Pines Academic Village to Broward College to construct the 26,000-square-foot Southwest Broward County Center of Broward College. The terms call for a \$1 per year rental for 40 years plus two additional 25-year options to renew. At the termination of the lease, all improvements made on the site by Broward College will become the property of the City.

The City receives rental revenue from various short-term rental arrangements with religious and civic groups and other organizations utilizing the Charter Schools’ classrooms on weekends, and other City sites, including the Walter C. Young Resource Center. Apartments at the two Senior Housing sites are rented on leases not exceeding one year. During the year ended September 30, 2023, the City received rental income of \$2,109,281 from the two Senior Housing Facilities located in the Southwest Focal Point Senior Center known as “Pines Point”, and \$7,526,162 from the three Senior Housing Facilities located in the Senator Howard C. Forman Human Services Campus known as “Pines Place”.

The City also maintains a storage lot for recreational vehicles, boats, and trailers and received storage rentals amounting to \$387,935 for the year ended September 30, 2023.

The estimated land and building value on these various leases amounted to approximately \$1,070,000 and \$95,773,000, respectively. The depreciation expense for these leased assets for the year ended September 30, 2023, was \$1,912,900, and the accumulated depreciation as of September 30, 2023, is approximately \$37,128,000.

NOTE 9. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITA)

The City entered into various subscription-based information technology arrangements (SBITAs) for downloadable or remotely available software licenses and cloud-based data storage. Most SBITAs have initial terms ranging from two to five years, and contain one or more renewals 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 implicit in the City’s SBITAs is not readily determinable, the City utilizes its incremental borrowing rate to discount the SBITA payments. The incremental borrowing rate ranges from 1.7103% to 3.804%. The assets acquired and capitalized under the right to use SBITAs are as follows:

Right to Use SBITA Asset Cost	\$ 5,671,161
Less: Accumulated Depreciation	<u>(2,159,024)</u>
Net Book Value	<u>\$ 3,512,137</u>

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 9. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITA) (continued)

The annual requirement to amortize SBITA agreements outstanding as of September 30, 2023, are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirement</u>
2024	\$ 1,995,934	\$ 93,469	\$ 2,089,403
2025	831,271	38,596	869,867
2026	92,747	12,266	105,013
2027	116,327	9,227	125,554
2028	158,630	5,325	163,955
	<u>\$ 3,194,909</u>	<u>\$ 158,883</u>	<u>\$ 3,353,792</u>

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City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 10. LONG-TERM DEBT

Revenue Bonds - The source of repayment of these bonds is the income derived from the acquired or constructed assets and/or specific revenue sources. The outstanding revenue bonds as of September 30, 2023 include the following (All capitalized terms are as defined in each bond issue's official documents):

Variable Rate Capital Improvement Revenue Refunding Bonds (Susan B. Anthony Center), Series 2008 (Reissued in September 2016) - On July 25, 2008, the City issued \$8,040,000 bonds under an Indenture of Trust between the Issuer and U.S. National Bank Association, as trustee for the purpose of current refunding the Variable Rate Capital Improvement Revenue Bonds, Series 2005 (Susan B. Anthony Center) in order to realize a net interest cost savings. The Series 2008 Bonds initially will bear interest at the Weekly Rate, determined by the Remarketing Agent each Wednesday and payable on the first Wednesday of each month. Interest on the Series 2008 Bonds will be paid at the lesser of 12% per annum. The Issuer may change the interest rate determination method from time to time. A change in the method, other than a change between the Daily Rate and the Weekly Rate, will result in the Series 2008 Bonds becoming subject to mandatory tender for purchase on the effective date of such change.

These 2008 Bonds have an outstanding balance of \$6,275,000. They will mature on October 1, 2038, subject to optional redemption, purchase and tender. During any Daily Period or Weekly Period, the Series 2008 Bonds are subject to redemption by the Issuer, at the option of the Issuer, in whole at any time or in part on any Interest Payment Date, less than all of such Series 2008 Bonds to be selected by lot or in such other manner as the Trustee shall determine, at a redemption price of 100% of the outstanding principal amount thereof plus accrued interest. The Series 2008 Bonds shall be subject to mandatory tender by the Registered Owners for purchase. The principal of, premium, if any, and interest on the Series 2008 Bonds are payable from and secured by a pledge of and an irrevocable lien upon the City's Electric Franchise Revenues on a parity with the Capital Improvement Revenue Refunding Bonds, Series 2016, the Capital Improvement Revenue Refunding Bonds (Phase II of Forman Senior Housing Project), Series 2017, and any Additional Parity Franchise Revenue Bonds.

On September 7, 2011, the City reissued the Variable Rate Capital Improvement Revenue Refunding Bonds (Susan B. Anthony Center), Series 2008, in the principal amount of \$8,040,000 based on a 2.0079% five-year term Direct Purchase fixed rate with TD Bank as the Letter of Credit for these bonds expired on July 15, 2011 and was extended to September 15, 2011.

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 10. LONG-TERM DEBT (continued)

Revenue Bonds (continued)

On September 30, 2016, the City remarketed the Series 2008 Bonds in the principal amount of \$7,636,000 to TD Bank based on a 1.66% seven-year term Direct Purchase fixed rate, which resulted in a net present value savings of \$244,634. Effective September 28, 2023 the new bank period rate is at 3.87% for a five (5) year period through September 30, 2028. The debt service shown in the schedule hereunder and the following "Schedule of Debt Service on Outstanding Bonds as of September 30, 2023" is based on the adjusted interest rate to 3.87% at the financial statement date of September 30, 2023 (per GASB Statement No. 38, paragraph 10).

	Principal	Interest	Total
Fiscal year ending September 30:			
2024	\$ 265,000	\$ 168,377	\$ 433,377
2025	278,000	227,208	505,208
2026	292,000	216,178	508,178
2027	306,000	204,607	510,607
2028	322,000	192,455	514,455
2029-2033	1,870,000	757,360	2,627,360
2034-2038	2,391,000	346,964	2,737,964
2039	551,000	10,662	561,662
Total	\$ 6,275,000	\$ 2,123,811	\$ 8,398,811

Capital Improvement Revenue Refunding Bonds, Series 2010 - On June 22, 2010, the City issued the Capital Improvement Revenue Refunding Bonds, Series 2010 in the amount of \$8,545,700 for the purpose of refunding the outstanding \$8,690,000 Capital Improvement Revenue Bonds, Series 1999 in order to realize a net interest cost savings. These Series 2010 Bonds have an outstanding balance of \$2,934,100 due in varying installments through December 1, 2026. The outstanding bonds bear interest at the rate of 4.1575%, with interest payable semi-annually on June 1st and December 1st. The principal and interest on these bonds are payable from a pledge of and lien upon the City's electric franchise revenues on a parity with the Capital Improvement Revenue Refunding Bonds, Series 2017, the Variable Rate Capital Improvement Revenue Refunding Bonds (Susan B. Anthony Center), Series 2008, the Capital Improvement Revenue Refunding Bonds, Series 2016, and any Additional Parity Franchise Revenue Bonds. The Bonds are subject to redemption at the option and direction of the Issuer in whole or in part on any date on and after the 10th anniversary of the Delivery Date at a redemption price equal to the principal amount thereof to be redeemed plus interest accrued to the date of redemption.

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 10. LONG-TERM DEBT (continued)

Revenue Bonds (continued)

On August 8, 2019, the City signed a sub-sublease agreement with Westcare as replacement for Susan B. Anthony Center in providing for transitional housing and substance recovery treatment facilities that the City constructed using the proceeds from this debt issuance. Westcare pays rent to the City as reimbursement for its ongoing fiscal and debt service expenditure incurred in financing the project.

	Principal	Interest	Total
Fiscal year ending September 30:			
2024	\$ 598,400	\$ 109,546	\$ 707,946
2025	746,300	81,593	827,893
2026	777,200	49,924	827,124
2027	812,200	16,884	829,084
Total	\$ 2,934,100	\$ 257,947	\$ 3,192,047

Capital Improvement Revenue Refunding Bonds, Series 2019 - On November 7, 2019, the City issued \$58,985,000 Capital Improvement Revenue Bonds, Series 2019A and \$3,635,000 Taxable Capital Improvement Revenue Bonds, Series 2019B for the purpose of (i) refunding the outstanding Charter School Revenue Bonds, Series 2008, (ii) finance and/or reimburse the cost of certain capital improvement to the City's Enterprise Resource Planning System, (iii) finance all or a portion of the payments required to terminate the interest rate swap agreements related to the refunded bonds, and (iv) pay costs associated with the issuance of the 2019 Bonds. The Series 2019A bears an annual interest rate ranging from 3.0% to 5.0% while Series 2019B bears an annual interest rate ranging from 2.4% to 2.5%. Both are payable semi-annually on January 1 and July 1 in each year, beginning January 1, 2020. The 2019 Bonds are payable solely from and secured by a lien on the pledged funds which consist of all non-ad valorem revenues. The City covenanted, for each fiscal year in which the 2019 Bonds remain outstanding, to budget and appropriate sufficient non-ad valorem revenues for the payment of principal, interest, and any redemption price of the 2019 Bonds. The City also covenanted that it will not incur any additional debt unless it demonstrates that the non-ad valorem revenues shall cover the maximum annual debt service on the Series 2019 Bonds and such debt by at least 1.50x calculated using the average of the actual non-ad valorem for the prior two fiscal years based on audited financial statements for such fiscal year. The refunding resulted in net present value savings of \$56,059.

The Series 2019A Bonds that mature before July 1, 2030 are not subject to redemption prior to their maturities. The Series 2019A Bonds that mature on or after July 1, 2030, are subject to redemption beginning July 1, 2029, in whole or in part at any time, in any order of maturities at the option of the City, and by lot within a maturity if less than a full maturity is redeemed, at a redemption price equal to the principal amount thereof, plus accrued interest to the redemption date. The Series 2019B Bonds of each maturity are subject to redemption at the option of the City in whole or in part pro-rata at any time at the redemption price that is the greater of (A) 100% of the principal amount of the Series 2019B Bonds to be redeemed and (B) the sum of the present value of the remaining scheduled payments of principal and interest to the maturity date of the Series 2019B Bonds to be redeemed, not including any portion of those payments of interest accrued unpaid as of the date on which the Series 2019B discounted at the Treasury Rate as defined in the bond document plus 20 basis points, plus any accrued and unpaid interest at the redemption date.

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 10. LONG-TERM DEBT (continued)

Revenue Bonds (continued)

The refunded bonds (2008 Series) were originally issued on March 25, 2008 (reissued for federal income tax purposes on May 29, 2014) for the purposes of (i) financing the acquisition, construction and equipping of certain additions to existing educational facilities located within the City, and (ii) advance refunding the City's Charter School Revenue Bonds, Series 2001A and Charter School Revenue Bonds, Series 2001B (collectively, the "Series 2001 Bonds"). The Series 2001 Bonds were issued for the purpose of financing the acquisition, construction and equipping of educational facilities owned and operated by the City.

In an effort to hedge its exposure to variable interest rates on the refunded bonds, the City entered into four Qualified Fixed Payor Swap with two counterparties. Under the Swap agreements, the City paid a fixed rate of interest to each of the Swap counterparties on their respective notional amounts equal to 3.794%, and the City received in return from each Swap counterparty a floating rate equal to the Securities Industry and Financial Markets Association (SIFMA) Municipal Swap Index, on the same notional amount determined on the day of the week specified in the applicable Swap transaction.

At the best interest of the City, it fully refunded the 2008 Charter School Revenue Bonds and terminated the associated swap agreements for approximately \$10.3 million using the proceeds of the 2019 series bonds. The refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$10.3 million. This difference is reported in the accompanying financial statements as a deferred outflow of resources and is being charged to operations through the year 2038 using the straight-line method which approximates the amount using the effective interest method of amortization.

	Series 2019A		Series 2019B		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
Fiscal year ending September 30:						
2024	\$ 1,630,000	\$ 2,528,900	\$ -	\$ 90,505	\$ 1,630,000	\$ 2,619,405
2025	1,720,000	2,447,400	-	90,505	1,720,000	2,537,905
2026	1,440,000	2,361,400	370,000	90,505	1,810,000	2,451,905
2027	-	2,289,400	3,265,000	81,625	3,265,000	2,371,025
2028	3,395,000	2,289,400	-	-	3,395,000	2,289,400
2029-2033	20,980,000	8,693,250	-	-	20,980,000	8,693,250
2034-2038	28,340,000	3,128,700	-	-	28,340,000	3,128,700
Total	\$ 57,505,000	\$ 23,738,450	\$ 3,635,000	\$ 353,140	\$ 61,140,000	\$ 24,091,590

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 10. LONG-TERM DEBT (continued)

Revenue Bonds (continued)

Consolidated Utility System Revenue Bonds, Series 2010 - On December 21, 2010, the City issued the Consolidated Utility System Revenue Bonds, Series 2010 in the amount of \$12,300,000 for the purpose of financing certain improvements and expansions to the City's consolidated utility system. These Bonds have an outstanding balance of \$3,000,365 due in varying installments through December 1, 2025. The outstanding bonds bear interest at the rate of 3.50%, with interest payable semi-annually on June 1st and December 1st. The Bonds are not subject to optional redemption prior to December 1, 2015. After December 1, 2015, they may be subject to optional redemption, at the direction of the Issuer, in whole or in part, on any day for which proper notice of redemption may be given in accordance with the Resolution at a redemption price equal to the principal amount to be redeemed plus interest accrued to the date of redemption, plus a premium as set forth below:

<u>Redemption Date</u>	<u>Premium</u>
December 2, 2015 through December 1, 2020	1%
December 2, 2020 and thereafter	0%

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Fiscal year ending September 30:			
2024	\$ 965,920	\$ 88,109	\$ 1,054,029
2025	999,727	53,711	1,053,438
2026	1,034,718	18,109	1,052,827
Total	\$ 3,000,365	\$ 159,929	\$ 3,160,294

The principal and interest on these bonds are payable solely from and secured by a pledge of the Net Revenues of the System levied and collected by the Issuer, and the moneys in certain funds and accounts created pursuant to the Resolution.

Per Section 20.(E) of Resolution 3287 (Master Resolution), Net Revenues in each Fiscal Year are to be sufficient to pay 120% of the Bond Service Requirement on all Outstanding Bonds. In addition to this requirement, Net Revenues should be sufficient to provide any amounts required to be deposited into the Reserve Fund or with any Credit Facility Issuer as a result of a withdrawal from the Reserve Fund, the Renewal, Replacement and Improvement Fund, debt service on other obligations payable from the Revenues of the System, and other payments, and all allocations and applications of revenues.

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 10. LONG-TERM DEBT (continued)

Revenue Bonds (continued)

Consolidated Utility System Revenue Bonds, Series 2010 (continued)

The Master Resolution defines the following terms as follows:

- **Net Revenues** of the System are the Gross Revenues after deduction of the Cost of Operation and Maintenance.
- **Gross Revenues** are all income and earnings, including all investment income but excluding Contributions in Aid of Construction.
- **Cost of Operations and Maintenance** means current expenses for the operation, maintenance and repair of the system, excluding capital expenditures, any reserve for renewals and replacements, any allowance for depreciation and any Bond Service Requirement.
- **Renewal, Replacement and Improvement Fund** is a reserve that is at least equal to five percent (5%) of the Gross Revenues received during the immediately preceding fiscal year.

The Utility Fund Net Revenue rate covenant for the fiscal year ended September 30, 2023 of 193.90% was computed as follows:

Operating revenues	\$	70,123,686
Plus: Investment income		2,596,700
Plus: Capital contributions		1,925,711
Less: Contributions in Aid of Construction		(678,567)
Gross Revenues		73,967,530
Less operating, administrative, and maintenance expenses		(65,180,394)
Net Revenues of the System		\$ 8,787,136
Principal payment and interest expense		1,043,713
Reserve for renewals and replacements (RR&I)		3,487,962
Total bond service requirement & RR&I		\$ 4,531,675
Bond service requirement & RR&I coverage (requirement is 120%)		193.90%

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 10. LONG-TERM DEBT (continued)

Revenue Bonds (continued)

Taxable Communications Services Tax Revenue Refunding Bonds, Series 2013 – On October 15, 2013, the City issued \$35,300,000 bonds for the purpose of refunding \$34,660,000 outstanding Taxable Communications Services Tax Revenue Bonds, Series 2003A. This refunding was undertaken to reduce total debt service payments over the next 19 years by \$268,481 and resulted in an economic gain of \$1,867,401. The Series 2013 Bonds have an outstanding balance of \$23,085,000 due in varying installments through October 1, 2033. The outstanding bonds bear an interest rate of 5.762%, payable semi-annually on April 1st and October 1st of each year. The principal and interest on these bonds are payable from and secured by a pledge of and an irrevocable lien on the Communications Services Tax Revenues and Water Public Service Tax Revenues on a parity with the Series 2014 Bonds and any Additional Parity Bonds hereafter issued. The lien on and pledge of the Water Public Service Tax Revenues to the payment of the bonds shall be released upon the City demonstrating that, based on the City's annual audited financial statements for the two fiscal years immediately preceding such release, the Communications Services Tax Revenues recognized for each of such fiscal year, without taking into consideration any Water Public Service Tax Revenues, were not less than 1.30 times the Maximum Bond Service Requirement on all parity bonds then outstanding. This lien has not yet been released. The bonds may be subject to redemption prior to maturity, at the option of the City, on any business day, in whole or in part at a redemption price equal to the Make-Whole Redemption Price.

	Principal	Interest	Total
Fiscal year ending September 30:			
2024	\$ 1,610,000	\$ 1,213,222	\$ 2,823,222
2025	1,690,000	1,134,932	2,824,932
2026	1,770,000	1,050,253	2,820,253
2027	1,860,000	958,689	2,818,689
2028	1,955,000	860,086	2,815,086
2029-2033	11,490,000	2,504,213	13,994,213
2034	2,710,000	78,075	2,788,075
Total	\$ 23,085,000	\$ 7,799,470	\$ 30,884,470

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 10. LONG-TERM DEBT (continued)

Revenue Bonds (continued)

Taxable Communications Services Tax Revenue Refunding Bonds, Series 2014 – On September 10, 2014, the City issued \$41,540,000 bonds for the purpose of refunding \$41,075,000 outstanding Taxable Communications Services Tax Revenue Bonds, Series 2004. This refunding was undertaken to reduce total debt service payments over the next 20 years by \$741,366 and resulted in an economic gain of \$3,585,134. The Series 2014 Bonds have an outstanding balance of \$27,210,000 due in varying installments through October 1, 2033. The outstanding bonds bear an interest rate from 0.55% to 4.706%, payable semi-annually on April 1st and October 1st of each year. The principal and interest on these bonds are payable from and secured by a pledge of and an irrevocable lien on the Communications Services Tax Revenues and Water Public Service Tax Revenues on a parity with the Series 2013 Bonds and any Additional Parity Bonds hereafter issued. The lien on and pledge of the Water Public Service Tax Revenues to the payment of the bonds shall be released upon the City demonstrating that, based on the City's annual audited financial statements for the two fiscal years immediately preceding such release, the Communications Services Tax Revenues recognized for each of such fiscal year, without taking into consideration any Water Public Service Tax Revenues, were not less than 1.30 times the Maximum Bond Service Requirement on all parity bonds then outstanding. This lien has not yet been released. The bonds maturing on or after October 1, 2025 are subject to redemption at the option of the City, on or after October 1, 2024, in such order of maturity as the City selects, plus accrued interest to the redemption date.

	Principal	Interest	Total
Fiscal year ending September 30:			
2024	\$ 2,025,000	\$ 1,124,364	\$ 3,149,364
2025	2,090,000	1,049,714	3,139,714
2026	2,170,000	969,234	3,139,234
2027	2,250,000	882,980	3,132,980
2028	2,340,000	791,112	3,131,112
2029-2033	13,300,000	2,310,134	15,610,134
2034	3,035,000	71,414	3,106,414
Total	\$ 27,210,000	\$ 7,198,952	\$ 34,408,952

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 10. LONG-TERM DEBT (continued)

Revenue Bonds (continued)

Public Improvement Revenue Refunding Bonds, Series 2014 – On September 10, 2014, the City issued \$29,040,000 bonds for the purpose of refunding (1) \$17,620,000 outstanding Public Improvement Revenue Bonds, Series 2004A, and (2) \$14,020,000 outstanding Public Improvement Revenue Bonds, Series 2004B. This refunding was undertaken to reduce total debt service payments by \$402,963 and resulted in an economic gain of \$4,719,785. The Series 2014 Bonds have an outstanding balance of \$20,315,000 due in varying installments through October 1, 2034. The outstanding bonds bear an interest rate from 2.0% to 5.0%, payable semi-annually on April 1st and October 1st of each year. The principal and interest on these bonds are payable from a pledge of and lien upon the City’s electric public service tax revenues on a parity with the Public Improvement Revenue Bonds, Series 2016. The bonds maturing on or after October 1, 2025 are subject to redemption at the option of the City, on or after October 1, 2024, in such order of maturity as the City selects, plus accrued interest to the redemption date.

	Principal	Interest	Total
Fiscal year ending September 30:			
2024	\$ 1,320,000	\$ 855,306	\$ 2,175,306
2025	1,385,000	787,681	2,172,681
2026	1,455,000	716,681	2,171,681
2027	1,530,000	642,056	2,172,056
2028	1,605,000	579,731	2,184,731
2029-2033	8,885,000	1,946,828	10,831,828
2034-2035	4,135,000	185,700	4,320,700
Total	\$ 20,315,000	\$ 5,713,983	\$ 26,028,983

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 10. LONG-TERM DEBT (continued)

General Obligation Bonds - The source of repayment of the General Obligation bonds is the unlimited ad valorem taxes on all taxable real and tangible personal property within the City (except exemptions provided by applicable law). There are no direct limitations imposed by the Florida Constitution or the Florida Statutes on the amount of debt that the City can issue. The outstanding General Obligation Bonds as of September 30, 2023 are as follows:

General Obligation Bonds, Series 2015 – On June 4, 2015, the City issued \$76,045,000 bonds for the purpose of (1) refunding \$36,690,000 outstanding General Obligations Bonds, Series 2005, (2) partial refunding \$34,410,000 outstanding General Obligations Bonds, Series 2007, and (3) the issuance of an additional \$10 million General Obligations Bonds, which were used towards the construction of the new Civic Hall/City Center project. This refunding resulted in an economic gain of \$3,956,536; however, the total debt service payments did not reduce due to the additional \$10 million issuance. The Series 2015 Bonds have an outstanding balance of \$56,245,000 due in varying installments through September 1, 2036. The outstanding bonds bear an interest rate from 3.75% to 4.75%, payable semi-annually on March 1st and September 1st of each year. The Series 2015 Bonds are general obligations of the City and are payable from unlimited ad valorem taxes on all taxable real and tangible personal property within the City (except exemptions provided by applicable law). There is no limitation as to the rate or amount of ad valorem taxes that can be levied for the purpose of paying the Series 2015 Bonds. The bonds maturing on or after September 1, 2025 are subject to redemption at the option of the City, on or after September 1, 2025, in such order of maturity as the City selects, plus accrued interest to the redemption date.

	Principal	Interest	Total
Fiscal year ending September 30:			
2024	\$ 3,240,000	\$ 2,656,438	\$ 5,896,438
2025	3,400,000	2,494,438	5,894,438
2026	3,570,000	2,324,438	5,894,438
2027	3,710,000	2,185,238	5,895,238
2028	3,895,000	1,999,738	5,894,738
2029-2033	22,290,000	7,185,190	29,475,190
2034-2036	16,140,000	1,541,064	17,681,064
Total	\$ 56,245,000	\$ 20,386,544	\$ 76,631,544

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 10. LONG-TERM DEBT (continued)

Public Improvement Revenue Refunding Bonds, Series 2016 – On October 11, 2016, the City issued \$17,386,400 bonds for the purpose of advance refunding of all of the Public Improvement Revenue Bonds, Series 2006, maturing on and after October 1, 2016 totaling \$17,310,000. This refunding was undertaken to reduce total debt service payments by \$308,090 and resulted in an economic gain of \$1,770,793. The Series 2016 Bonds matured on October 1, 2022. The final principal balance of \$2,999,900 and interest of \$20,099 was paid on October 1, 2022.

Capital Improvement Revenue Refunding Bonds, Series 2017 - On May 24, 2017, the City issued \$45,960,000 bonds for the purpose of refunding \$30,505,000 outstanding Capital Improvement Revenue Refunding Bonds, Series 2006, and \$22,050,000 outstanding Capital Improvement Revenue Refunding Bonds, Series 2007. This refunding was undertaken to reduce total debt service payments by \$526,287 and resulted in an economic gain of \$6,459,368. The Series 2017 Bonds have an outstanding balance of \$28,800,000 due in varying installments through December 1, 2036. They bear interest at rates which range from 2.00 % to 5.00%, with interest payable semi-annually on June 1st and December 1st. The principal and interest on these bonds are payable from a pledge of and lien upon the City’s electric franchise revenues on a parity with the Variable Rate Capital Improvement Revenue Refunding Bonds (Susan B. Anthony Center), Series 2008, the Capital Improvement Revenue Refunding Bonds, Series 2010, and any Additional Parity Bonds and Additional Parity Franchise Revenue Bonds. The bonds maturing on or after June 1, 2027 are subject to redemption at the option of the City, on or after June 1, 2027, in such order of maturity as the City selects, plus accrued interest to the redemption date.

	Principal	Interest	Total
Fiscal year ending September 30:			
2024	\$ 3,310,000	\$ 1,222,838	\$ 4,532,838
2025	3,365,000	1,055,963	4,420,963
2026	3,535,000	883,463	4,418,463
2027	3,710,000	702,338	4,412,338
2028	1,760,000	565,588	2,325,588
2029-2033	8,815,000	1,726,345	10,541,345
2034-2037	4,305,000	444,125	4,749,125
Total	\$ 28,800,000	\$ 6,600,660	\$ 35,400,660

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 10. LONG-TERM DEBT (continued)

Outstanding Advanced Refunded Bonds

In prior years, the City defeased certain revenue bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. At September 30, 2023, there are no bonds outstanding that are considered defeased.

Changes in Noncurrent Liabilities

Compensated absences and the net pension/OPEB liabilities of the governmental activities are generally liquidated by the General Fund, except for the compensated absences of the Charter Schools which are liquidated by the respective Special Revenue Funds. A summary of the long-term obligations for the year ended September 30, 2023, are as follows:

Governmental activities:	
General obligation bonds	\$ 56,245,000
Revenue bonds – direct placements	169,759,100
Total Governmental activities	<u>\$ 226,004,100</u>
Business-type activities:	
Revenue bonds – direct placements	\$ 3,000,365
Total Business-type activities	<u>\$ 3,000,365</u>
Total	<u><u>\$ 229,004,465</u></u>

The City's outstanding obligations from direct placements related to governmental activities and business-type activities as of September 30, 2023 aggregated to \$169,759,100 and \$3,000,365, respectively. The bond indentures contain events of default provisions such as payment defaults, cross defaults with certain other agreements, breaches of covenants or representation and warranties, the occurrence of a material adverse effect and certain bankruptcy events providing the lender the authority to pursue action in any court to enforce collection, however it is not construed as granting the lender any lien on any real property of the City. The City has no assets pledged as collateral for any of the bonds other than the reserve accounts as required by the bond documents which are restricted solely for debt service payments. Of the \$229,004,465 long-term debt obligations, only the Variable Rate Capital Improvement Revenue Refund Bonds, Series 2008 (Susan B. Anthony Center) (reissued in September 2016) (the "VRCIRRB Series 2016 ") are subject to acceleration upon events of default allowing lenders to accelerate payment of the entire principal amount outstanding if the lender determines that a material adverse change occurs. The VRCIRRB Series 2016 has an outstanding balance of \$6,275,000 at September 30, 2023. The City has no unused line of credit as of September 30, 2023.

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 10. LONG-TERM DEBT (continued)

Changes in Noncurrent Liabilities (continued)

Noncurrent liability activity for the year ended September 30, 2023 was as follows:

Governmental activities:	Beginning Balance <u>(as restated)*</u>	<u>Additions</u>	<u>Reductions</u>	Ending Balance	Due within <u>One Year</u>
Bonds payable:					
Charter School Revenue Bonds, Series 2019 A and B	\$ 62,620,000	\$ -	\$ (1,480,000)	\$ 61,140,000	\$ 1,630,000
Capital Improvement Refunding Revenue Bonds, Series 2010	3,509,100	-	(575,000)	2,934,100	598,400
Taxable Communications Services Tax Revenue Refunding Bonds, Series 2013	24,630,000	-	(1,545,000)	23,085,000	1,610,000
Taxable Communications Services Tax Revenue Refunding Bonds, Series 2014	29,165,000	-	(1,955,000)	27,210,000	2,025,000
Public Improvement Refunding Revenue Bonds, Series 2014	21,590,000	-	(1,275,000)	20,315,000	1,320,000
Variable Rate Capital Improvement Revenue Refunding Bonds, Series 2016	6,528,000	-	(253,000)	6,275,000	265,000
Public Improvement Refunding Revenue Bonds, Series 2016	2,999,900	-	(2,999,900)	-	-
Capital Improvement Refunding Revenue Bonds, Series 2017	<u>31,945,000</u>	<u>-</u>	<u>(3,145,000)</u>	<u>28,800,000</u>	<u>3,310,000</u>
Total revenue bonds	<u>182,987,000</u>	<u>-</u>	<u>(13,227,900)</u>	<u>169,759,100</u>	<u>10,758,400</u>
General obligation bonds:					
General Obligation Bonds, Series 2015	<u>59,330,000</u>	<u>-</u>	<u>(3,085,000)</u>	<u>56,245,000</u>	<u>3,240,000</u>
Total revenue and general obligation bonds	242,317,000	-	(16,312,900)	226,004,100	13,998,400
Less deferred amounts:					
For issuance discounts/premiums	<u>17,302,029</u>	<u>-</u>	<u>(2,007,836)</u>	<u>15,294,193</u>	<u>-</u>
Total bonds payable	259,619,029	-	(18,320,736)	241,298,293	13,998,400
Estimated self-insurance claims	9,613,222	21,679,066	(20,330,501)	10,961,787	2,311,946
Lease liability	852,456	1,616,676	(359,580)	2,109,552	237,155
SBITA liability *	4,539,185	1,131,975	(2,476,251)	3,194,909	1,995,934
Net pension liability	152,759,475	248,590,514	(45,888,688)	355,461,301	-
Net OPEB liability	41,136,353	36,369,988	(33,714,088)	43,792,253	-
Compensated absences	<u>16,350,366</u>	<u>10,313,784</u>	<u>(8,216,365)</u>	<u>18,447,785</u>	<u>14,642,498</u>
Governmental activity noncurrent liabilities	<u>\$ 484,870,086</u>	<u>\$ 319,702,003</u>	<u>\$ (129,306,209)</u>	<u>\$ 675,265,880</u>	<u>\$ 33,185,933</u>
Business-type activities:	Beginning Balance	<u>Additions</u>	<u>Reductions</u>	Ending Balance	Due within <u>One Year</u>
Net OPEB liability	\$ 5,126,296	\$ 2,618,815	\$ (2,430,140)	\$ 5,314,971	\$ -
Net pension liability	-	728,870	-	728,870	-
Lease liability	6,356	-	(5,901)	455	455
Compensated absences	95,858	263,736	(17,160)	342,434	295,648
Consolidated Utility System					
Revenue Bonds, Series 2010	<u>3,933,622</u>	<u>-</u>	<u>(933,257)</u>	<u>3,000,365</u>	<u>965,920</u>
Business-type activity noncurrent liabilities	<u>\$ 9,162,132</u>	<u>\$ 3,611,421</u>	<u>\$ (3,386,458)</u>	<u>\$ 9,387,095</u>	<u>\$ 1,262,023</u>

*Restated for GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITA)*. See Note 9.

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 10. LONG-TERM DEBT (continued)

Pledged Revenues

The City has pledged the following revenues, net of specified operating expenses, if applicable, to repay the following revenue bonds:

Electric Franchise Fees (Franchise Revenue) are pledged to repay the outstanding \$38.0 million (including the for the Susan B. Anthony Center (SBA) Bonds) in revenue bonds issued in 2010, 2016 and 2017. Proceeds from the bonds provided financing for refunding debt and construction of various City projects including the senior housing (Tower 3) and the Susan B. Anthony Center. While the Franchise Revenue is pledged for the SBA Bonds, the debt service is being repaid by the rent received from the SBA. Except for the SBA Bonds, the bonds are payable solely from the Franchise Revenue and are payable through 2039. Based on the FY 2023 Franchise Revenue, the future maximum annual principal and interest payments on the bonds are expected to require 46% of the pledged revenue. The total principal and interest remaining to be paid on the bonds (excluding the SBA Bonds) is \$38,592,707. For FY 2023, the principal and interest paid (excluding the SBA Bonds) and the total Franchise Revenue were \$5,238,151 and \$11,430,104, respectively.

Electric Public Service Taxes (Public Service Revenue) are pledged to repay the outstanding \$20.3 million in revenue bonds issued in 2014 and 2016. Proceeds from the bonds provided financing for refunding debt and construction of various City projects including the senior housing (Towers 1 and 2). The bonds are payable solely from the Public Service Revenue and are payable through 2035. Based on the FY 2023 Public Service Revenue, the future maximum annual principal and interest payments on the bonds are expected to require 15% of the pledged revenue. The total principal and interest remaining to be paid on the bonds is \$26,028,983. For FY 2023, the principal and interest paid and the total Public Service Revenue were \$5,202,431 and \$14,399,714, respectively.

Communications Services Taxes and Water Public Service Taxes (Communications and Water Tax Revenue) are pledged to repay the outstanding \$50.3 million in revenue bonds issued in 2013 and 2014. Proceeds from the bonds provided financing for the Firefighters Pension and the Police Officers and General Employees' Pension. The bonds are payable solely from the Communications and Water Tax Revenue and are payable through 2034. Based on the FY 2023 Communications and Water Tax Revenue, the future maximum annual principal and interest payments on the bonds are expected to require 78% of the pledged revenue. The total principal and interest remaining to be paid on the bonds is \$65,293,422. For FY 2023, the principal and interest paid and the total Communications and Water Tax Revenue were \$5,978,795 and \$7,638,513 respectively.

Net Revenues of the Consolidated Utility System (Utility Revenue) are pledged to repay the outstanding \$3.0 million in revenue bonds issued in 2010. Proceeds from the bonds provided financing for the Consolidated Utility System Project. The bonds are payable solely from the Utility Revenue and are payable through 2026. Based on the FY 2023 Utility Revenue, the future maximum annual principal and interest payments on the bonds are expected to require 12% of the pledged revenue. The total principal and interest remaining to be paid on the bonds is \$3,160,294. For FY 2023, the principal and interest paid and the total net revenues of the Utility system were \$1,043,713 and \$8,787,136, respectively.

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 11. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts, theft or damage to and destruction of assets, errors, and omissions, injuries to employees, and natural disasters. The City established a risk management fund (an Internal Service Fund) to account for the uninsured risks of loss. Under this program, the risk management fund provides coverage for up to a maximum of \$350,000 (Self Insured Retention –“SIR”) for each City employee workers’ compensation claim, \$425,000 (SIR) for each Police or Firefighter’s workers’ compensation claim, \$150,000 (SIR) per occurrence for each general liability claim, \$150,000 (SIR) each accident for Automobile Liability, \$100,000 (SIR) each claim for Public Officials & Employment Practices Liability and \$25,000 (deductible) per loss for each employee theft claim.

The City’s exposure on health insurance is limited to \$1,928 per month per covered employee and their covered dependents. This is for claims only and does not include administrative expenses or stop loss. Total maximum loss exposure to the City for health insurance on covered employees and dependents was \$35,834,616 for the fiscal year ended September 30, 2023. The City purchases commercial insurance for claims in excess of coverage provided by the fund, and for all other risks of loss. There were no reductions in insurance coverage from the prior year. Settled claims have not exceeded the commercial coverage in any of the past three fiscal years.

All funds of the City participate in the program and make payments to the risk management fund based on actuarial estimates of the amounts needed to pay prior and current year claims. The estimated claims liability of \$10,961,787 reported in the fund at September 30, 2023 is based on the requirements of GASB Statement No. 10, as amended by Statement No. 30, includes IBNR (incurred but not reported claims) and is based on the estimated ultimate cost of settling the claims, using past experience adjusted for current trends, and any other factors that would modify past experience.

Claims liabilities include specific and incremental claim adjustment expenditures/expenses. In addition, estimated recoveries on unsettled claims, such as salvage or subrogation, were evaluated in terms of their estimated realizable value and deducted from the liability for unpaid claims. Estimated recoveries on settled claims were deducted from the liability for unpaid claims. The changes in the fund’s claims liability amount during the past two years were as follows:

	<u>Beginning of Year Liability</u>	<u>Claims and Changes in Estimates</u>	<u>Claims Payments</u>	<u>End of Year Liability</u>
2022-2023	\$ 9,613,222	\$ 17,815,225	\$ (16,466,660)	\$ 10,961,787
2021-2022	\$ 11,119,836	\$ 17,920,908	\$ (19,427,522)	\$ 9,613,222

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 12. CONTINGENT LIABILITIES

Litigation

During the ordinary course of its operations, the City is a party to various claims, legal actions, and complaints. Most of these matters are covered by the City's Risk Management Program (See Note 11). Those which are not covered are handled by the City's legal counsel. In the opinion of the City's management and legal counsel, these matters are not anticipated to have a material financial impact on the City.

Federal and State Assisted Programs

Amounts received or receivable from grantor agencies are subject to future audit and compliance testing, which may result in adjustments by Federal and State grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of such expenditures which may be disallowed by the grantor agencies cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

NOTE 13. COMMITMENTS

On September 28, 1990, the City entered a "Large User Wastewater Agreement" with the City of Hollywood, Florida. The agreement provides for the connection of the portion of the City's sewage collection system east of Flamingo Road to the City of Hollywood's treatment and disposal facility. The City is being charged based upon an average daily wastewater flow to cover operating and maintenance expenses, non-operating expenses, capital expenditures, bond retirement, and interest expenses. The charge to operations of the water and sewer fund under this Agreement is \$8,884,079 for the year ended September 30, 2023.

In 1986, the City entered into a lease with the Broward County School Board and Walter C. Young Resource Center for fifty (50) years at \$1 per year. The City holds title to the Resource Center. The City also entered into an Interlocal Agreement in 1989 with the Broward County School Board to operate the Walter C. Young Resource Center. The City is responsible for a prorated share of the operating costs based on its usage as defined in the agreement. The Resource Center includes a Middle School for sixth, seventh and eighth graders, and also offers adult education classes on evenings and weekends. One of the City's Early Development Centers, "Bright Beginnings", is also located at the Resource Center.

On January 1, 2005 the City assumed full responsibility and maintenance for the Wetlands. The City now owns 15 sites totaling approximately 620 acres of Wetlands. The City became the Grantor of the Mitigation Bank Irrevocable Trust Fund on April 5, 1995 in order to hold the funds to maintain the Wetlands in perpetuity. The current Trustee is the Bank of New York Mellon, Inc., and the beneficiaries of the Trust Fund are the City, the South Florida Water Management District, the U. S. Army Corps of Engineers, and Broward County. Payments are made quarterly from the investment earnings of the Trust Fund to cover the expenses of maintaining the Wetlands. In the event that investment earnings are insufficient to cover expenses, payments from the principal of the Trust can be utilized with the written consent of the Trust's beneficiaries.

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 13. COMMITMENTS (continued)

At September 30, 2023, the balance in the Trust Fund account was \$706,048. For the fiscal year ended September 30, 2023, the Trust earned \$32,742 in investment income, and incurred expenses of \$1,459.

On March 15, 2001, the City entered into an Interlocal Agreement with The Florida Department of Children & Families (DCF), which provides for the City to develop, operate and maintain the 157-acre site of the former South Florida State Hospital. The site was originally leased by DCF from the State of Florida on January 4, 1973.

The agreement specifies that the City will sublease the site from DCF for a 50-year period from July 1, 2001 to June 30, 2051 for a \$300 annual administration fee, and is subject to other terms and conditions relating to the City's management of the site. The City has renamed the site "Senator Howard C. Forman Human Services Campus", and has subleased the site's facilities to various lessees. (See Note 8 Leases). The City constructed three senior housing towers with a total of 614 apartment units, and has constructed the Susan B. Anthony Center for women with children who are recovering from substance abuse, containing a 40-unit Residential Complex, an administration and treatment building, and an Early Learning Center at the site. The City has financed these projects with various bond issues. (See Note 9. Long-Term Debt). The site also includes a central kitchen facility for the City's Charter Schools as well as fuel storage tanks for the Charter School buses which are parked on the site. In fiscal year 2010, the City completed the renovation of an existing building on the site, and created an Artists' Colony named "Studio 18 in the Pines."

The structure contains rental studios and gallery space consisting of 18 inside studios, 5 outside studios, a jewelry studio and a ceramics studio. The studios range from 98 square feet to 260 square feet. All of the inside studios have water and air conditioning, and most have natural lighting.

Southwest Hammock

In March 2021, the City entered into a sub-sublease agreement with Southwest Hammocks, LLC for the portion of the DCF site for sixty-five (65) years beginning March 15, 2021, to establish and operate one hundred (100) multi-family dwelling units, all of which shall be restricted to Affordable Housing (below Area Medium Income), and no less than 50% of the units shall consist of permanent supporting housing units for special needs population. The annual base rent is \$1 per year, and the sub-sublessee paid a one-time \$629,000 capital lease payment to be amortized over 65 years beginning December 31, 2024, as its proportionate share on the annual cost of improvements and maintenance of the DCF site. The advance payment was reported as part of the unearned revenues in the general fund.

Energy Savings Agreements

On October 21, 2015, the City has entered an energy savings agreement with BGA, Inc. (a ConEdison Solutions Company) to design, procure, install, and implement certain energy conservation and energy efficiency improvements at Charter Schools.

On February 17, 2016, the City has entered another energy savings agreement with Venergy Group, LLC to design, procure, install, and implement certain energy conservation and energy efficiency improvements at the Senior Center, Pines Place, and Pines Point.

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 13. COMMITMENTS (continued)

American Rescue Plan Act

The American Rescue Plan Act (“ARPA”) was signed into law on March 11, 2021. Under the ARPA, the State and Local Fiscal Recovery Fund (“SLFRF”) provides additional funding to state and local governments for response and recovery from the Pandemic. The City’s allocation of SLFRF funds totals \$25.5 million, which was received in two separate payments of \$12.7 million each. The first payment was received in July 2021, and the second payment was received in June 2022. The City has begun to allocate and use these funds for revenue replacement for the provision of government services. SLFRF allows localities to spend the funds for revenue replacement to the extent of the reduction of revenue due to the Pandemic. All funds received qualified under this category of the SLFRF program.

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City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 13. COMMITMENTS (continued)

The City has the following construction commitments as of September 30, 2023:

Project Name	Vendor	Original Amount	Balance
Pines Village Water Improvement Main Ph 2	Kimley-Horn	\$ 997,456	199,133
Raw Water Supply Line	CPH, Inc.	389,769	67,866
WWTP Effluent Pump Station Electrical Rehab	Edward's Electric	1,591,297	148,618
Infiltration Removal Lateral & Mainline Lining	BLD Services, LLC	3,619,283	1,533,163
Lime Feed Refurbish, SCC Valve & Flow Meter Insert	RF Environmental	3,078,188	446,189
Chartwells Kitchen Cooler Freezer System	Ram Quality Group	935,550	90,326
Construction of Equipment & Machinery Bldg	Bejar Construction, Inc.	1,715,479	83,310
Water Meter Installation Project	RTS Water Solutions	4,105,731	823,590
Parking Lot Extension	Weekley Asphalt Paving, Inc.	293,373	6,942
Digital Signage Fabrication/Instal @ Charter Schools	I2 Visual, Inc.	373,593	33,963
Install New Fence (various locations)	Gomez & Son Fence Corp.	419,080	109,883
Pines Village Water Improvement & Septic Tank	Foster Marine Contractors	11,907,500	5,349,202
Resurfacing Plan 2022	Weekley Asphalt Paving, Inc.	778,713	92,196
New Raw Water Supply Line	Accurate Drilling Systems	5,863,866	979,059
Replacement of Impact Windows & Doors @ P.Point	Techgroupone, Inc	725,965	42,982
Roof Replacement for Various City Buildings	Paul Bange Roofing, Inc.	3,695,757	1,435,977
Milling & Resurfacing Palm Ave-Taft St.	Weekley Asphalt Paving, Inc.	559,657	50,748
Replacement of Doors and Windows to Impact Rated Material at Pines Point Property Management Office	Manjor Investments Corp	130,899	29,130
Charter Schools -Stairway Replacements	Bejar Construction, Inc.	525,261	101,845
Charter Schools -Entry Modifications	Conengineers Builders, LLC	1,012,765	117,838
East Campus Administration Building HVAC Replacement and Architectural Renovation	Bejar Construction, Inc.	1,330,353	97,136
AV/FSU -Parking Lot Renovation	Weekley Asphalt Paving, Inc.	758,753	37,924
Fire Alarm Replacement @ West Campus Charter School	Dan Enterprises Team, LLC	337,900	53,400
Pembroke Falls YMCA Aquatic Center Parking Lot Lighting Update	DAVCO Electrical Contractors Corp.	123,240	123,240
Interior/Exterior Locks at Schools	Gerelcom	146,346	77,823
West Campus Charter School Fencing	Techgroupone, Inc.	197,978	197,978
Total		<u>\$ 45,613,754</u>	<u>\$ 12,329,460</u>

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 14. OTHER POST-EMPLOYMENT BENEFIT PLANS (OPEB)

The City provides postemployment benefits for eligible participants enrolled in the City of Pembroke Pines, Florida Post-Employment Benefit Trust Fund plan. The benefits are provided in the form of:

- An implicit rate subsidy where retirees pay combined active/retiree rates for health coverage.
- An explicit subsidy where the City contributes towards the retiree health premium equivalents.

Summary of Significant Accounting Policies

Basis of Accounting - The Plan's policy is to prepare its financial statements on the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to the plan are recognized when due and the employer has made a formal commitment to provide contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

Method Used to Value Investments - Investments are reported at fair value in the financial statements based on the quoted market prices as reported by recognized security exchanges. Securities that have no quoted market price will be presented at estimated fair value as provided by the custodial bank and investment counsel. The Plan considers all highly liquid investments with an original maturity of 90 days or less when purchased to be cash equivalents. As of September 30, 2023, the Plan held \$130,959,876 in investments and \$131,324 in cash and short-term investments.

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 14. OTHER POST-EMPLOYMENT BENEFIT PLANS (OPEB) (continued)

The City's Other Post-Employment Benefits Trust Fund does not issue separate stand-alone financial statements. Therefore, included below is the Statement of Net Position – Fiduciary Fund as of September 30, 2023 and the Statement of Changes in Net Position – Fiduciary Fund for the fiscal year then ended.

Other Post-Employment Benefits (OPEB) Trust Fund Statement of Net Position Fiduciary Fund September 30, 2023

	<u>2023</u>
Assets	
Cash and short-term investments	\$ 131,324
Contribution receivable	6,000,000
Investments	
Fiduciary Trust	8,468
Lee Munder Capital Group - Mid Cap Core	9,251,810
Atlanta Capital Management - Small Cap Core	10,926,518
Garcia Hamilton & Associates - Barclay's Aggregate Fixed Income	35,323,998
State Street Global Advisors	26,752,868
Intercontinental Real Estate Corporation	6,814,374
Black Rock US Core Property Fund	6,889,508
Loomis Sayles & Company - Loomis Large Cap Growth Trust	18,968,923
Aristotle	16,023,409
Total assets	<u>137,091,200</u>
Liabilities	
Accounts payable	238,157
Reserve for health insurance claims	813,970
Total liabilities	<u>1,052,127</u>
Net Position	
Net position restricted for OPEB	<u>\$ 136,039,073</u>

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 14. OTHER POST-EMPLOYMENT BENEFIT PLANS (OPEB) (continued)

Other Post-Employment Benefits (OPEB) Trust Fund Statement of Changes in Net Position Fiduciary Fund For the Year Ended September 30, 2023

	<u>2023</u>
Additions:	
Contributions	
Plan members	\$ 825,091
Employer	17,702,117
Total contributions	<u>18,527,208</u>
Investment income:	
Investment income	18,315
Net appreciation in fair value of investments	12,524,063
Less investment expenses	608,870
Net investment income	<u>11,933,508</u>
Other additions:	
Specific stop loss and medical claims recovery	<u>599,156</u>
Total other additions	<u>599,156</u>
Total additions	31,059,872
Deductions	
Benefit payments and insurance	13,926,419
Administrative expenses	177,422
Total deductions	<u>14,103,841</u>
Change in net position	16,956,031
Net position, beginning	<u>119,083,042</u>
Net position, ending	<u>\$ 136,039,073</u>

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 14. OTHER POST-EMPLOYMENT BENEFIT PLANS (OPEB) (continued)

Plan Description

The retiree health and life insurance program is a single-employer defined benefit plan administered by the City which provides medical and life insurance benefits to eligible retirees and their beneficiaries. The health plan is self-insured and administered by United Medical Resources (UMR) on behalf of the City. The life insurance plan is fully insured through Sun Life Financial. The City Commission has authority to establish and amend benefits related to the City's retiree health and life insurance program. On December 7, 2007, the City adopted Ordinance 1598 creating the Other Post-Employment Benefits Trust Fund in accordance with Florida Statutes Chapter 115.

The City created a retiree health and life insurance program as adopted and amended by City Commission by the following ordinances:

OPEB			
Ordinance Number	Dated	Ordinance Number	Dated
990	April 15, 1992	1480	March 17, 2004
1015	November 4, 1992	1554	August 16, 2006
1024	February 17, 1993	1598	December 3, 2007
1144	December 6, 1995	1670	August 4, 2010
1371	April 4, 2001	1702	September 20, 2011
1443	June 18, 2003	1779	November 5, 2014

Benefits Provided

Medical/Prescription Drug Plan Benefits

Coverage of health insurance is provided to all regular full-time permanent general employees, certified firefighters and police officers employees and their spouses, if hired before October 1, 1991, who have reached normal retirement age and completed service as prescribed by the City Pension Plan which covers the employee.

Coverage for employees hired after October 1, 1991 is limited to employee (single) coverage only. Effective July 1, 2010, general employees, who are members of the collective bargaining unit, that retire after July 1, 2010 may continue to participate in the City's health insurance plan but will be required to pay the active/blended rate. Additionally, effective July 1, 2010, members hired prior to May 1, 2005 will receive a health insurance subsidy of five dollars per month for each year of service, as long as they have completed at least 10 years of eligible service and retire from the City at age 55 or above.

Firefighter members hired on or after October 1, 1991 but prior to April 1, 2006 may elect to participate in the City's retiree health insurance plan, and the City will pay for the coverage of the employee only. Firefighters hired after April 1, 2006 are required to pay 100% of the active/blended rate for their retirement coverage.

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 14. OTHER POST-EMPLOYMENT BENEFIT PLANS (OPEB) (continued)

Benefits Provided (continued)

Police officer members hired on or after October 1, 1991 but prior to October 1, 2006, may elect to participate in the City's retiree health insurance plan, and the City will pay for the coverage of the employee only. Police Officers hired after October 1, 2006 are required to pay 100% of the active/blended rate for their retirement coverage.

Primary insurance coverage is extended until the employee qualifies for Medicare benefits (at 65 years of age). At that time, Medicare becomes the primary coverage.

In addition, extended health insurance coverage is offered to terminated employees for a period of 18 months, divorced or widowed spouses of current employees for a period of 36 months, and disabled employees meeting the requirements of Social Security for a period of 29 months. These extended benefits are offered in order to comply with COBRA's requirements. The cost of this extended insurance coverage is paid by the covered individual using a blended/active rate.

Eligible retirees receive health care coverage through one of two medical plans, an EPO and a PPO plan. Effective July 1, 2010, general employees are required to contribute \$100 per month for their health insurance coverage in addition to the amounts contributed for dependent, spousal or family coverage. Police officers hired after May 1, 2010 eligible for single coverage are required to contribute an additional \$80 per month for their health insurance coverage for EPO and \$100 for PPO. Effective October 1, 2014, the City is extending its health care coverage to all eligible retirees' domestic partners.

Life Insurance Benefits

A life insurance benefit is provided to police officers, firefighters, general and utility employees. Employees from the Charter Schools are excluded from this benefit. The life insurance benefit available to retirees is equal to 100% of final salary at retirement, up to a maximum of \$100,000. The benefit amount is reduced by 50% at age 65. General and utility employees hired after February 1, 2010 and police officers hired after May 1, 2010 shall no longer be eligible to participate in the retiree life insurance program and their life insurance policy will terminate when they separate from the City.

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 14. OTHER POST-EMPLOYMENT BENEFIT PLANS (OPEB) (continued)

At September 30, 2022, the measurement date used to measure the OPEB liability, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	570
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>1,089</u>
	<u>1,659</u>

Contributions and Reserves

Funding Policy

Contributions are required for both retiree and dependent health insurance coverage. Currently, retirees are not required to pay contributions for the life insurance benefits.

Contribution rates are determined based on the following factors: hire date, retirement date, and employee group. Based on these factors, retirees pay either the full rates, reduced rates or nothing for the medical and prescription drug benefit. The contribution requirements of the plan members are established and may be amended by the City Commission. The percentage contributed is expected to equal the Actuarial Determined Contribution (ADC) as determined by the annual actuarial valuation. Administrative costs are financed through investment earnings where available.

For the fiscal year ended September 30, 2023, the Plan members contributed \$825,091 and the City contributed \$17,702,117. The ADC for the fiscal year ended September 30, 2023 is \$6,440,000.

Reserves

The balance in the Plan's legally required reserves as of September 30, 2023 was \$813,970.

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 14. OTHER POST-EMPLOYMENT BENEFIT PLANS (OPEB) (continued)

Net OPEB Liabilities

The City's net OPEB liability was measured as of September 30, 2022. The components of the net OPEB liability are as follows:

	2022
Total OPEB Liability	\$ 168,190,266
Plan Fiduciary Net Position	(119,083,042)
Net OPEB Liability	\$ 49,107,224
Plan fiduciary net position as a percentage of total OPEB liability	70.80%
Net OPEB liability as a percentage of covered payroll	43.00%

Actuarial Assumptions

The total OPEB liability as of the reporting date, September 30, 2023 was based on an actuarial valuation with a measurement date of September 30, 2022. The actuarial valuation used the following actuarial assumptions:

Inflation	2.6% per annum
Salary Increases	3.0% per annum
Investment Rate of Return	8.24% per annum
	Discount rate is based on expected long-term rate of return on plan investments using building block approach plus inflation (2.6%).
Healthcare Cost Trend Rates	6.75% initial for Pre-Medicare Medical and Prescription and stop loss fees, 5.75% initial for Medicare benefits, decreasing 0.25% per year until an ultimate rate of 4.0% is reached and 4.0% for administrative fees.
Marriage Rate	The assumed number of eligible spouses is based on the current information in the census provided.
Spouse Age	When this information is missing, male spouses are assumed to be three years older than female spouses.
Medicare Eligibility	All current and future retirees are assumed to be eligible for Medicare at age of 65.
Actuarial Method	Entry Age Normal based on level percentage of projected salary.
Amortization Method	<i>Experience/Assumptions</i> gains and losses are amortized over a closed period of 5.4 years starting the current fiscal year, equal to the average remaining service of active and inactive plan members (who have no future service). Investment gain and losses are amortized over a closed period of 5 years.
Mortality Rates	PUB-2010 headcount weighted base mortality table, projected generationally using Scale MP-2021, applied on a gender-specific basis and job class basis.

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 14. OTHER POST-EMPLOYMENT BENEFIT PLANS (OPEB) (continued)

Actuarial Assumptions (Continued)

Investments

Authorized investments are subject to limitations prescribed in the OPEB Investment Policy. Investments in equities are limited to 60% of the portfolio, of which international equities shall not exceed 20% of the equity portfolio. Property and or real estate securities shall not exceed 10% of the total portfolio at cost, and there is no limitation on fixed income securities. The assets of the OPEB Trust fund are currently invested in money markets, mutual funds, and various investment accounts. Fiduciary Trust International of the South acts as the custodian, and the investment portfolio is managed by an Investment Consultant. The Plan's net investment income for the year ended September 30, 2023 was \$11,933,508. As of September 30, 2023, the Plan held no single investment that exceeded 5% of net position. Additional information can be found in Note 3. Deposits and Investments.

The money weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested. The annual money weighted rate of return on the Plan's investment for the year ended September 30, 2023 was -13.4%.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of returns for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Large Cap	37%	10.7%
Mid Cap	7%	11.9%
Small Cap	8%	10.8%
International Equity	8%	8.3%
Real Estate	10%	3.2%
Fixed Income	30%	2.9%
Total	100%	8.24%

Discount Rate

The discount rate used to measure the OPEB liability was 8.24%. The projection of cash flows used to determine the discount rate assumed that the City contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 14. OTHER POST-EMPLOYMENT BENEFIT PLANS (OPEB) (continued)

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a)-(b)
Reporting period as of September 30, 2022	\$ 180,278,270	\$ 134,015,621	\$ 46,262,649
Changes for the year:			
Service cost	1,152,477	-	1,152,477
Interest cost	12,695,973	-	12,695,973
Differences between expected and actual experience	6,354,719	-	6,354,719
Changes in assumptions or other inputs	(19,161,494)	-	(19,161,494)
Contributions - Employer	-	15,193,939	(15,193,939)
Contributions - Employees	-	794,455	(794,455)
Other Contributions (Part D subsidy, Rx Rebates)	-	220,913	(220,913)
Net Investment Income	-	(17,797,062)	17,797,062
Benefit payments	(13,129,679)	(13,129,679)	-
Admin Expense	-	(215,145)	215,145
Net changes	(12,088,004)	(14,932,579)	2,844,575
Reporting period as of September 30, 2023	\$ 168,190,266	\$ 119,083,042	\$ 49,107,224

The following presents the net OPEB liability of the City using the trend rate and the discount rate, as well as what the City's net OPEB liability would be if it were calculated using a rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

Net OPEB Liability (based on Trend Rate)		
1% Decrease	Current Rate	1% Increase
\$ 32,501,000	\$ 49,107,000	\$ 68,771,000

Net OPEB Liability (based on Discount Rate)		
1% Decrease (7.24%)	Current Rate (8.24%)	1% Increase (9.24%)
\$ 67,776,000	\$ 49,107,000	\$ 33,457,000

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 14. OTHER POST-EMPLOYMENT BENEFIT PLANS (OPEB) (continued)

OPEB Expense and Deferred Outflows/ (Inflows) of Resources Related to OPEB

In accordance with GASB 75, paragraph 86, changes in the collective net OPEB liability are recognized in OPEB expense in the current measurement period, except as indicated below. For each of the following, a portion is recognized in OPEB expense in the current measurement period, and the balance is amortized as deferred outflows or deferred inflows of resources using a systematic and rational method over a closed period, as defined below:

1. Difference between expected and actual experience with regard to economic and demographic factors – amortized over 4.8 years
2. Changes of assumptions or other inputs – amortized over 4.8 years
3. Differences between expected and actual earnings on OPEB plan investments – amortized over five years

For the year ended September 30, 2023, the City recognized OPEB expense of \$4,103,700.

Per GASB 75, paragraph 68, employer contributions to the OPEB plan made subsequent to the measurement date of the collective net OPEB liability, September 30, 2022, and before the end of the employer's reporting period, September 30, 2023, should be reported as deferred outflows of resources related to OPEB and will be recognized as a reduction of the net OPEB liability in the subsequent fiscal period.

At September 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions, subsequent to measurement date	\$ 17,701,417	\$ -
Differences between expected and actual experience	6,643,212	(4,828,094)
Assumptions/inputs	11,357,417	(20,950,291)
Projected and actual earnings on investments	14,758,614	-
Net changes	\$ 50,460,660	\$ (25,778,385)

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

Year ending September 30:	Amount to be recognized
2024	\$ (5,308)
2025	1,632,685
2026	3,015,727
2027	3,286,403
2028	(948,649)
Total	\$ 6,980,858

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 15. MUNICIPAL EMPLOYEES' RETIREMENT PENSION PLANS

The City is the sponsor of two single-employer Public Employee Retirement Systems (PERS) that are administered to provide pension benefits to its employees. The City administers the General Employees' Pension Plan, and a nine-person Board of Trustees administers the City Pension Fund for Firefighters and Police Officers. The City contributes to the General Employees' Pension Plan (GEPP) and the City Pension Fund for Firefighters and Police Officers (CPFFPO), which are both defined benefit pension plans.

General Employees' Pension Plan

Summary of Significant Accounting Policies

Basis of Accounting – The Plan's policy is to prepare its financial statements on the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to the plan are recognized when due and the employer has made a formal commitment to provide contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plans. Investment and administrative expenses are paid out of Plan assets that are replenished by investment earnings and employee and City contributions in order to maintain the plan actuarially sound.

Method Used to Value Investments - Investments are reported at fair value in the financial statements based on the quoted market prices as reported by recognized security exchanges. Bonds are reported at established fair value. Securities that have no quoted market price are presented at estimated fair value as provided by the custodial bank and investment counsel.

Plan's Membership Information

At September 30, 2022, the measurement date used to measure the GEPP net pension liability, the Plan's membership consisted of:

Active plan members	17
Retired plan members and beneficiaries currently receiving benefits	425
Disabled plan members receiving benefits	-
Inactive plan members entitled to but not yet receiving benefits	176
Total	<u>618</u>

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 15. MUNICIPAL EMPLOYEES' RETIREMENT PENSION PLANS (continued)

General Employees' Pension Plan (continued)

The General Employees' Pension Trust Fund Board comprises of the City Commission. The General Employees' Pension Trust Fund does not issue separate stand-alone financial statements; therefore, included below is the Statement of Net Position – Fiduciary Fund and the Statement of Changes in Net Position – Fiduciary Fund for the fiscal year ended September 30, 2023.

General Employees' Pension Trust Fund Statement of Net Position Fiduciary Fund September 30, 2023

Assets

Investments		
Bond Market Index	\$	16,008,041
Income Separate		57,628,461
Equity Income		30,681,751
High Income		6,928,790
Origin Emerging Markets		3,616,981
International Small Cap		
Diversified International		11,982,563
Large Cap Growth I		30,859,190
Large Cap S&P 500 Index		13,113,908
Mid Cap Growth III		4,281,480
Mid Cap Value I		4,443,883
Overseas		5,605,790
U.S. Property		15,133,643
Small Cap Growth I		2,030,660
Small Cap Value II		2,116,883
Total investments		<u>204,432,024</u>
Contribution receivable		<u>6,000,000</u>
Total assets		<u>210,432,024</u>
Liabilities		<u>-</u>
Net Position		
Net position held in trust for pension benefits	\$	<u>210,432,024</u>

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 15. MUNICIPAL EMPLOYEES' RETIREMENT PENSION PLANS (continued)

General Employees' Pension Plan (continued)

General Employees' Pension Trust Fund Statement of Changes in Net Position Fiduciary Fund For the Year Ended September 30, 2023

Additions:

Contributions	
Plan members	\$ 127,556
Employer	<u>9,500,343</u>
Total contributions	<u>9,627,899</u>
Investment income:	
Net appreciation of fair value of investments	17,372,600
Less investment expenses	<u>(56,752)</u>
Net investment income	<u>17,315,848</u>
Total additions	<u>26,943,747</u>

Deductions

Pension benefits	12,938,549
Administrative expenses	<u>5,650</u>
Total deductions	<u>12,944,199</u>
Change in net position	13,999,548
Net position, beginning	<u>196,432,476</u>
Net position, ending	<u>\$ 210,432,024</u>

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 15. MUNICIPAL EMPLOYEES' RETIREMENT PENSION PLANS (continued)

General Employees' Pension Plan (continued)

Plan Description

The General Employees' Pension Plan of the City of Pembroke Pines was established by Referendum in 1973 (collectively known as the "Referendum") as restated October 1, 1989, as amended by the following Ordinances (collectively known as the "Ordinances"):

General Employees Pension Ordinances			
Ordinance		Ordinance	
Number	Dated	Number	Dated
992	April 15, 1992	1555	August 16, 2006
1058	December 15, 1993	1614	August 3, 2008
1297	March 17, 1999	1668	August 4, 2010
1329	February 2, 2000	1806	January 7, 2015
1413	June 19, 2002	1844	April 16, 2016
1479	March 17, 2004	1865	January 11, 2017
1515	May 18, 2005	1894	February 7, 2018
1520	August 3, 2005		

The Plan, which is a single-employer plan, was established to provide retirement benefits to general and utility employees of the City of Pembroke Pines. A more detailed description of the Plan and its provisions appears in the Referendum constituting the Plan and in the summary plan description. The Plan does not issue a stand-alone financial report but is included in the reporting entity of the City as a pension trust fund.

Eligibility

All full-time employees, as defined in the Referendum, were required to participate in the Plan as a condition of continued employment. However, effective July 1, 2010, bargaining unit members are no longer allowed to participate in the Plan, and any benefits accrued up to June 30, 2010 are frozen. Bargaining unit members will not accrue any additional benefits. Non-bargaining unit members are still allowed to participate in the Plan and active members are still accruing benefits. However, effective October 1, 2014, non-bargaining employees hired on or after October 1, 2014 will no longer be eligible to enter this plan. The City also extended its benefits coverage to all eligible retirees' domestic partners effective October 1, 2014.

Service Retirement Benefits

Upon normal retirement, a participant will receive a monthly pension amount equal to 2.85% of average monthly earnings for the highest two years of continuous service multiplied by years of service (not to exceed 28.07 years).

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 15. MUNICIPAL EMPLOYEES' RETIREMENT PENSION PLANS (continued)

General Employees' Pension Plan (continued)

Service Retirement Benefits (continued)

A participant may retire early after completing 5 years of continuous service and attaining 50 years of age. Early retirement benefits are calculated in a manner similar to those for normal retirement, but at an actuarially reduced amount of 6 2/3% for each year that the early retirement date precedes normal retirement.

Disability Benefits

If a participant becomes totally disabled before termination of employment and prior to reaching normal retirement age, he or she is entitled to do one of the following:

Non-service-related – Ten years of vesting service is required for a non-service-related disability benefit to be payable. If vested, the benefit payment is based on the accrued benefit on the date of disability.

Service-related - Benefits will be the greater of (i) earned pension as of the date of disability or (ii) 40% of the current monthly pay as of such date.

Cost of Living Adjustments

General employee members who retired on or after October 1, 2001 receive an annual 3.0% cost of living adjustment (COLA) to their retirement benefit. The COLA is applied to the benefit effective October 1 of each year. Effective February 1, 2010, the COLA for all participants entitled to receive a COLA is reduced from 3% to 2% per year. Effective July 1, 2010, there is no retiree annual pension COLA adjustment for bargaining unit employees who retire after July 1, 2010, unless such active individual has reached Normal Retirement Age as defined in the Plan.

Benefit payments under the General Employees' Pension Plan are paid directly out of fund assets.

Other forms of benefits are available to Plan participants and are further discussed in the Referendum.

Funding Policy

The City of Pembroke Pines contributes an actuarially determined amount that, when combined with participant's contributions, will fully provide for all benefits as they become payable. The funding policy can only be amended by authorization of the City Commission.

Effective February 1, 2010, non-bargaining unit participants are required to contribute 7.25% of regular wages down from 8.5%. Effective July 1, 2010, bargaining unit members are no longer required to contribute to the Plan since the Plan was closed, and the benefits were frozen. In fiscal year 2023, employee contributions for active members amounted to \$127,556.

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 15. MUNICIPAL EMPLOYEES' RETIREMENT PENSION PLANS (continued)

General Employees' Pension Plan (continued)

Funding Policy (continued)

The City's Actuarial Determined Contribution (ADC) for fiscal year 2023 amounted to \$375,000 as compared to the ADC of \$384,846 in fiscal year 2022. In fiscal year 2023, the City contributed \$9,500,343, which is \$9,125,343 in excess of the ADC in order to reduce the unfunded liability.

The City's ADC for fiscal year 2023 is based on the actuarial report using the Entry Age Cost method.

On April 1, 2004 the City deposited \$19,370,924 into the General Employees' Pension Plan as a lump sum contribution. This was part of the Taxable Communications Services Tax Revenue Bonds, Series 2004 (Series 2004 Bonds). The Series 2004 Bonds were issued, amongst other reasons, to pay for the enhanced benefit of a 2% cost of living adjustment as approved by the City Commission, and to maintain the City's ADC at the "pre-cost of living" level for the existing Plan participants. See also Note 9 for additional information on the bond issue. Series 2004 Bonds were refunded by Communications Services Tax Revenue Bonds, Series 2014 (Series 2014 Bonds). (See Note 9. Long-term debt).

Investments

Authorized investments are subject to limitations prescribed in the City's Investment Policy as adopted per Ordinance 1515, dated May 18, 2005. Investments in equities are limited to 60% of the portfolio, of which international equities shall not exceed 20% of the equity portfolio. Property and/or real estate securities shall not exceed 15% of the total portfolio at cost, and there is no limitation on fixed income securities. The assets of the General Employees' Pension fund are currently invested in various separate investment accounts offered by the Principal Financial Group. Plan's net investment income for the year ended September 30, 2023 was \$17,315,848, an increase of \$54,210,445 from last year's net investment loss of \$(36,894,597).

The money weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested. The annual money-weighted rate of return on the Plan's investment for the measurement period of October 1, 2021 to September 30, 2022 was -15.99%.

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 15. MUNICIPAL EMPLOYEES' RETIREMENT PENSION PLANS (continued)

General Employees' Pension Plan (continued)

DROP Plan

Effective March 17, 1999, the City created the Deferred Retirement Option Plan (DROP) under Ordinance 1297. This plan is a defined contribution plan created in accordance with Section 401(a) of the Internal Revenue Code. An active participant of the General Employees' Pension Plan becomes eligible to participate in the DROP on the first day of the month coincident with or next following the active participant's normal retirement date. Upon entry into the DROP, an amount equal to the participant's monthly retirement benefit is transferred to an account designated by the participant for investment. The maximum period of DROP participation was five (5) years. Effective Dec 1, 2017, the maximum period of DROP participation is eight (8) years under ordinance 1894.

Net Pension Liability of the City

The components of the net pension liability of the GEPP Plan at September 30, 2023 is as follows:

Total pension liability	\$ 204,973,347
Plan fiduciary net position	<u>(196,432,476)</u>
City net pension liability	<u>\$ 8,540,871</u>
Plan fiduciary net position as a percentage of total pension liability	95.83%
Net pension liability as a percentage of covered payroll	476.41%

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 15. MUNICIPAL EMPLOYEES' RETIREMENT PENSION PLANS (continued)

General Employees' Pension Plan (continued)

Actuarial Assumptions

The net pension asset reported as of September 30, 2023 was determined using an actuarial valuation as of September 30, 2022, with update procedures used to roll forward the total pension liability to September 30, 2023.

The actuarial valuation for September 30, 2022 used the following actuarial assumptions:

Measurement date	September 30, 2022
Actuarial cost method	Entry Age Normal
Long-term rate of return on assets	5.75%
Discount rate	5.75%
Long-term inflation rate	2.40%
Salary increase assumption	Table S-5 from the Actuary's Pension Handbook plus 2.50%.
COLA increase assumption	2.00% and 3.00% increase per year depending on location.
Retirement age assumption	The later of attained age 55 and 10 years of service.
Plan changes	None
Mortality rate	Based on PubG-2010 General below median base rate mortality table projected to future years with historical and assumed mortality improvement (MI) rates using the MP-2018 mortality improvement scale. MP-2018 is the improvement scale used in the 2019 State of Florida Valuation.
Disability rate	1987 Commissioner's Group Disability Table, six-month elimination period, male and female.
Withdrawal rate	2003 Society of Actuaries Basic Plan Age Table, multiplied by 0.75.
Marital assumptions	75% married; male is 3 years older than the female.
Future employer contributions	Assumed employer contributions are equal to: <ul style="list-style-type: none">• Employer Contribution is assumed to continue at 19.30% of payroll throughout the projection period.• Expenses are assumed to start at \$67,000 and grow with the inflation assumption throughout the projection period. This is the best estimate available of upcoming years' expenses.

The long-term rate of return of 5.75% is used to calculate the actuarial present value of projected payments for each future period when the projected Fiduciary Net Position is greater than the projected expected benefit payments. Otherwise, a municipal bond rate of 4.73% is used. The municipal bond rate is from Bloomberg Barclays Municipal GO Long Term (17+ Y) Index, which includes 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher securities, as of the September 30, 2022 measurement date. The discount rate is a single rate that incorporates the long-term rate of return and municipal bond rate as described.

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 15. MUNICIPAL EMPLOYEES' RETIREMENT PENSION PLANS (continued)

General Employees' Pension Plan (continued)

Actuarial Assumptions (continued)

	<u>Expected Return</u>		<u>Risk</u>
	<u>Geometric</u>	<u>Arithmetic</u>	<u>Standard</u> <u>Deviation</u>
Equity			
US Equity - Large Cap	6.20%	7.70%	18.10%
US Equity - Mid Cap	6.20%	8.00%	20.00%
US Equity - Small Cap	6.20%	8.55%	22.90%
Non-US Equity	6.20%	8.00%	19.90%
Real Estate			
REITS	5.65%	7.30%	19.10%
Real Estate (Direct Property)	5.00%	5.35%	8.30%
Fixed Income			
Cash	1.70%	1.70%	0.80%
TIPS	2.75%	2.90%	6.00%
Core Bond	3.15%	3.30%	5.60%
Aggregate Credit	3.75%	3.95%	6.30%
Long Credit	4.45%	4.95%	10.10%
LT Gov't/Credit Bond	3.80%	4.30%	10.40%
LT Gov't (Treasuries)	2.90%	3.50%	11.40%
Ultra Long Gov't (STRIPS)	2.65%	5.00%	22.50%
Aggregate AA Corporate	3.00%	3.20%	5.70%
High Yield Bond	5.10%	5.55%	9.80%

The following presents the net pension liability of the City using the discount rate, as well as what the City's 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:

City Net Pension Liability		
1% Decrease (4.75%)	Current rate (5.75%)	1% Increase (6.75%)
32,575,136	8,540,871	(11,466,383)

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 15. MUNICIPAL EMPLOYEES' RETIREMENT PENSION PLANS (continued)

General Employees' Pension Plan (continued)

Actuarial Assumptions (continued)

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension (Asset)/ Liability
Reporting period as of September 30, 2022	\$ 206,461,236	\$ 236,035,225	\$ (29,573,989)
Service cost	204,234	-	204,234
Interest	11,502,305	-	11,502,305
Benefit payments	(12,334,024)	(12,334,024)	-
Differences between expected and actual experience	(922,219)	-	(922,219)
Changes in assumptions	61,815	-	61,815
Employee contributions	-	131,422	(131,422)
Employer contributions	-	9,500,000	(9,500,000)
Net investment income	-	(36,894,597)	36,894,597
Administration expenses	-	(5,550)	5,550
Net Change	(1,487,899)	(39,602,749)	38,114,860
Reporting period as of September 30, 2023	\$ 204,973,347	\$ 196,432,476	\$ 8,540,871

Each assumption and method chosen by the actuary is reasonable, taking into account the results of the most recent experience analysis and anticipated future experience. Each material economic assumption is consistent with other economic assumptions selected by the actuary for this measurement period. Note that several different assumptions may be reasonable for a given measurement, and different actuaries will apply different professional judgment and may choose different reasonable assumptions. Demographic assumptions are not expected to produce significant cumulative actuarial gains or losses over the measurement period, and the combined effect of the assumptions is reasonable.

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 15. MUNICIPAL EMPLOYEES' RETIREMENT PENSION PLANS (continued)

General Employees' Pension Plan (continued)

Pension Expense and Deferred Outflows/ (Inflows) of Resources

In accordance with GASB 68, paragraph 71, changes in the net pension liability are recognized in pension expense in the current measurement period, except as indicated below. For each of the following, a portion is recognized in pension expense in the current measurement period, and the balance is amortized as deferred outflows or deferred inflows of resources using a systematic and rational method over a closed period, as defined below:

1. Differences between expected and actual experience, over a closed period equal to the average expected remaining service life of all employees (active employees, vested terminated, and retirees).
2. Changes of assumptions or other inputs – amortized over the average expected remaining service life of all employees (active employees, vested terminated, and retirees).
3. Differences between expected and actual earnings on pension plan investments – amortized over five years

Contributions to the pension plan from the City are not included in collective pension expense. The pension expense for the fiscal year ended September 30, 2023 is \$1,917,458.

Employer contributions were made subsequent to the September 30, 2022 measurement date of the Net Pension Liabilities and before the end of the September 30, 2023 reporting period. GASB 68 paragraph 34 requires these contributions be reported as deferred outflows of resources. The components of deferred outflows and inflows of resources schedules for the fiscal year ended September 30, 2023, are presented below:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Total
Contributions subsequent to measurement date	\$ 9,500,343	\$ -	\$ 9,500,343
Projected/Actual Earnings	25,342,026	-	25,342,026
	\$ 34,842,369	\$ -	\$ 34,842,369

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 15. MUNICIPAL EMPLOYEES' RETIREMENT PENSION PLANS (continued)

General Employees' Pension Plan (continued)

Pension Expense and Deferred Outflows/ (Inflows) of Resources (continued)

Amounts reported as deferred outflows and (inflows) of resources related to the general employees' pension plan will be recognized in the pension expense as follows:

<u>Reporting Period</u> <u>Ending September 30,</u>	<u>Amount to be</u> <u>Recognized</u>
2024	\$ 4,982,729
2025	4,557,518
2026	5,767,569
2027	10,034,210
Total	\$ 25,342,026

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 15. MUNICIPAL EMPLOYEES' RETIREMENT PENSION PLANS (continued)

City Pension Fund for Firefighters and Police Officers

Summary of Significant Accounting Policies

Basis of Accounting – The Plan prepares its financial statements on the accrual basis of accounting. Plan member contributions are recognized as revenues in the period in which the contributions are due. Employer (City) contributions to the plan are recognized as revenues when due pursuant to the Actuarial Valuation. State contributions are recognized as revenues in the period which they are approved by the State. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. Interest and other income are recorded as earned and dividend income is recorded as of the ex-dividend date.

Cash and Cash Equivalents – The plan considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents. Deposits are carried at cost and are included in cash and cash equivalents. Cash and cash equivalents include money market accounts at September 30, 2023.

Method Used to Value Investments – Investments are reported at fair value in the financial statements based on the quoted market prices as reported by recognized security exchanges. Bonds are reposted at established fair value. Securities that have no quoted market price are presented at estimated fair value as provided by the custodial bank and investment counsel.

Plans' Membership Information

At September 30, 2023, the date of the latest actuarial valuation, the Plan's membership consisted of:

Fully vested, partially vested and non-vested active employees	352
Inactive employees entitled to benefits but not yet receiving them	5
Retirees and beneficiaries	<u>501</u>
Total	<u><u>858</u></u>

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 15. MUNICIPAL EMPLOYEES' RETIREMENT PENSION PLANS (continued)

City Pension Fund for Firefighters and Police Officers (continued)

Plan Description

The City Pension Fund for Firefighters and Police Officers in the City of Pembroke Pines (CPFFPO) was established and amended by the following Ordinances (collectively known as the "Ordinances"):

Police & Fire Pension Ordinances			
Ordinance Number	Dated	Ordinance Number	Dated
557	February 19, 1981	1509	February 17, 2005
829	March 4, 1987	1521	August 3, 2005
967	September 19, 1991	1572	February 21, 2007
1014	November 4, 1992	1581	May 16, 2007
1067	February 16, 1994	1669	August 4, 2010
1091	September 8, 1994	1670	August 4, 2010
1131	September 6, 1995	1693	June 15, 2011
1198	December 18, 1996	1705	October 5, 2011
1249	January 7, 1998	1709	November 16, 2011
1318	November 17, 1999	1767	January 15, 2014
1321	December 15, 1999	1774	April 9, 2014
1325	January 19, 2000	1819	May 6, 2015
1353	September 20, 2000	1824	September 16, 2015
1360	December 15, 2000	1900	March 21, 2018
1443	June 18, 2003	1915	September 17, 2018
1480	March 17, 2004	1916	September 17, 2018

The Plan, which is a single-employer plan, was established to provide retirement benefits to firefighters and police officers of the City of Pembroke Pines. The Plan's governing board is made up of a Board of Trustees consisting of nine members: (1) Three are police officers, elected by a majority of the police officers, (2) Three are firefighters, elected by a majority of the firefighters, and (3) Three are neither police officers nor firefighters, recommended by the City Manager and appointed by the City Commission. A more detailed description of the Plan and its provisions appears in the Ordinances constituting the Plan and in the summary plan description. Publicly available financial statements of the Plan can be obtained from the City of Pembroke Pines Finance Department.

The City Pension Fund for Firefighters and Police Officers in the City of Pembroke Pines (CPFFPO) issues a separate financial statement report. A copy can be obtained by sending a written request to:

City Pension Fund for Firefighters and Police Officers
1951 NW 150th Avenue
Pembroke Pines, FL 33028

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 15. MUNICIPAL EMPLOYEES' RETIREMENT PENSION PLANS (continued)

City Pension Fund for Firefighters and Police Officers (continued)

Eligibility

All full-time employees, as defined in the Ordinances, are required to participate in the Plan as a condition of continued employment, provided that at the time of hiring the employee is at least eighteen years of age and satisfactorily completes all required medical examinations. The City is also extending its benefits coverage to all eligible retirees' domestic partners effective October 1, 2014.

Normal Retirement Benefits

Any member may retire on a normal service retirement pension upon attainment of age 50 and completion of 10 years of continuous service, or upon completion of 20 years of continuous service or attainment of age 55 with no service requirement if eligible on February 19, 1981.

Police Officers

Police officers hired before May 1, 2010 shall receive a benefit amount equal to 4.0% per year of continuous service prior to May 1, 2010 plus 3.5% per year of continuous service after April 30, 2010 times average monthly earnings (AME) – maximum 80% of AME, provided they are retired or enter the DROP anytime on or after attaining age 50 with 10 year of continuous service but not later than the date they accrue the maximum 80% benefit.

Police officers hired after April 30, 2010 shall receive a benefit amount equal to 3.0% times AME times years of continuous service – maximum 80% of AME.

Effective March 17, 2004, eligible police officer members, age 50, who had completed 16 years of service, but no more than 20 years of service may purchase an increase to the benefit multiplier to achieve a final retirement benefit not to exceed 80% of his or her average monthly earnings.

For Police officers hired on or after October 1, 2018, the benefit multiplier will be 3.0% for each complete year of service. The maximum retirement benefit shall not exceed 80% of average monthly earnings. The member's average compensation calculation will be determined by using the best five out of last ten years of service.

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 15. MUNICIPAL EMPLOYEES' RETIREMENT PENSION PLANS (continued)

City Pension Fund for Firefighters and Police Officers (continued)

Firefighters

Firefighters hired on or before June 18, 2003 shall receive a benefit amount equal to 4.0% per year of continuous service prior to May 1, 2010 plus 3.5% per year of continuous service after April 30, 2010 times AME – maximum 80% of AME, provided they retire or enter the Deferred Retirement Option Plan (DROP) anytime on or after attaining age 50 with 10 years of continuous service but no later than the date they accrue the maximum 80% benefit.

Firefighters hired after June 18, 2003 but before May 1, 2010 shall receive a benefit amount equal to 4.0% per year of continuous service prior to May 1, 2010 plus 3.5% per year of continuous service after April 30, 2010 times AME – maximum 80% of AME. To obtain this benefit, such firefighters were previously required to retire or enter the DROP upon the earlier of completion of 20 years of continuous service or attainment of age 50 with 10 years of service. To obtain this benefit, such firefighters now are required to retire or enter DROP no earlier than upon completion of 20 years of continuous service or attainment of age 50 with 10 years of service, and no later than the date they accrue the same accrual percentage they would have reached under the terms of the Plan in effect prior to April 30, 2010.

In no event shall the benefit for firefighters hired after March 31, 2006 exceed 98% of average monthly regular wages.

Firefighters hired after April 30, 2010 shall receive a benefit amount equal to 3.0% times AME times years of continuous service – maximum 80% of AME for the highest two years of continuous service.

However, police officer and firefighter members as of October 1, 1980 shall receive at their normal retirement date (age 55, regardless of years of service) the greater of the benefit provided by the formula above or 50% of average monthly earnings for the highest two years of continuous service.

For firefighter and police officer members who elect to retire under the Career Anniversary Pension Retirement Incentive Option, earnings may include payment up to 1,000 hours of accrued unused leave.

Effective June 18, 2003 (Firefighters) and March 17, 2004 (Police) continuous service for members may include, up to four years purchased for active service in the Armed Forces or Merchant Marines of the United States prior to employment by the City. Effective March 17, 2004, police officer members may purchase up to four years prior service as a certified police officer in the United States.

Early retirement benefits are calculated in a manner similar to those for normal retirement, except that continuous service and average monthly earnings shall be determined as of the early retirement date.

Other forms of benefits are available to Plan participants and are further discussed in the Ordinances.

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 15. MUNICIPAL EMPLOYEES' RETIREMENT PENSION PLANS (continued)

City Pension Fund for Firefighters and Police Officers (continued)

Disability Benefits

Service related - Any member who becomes totally and permanently disabled at any time as a result of illness or injury suffered in the line of duty may be retired on an accidental disability pension.

Non-service related - Any member who becomes totally or permanently disabled after 10 years of creditable service as a result of illness or injury not suffered in the line of duty may be retired on an ordinary disability retirement pension.

Upon disability retirement, a member is entitled to a monthly pension benefit. For a service connected disability, the minimum pension payable is 66-2/3 of the average monthly salary of the member at the time of disability retirement or accrued benefit. For a non-service connected disability, a member will receive a monthly pension benefit equal to the greater of 3% of the average monthly earnings on the date of disability or accrued benefits subject to a maximum of 50% of monthly earnings (but not greater than 35% of average monthly earnings).

The service-incurred and non-service-incurred disability benefits shall be reduced or offset by the regular monthly claims to which the disabled member is entitled under Worker's Compensation and under the provision of social security to the extent permitted by law. The claims received by the retirees are paid to the Plan to achieve this reduction.

Death Benefits

The Plan also provides for spouses and/or children of members for both service related and non-service related deaths.

Refund of Employee Contributions

If a member resigns or is lawfully discharged before retirement, their contributions with 3% simple interest per annum are returned to them. The Plan also provides a special provision for vested benefits for employees who terminate after 10 years of service.

Termination Benefits

Upon termination after completing at least 10 years of continuous service, a member is entitled to a monthly benefit of 3% of average monthly earnings times the number of years of continuous service as of date of termination, not to exceed 80% of the average monthly earnings.

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 15. MUNICIPAL EMPLOYEES' RETIREMENT PENSION PLANS (continued)

City Pension Fund for Firefighters and Police Officers (continued)

13th Check Benefits

Retired police officers and disabled police officers receiving pension or DROP benefits, prior to October 1, 2006, or their beneficiaries may be eligible to receive a supplemental pension distribution, the amount of which shall be determined September 30th each year. The amount of the distribution should be up to 2% of investment return in excess of 9% for police officers who retired after October 1, 2003 but before October 1, 2006, or their beneficiaries (8% for police officers who retired prior to October 1, 2003) based on the present value of future pension payments of current police officer members, not to exceed outstanding balance of cumulative net actuarial gains. Any distributable amount is allocated to eligible members based upon years of service with a prorated share during the first year of entitlement.

No supplemental benefits will be available for members who retire, enter the DROP or are disabled on or after October 1, 2006 or their beneficiaries. Police retirees who retired prior to April 1, 2006 were provided with a one-time irrevocable option to continue to receive the 13th check; or they may opt to receive instead a cost of living increase to their retirement benefit.

Deferred Retirement Option Plan (DROP)

During December 1996, the Plan adopted the Deferred Retirement Option Plan (the DROP) under Ordinance 1198. Eligible police officers and firefighter members may enter into the DROP.

Upon becoming eligible to participate in the DROP, a member may elect to enter that program for a maximum of 5 years. DROP payments contributed to a member's DROP account earn or lose interest at the same rate and frequency as in the Plan, less reasonable and necessary administrative expenses, unless fixed interest rate option below is selected.

On June 18, 2003 (for firefighters) and March 17, 2004 (for police officers) the City adopted Ordinances giving members the additional option of having their DROP account earn an annual fixed interest rate of 8% on future payments and on all or any portion of the member's DROP account balance. Annually, during the month of September only, members may change their rate of return election to be effective as of the following October 1. Members participating in the DROP on April 30, 2010, shall be eligible to elect between earning the same rate and frequency as the Plan or an annual fixed interest rate of 8%.

For members hired before May 1, 2010 entering the DROP after April 30, 2010, DROP interest credits will be based upon Plan gross return, subject to a minimum 5% to a maximum 8% per annum.

For members hired after April 30, 2010 entering the DROP, interest credits will be based upon Plan gross return.

For members hired on or after October 1, 2018, the maximum DROP participation period is extended to eight (8) years.

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 15. MUNICIPAL EMPLOYEES' RETIREMENT PENSION PLANS (continued)

City Pension Fund for Firefighters and Police Officers (continued)

Cost of Living Adjustment (COLA)

Effective April 1, 2005 and April 1 of each year thereafter, firefighter retirees, their beneficiaries and DROP participants who were receiving benefits or enrolled in the DROP on or after June 18, 2003 will receive thereafter a 2% increase in their retirement benefit or an adjustment equal to the total percentage increase in base wages, excluding performance or merit adjustments, provided in collective bargaining agreement to bargaining unit members, for the City's fiscal year commencing the preceding October 1, whichever is greater. Upon retirement, firefighter members who were hired on or after April 1, 2006 shall receive a fixed 3% increase to their monthly retirement benefit on April 1 of each year following retirement. Firefighters hired on or after May 1, 2010, who retire or enter the DROP, and their beneficiaries, shall receive a 1.5% increase to their retirement benefit on October 1st each year following retirement. If benefit is received for less than one year, COLA is prorated for that first year.

Effective October 1, 2009, and October 1 of each year thereafter, police retirees, their beneficiaries and DROP participants who were receiving benefits or enrolled on or after October 1, 2003, will receive a 1.5% increase to their retirement benefit. If the benefit is received for less than one year, COLA is prorated for that first year.

Effective October 1, 2009, and October 1 of each year thereafter, police retirees who retired or entered the DROP on or after October 1, 2006, or their beneficiaries, will receive a 3.0% increase to their retirement benefit. Effective May 1, 2010, police officers who were hired prior to May 1, 2010 and retire or enter the DROP after April 30, 2010 and their beneficiaries, shall receive a 2% increase to their retirement benefit on October 1st each year following retirement. Police officers hired on or after May 1, 2010, who retire or enter the DROP, and their beneficiaries, shall receive a 1.5% increase to their retirement benefit on October 1st each year following retirement.

For police officers and firefighters hired on or after October 1, 2018, the member's retirement payment will not be adjusted for a cost of living adjustment.

Funding Policy

The City of Pembroke Pines contributes an actuarially determined amount that, when combined with participants' contributions and contributions from the State of Florida, will fully provide for all benefits as they become payable. The City's contribution, excluding amounts from the State, was \$29,762,535 for the year ended September 30, 2023.

Pursuant to Florida Statutes, Chapters 175 and 185 contributions from the State of Florida Department of Insurance consist of excise tax imposed by the City upon certain casualty insurance companies on the gross amount of receipts of premiums from policy holders on all premiums collected on casualty insurance policies covering property within the City. The allowable portion of the State contribution is used to reduce the City's contributions when received.

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 15. MUNICIPAL EMPLOYEES' RETIREMENT PENSION PLANS (continued)

City Pension Fund for Firefighters and Police Officers (continued)

Funding Policy (continued)

The State contributions totaled \$4,122,850 for the year ended September 30, 2023 and are recorded as revenues and expenditures in the General Fund before being reported as contributions in the pension trust fund. The State contributions consist of local Insurance Premium Tax revenues which are used to fund additional benefits for members of the Plan, in accordance with Florida Statutes 175 and 185.

Members of the Plan who are certified firefighters and police officers make regular contributions to the Plan at a rate equal to 10.4% of their respective annual earnings until completion of 26 2/3 year of continuous service. Effective October 1, 2015, members that were hired after May 1, 2010 are required to contribute 7.0% of their annual earnings instead of 10.4%. Member contributions for the fiscal year ended September 30, 2023 amounted to \$2,494,571.

On October 17, 2003 the City contributed \$36,720,000 to the Plan as a result of the Taxable Communications Services Tax Revenue Bonds, Series 2003A (Series 2003 Bonds). The Series 2003 Bonds were issued to finance the enhanced benefits for firefighter members of the Plan. Benefits included, but were not limited to, a minimum of 2% cost of living adjustment for firefighter members, and up to 1,000 hours of unused leave can be included as part of the earnings used to calculate pension benefits. See also Note 9 for additional information on the bond issue. Series 2003 Bonds were refunded by Communications Services Tax Revenue Bonds, Series 2013 (Series 2013 Bonds).

On April 1, 2004 the City contributed \$26,200,000 to the Plan as a result of the Taxable Communications Services Tax Revenue Bonds, Series 2004 (Series 2004 Bonds). The Series 2004 Bonds were issued, amongst other reasons, to finance the enhanced benefits for police officer members of the Plan, as well as to maintain the City's contribution at the same percentage level of payroll prior to the enhanced benefits. These benefits were similar to the firefighter members, and included, but were not limited to, a 1.5% cost of living adjustment, and up to 1,000 hours of unused sick leave can be included as part of earnings used to calculate pension benefits. Series 2004 Bonds were refunded by Communications Services Tax Revenue Bonds, Series 2014 (Series 2014 Bonds). See also Note 9 for additional information on the bond issue.

All eligible employees, as a condition of membership, must agree in writing, on becoming a member, to make the contribution specified in the Plan. These contributions are in the form of payroll deductions until the member has completed twenty-six and two-thirds years of continuous service.

Investment and administrative expenses are paid out of Plan assets that are replenished by investment earnings and employee and City contributions in order to maintain the Plan actuarially sound.

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 15. MUNICIPAL EMPLOYEES' RETIREMENT PENSION PLANS (continued)

City Pension Fund for Firefighters and Police Officers (continued)

Property and Equipment

Property and equipment consist of the following at September 30, 2023:

	<u>Estimated Useful Lives</u>	
Building	39 years	\$ 757,249
Building improvements	39 years	530,771
Land	-	28,000
Equipment	5 years	<u>189,065</u>
		1,505,085
Less: accumulated depreciation		<u>243,929</u>
Property and equipment, net		<u>\$1,261,156</u>

Depreciation expense for the year ended September 30, 2023 was \$25,377.

Investments

Investments are reported at fair value as of September 30, 2023. The fair value of the quoted investments is based on the closing sales price or bid price as reported by recognized security exchanges. Bonds are reported at established fair value. Securities that have no quoted market price are presented at estimated fair value as provided by the custodial bank and investment counsel.

Unrealized gains and losses are presented as net appreciation/ (depreciation) in fair value of investments along with the gains and losses realized on the sales of the investments. Purchases and sales of investments are recorded on a trade-date basis.

The Plan's investment policy is determined by the Board of Trustees. The policy has been identified by the Board to conduct the operations of the Plan in a manner so that the assets will provide pension and other benefits provided under applicable laws, including City Ordinances, preserving principal while maximizing return.

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 15. MUNICIPAL EMPLOYEES' RETIREMENT PENSION PLANS (continued)

City Pension Fund for Firefighters and Police Officers (continued)

Investments (continued)

The Trustees are authorized to acquire and retain every kind of property, real, personal or mixed, and every kind of investment specifically including, but not by way of limitation, bonds, debentures, and other corporate obligations, and stocks, preferred or common.

Investment in all equity securities shall be limited to those listed on a major U.S. stock exchange and limited to no more than 72% (at market) of the Plan's total asset value with no more than 5% of the total market value shall be invested in the equity securities of any one company. Investments in stocks of foreign companies shall be limited to 10% of the value of the portfolio. No more than 15% of the equity securities are to be invested in small cap stocks and no more than 12% in mid cap stocks.

The fixed income portfolio shall be comprised of securities with a minimum quality rating of "A" or equivalent as rated by one or more recognized bond rating services at the time of purchase. Fixed income investments that are downgraded below BAA shall be liquidated within a reasonable period of time. If the manager determines it is prudent to hold an investment that has been downgraded below BAA they will be required to report to the board on the status of and the reason for holding said bond. No more than 5% of the total market value of fixed income securities shall be invested in the debt obligations of any one fixed income issuer except for securities issued and guaranteed by the United States Government, or its agencies, which may be held without limitations.

Types of Investments

Florida statutes and Plan investment policy authorize the Trustees to invest funds in various investments. The current target asset allocation range of these investments at market is as follows:

<u>Type of Investment</u>	<u>Investment Policy</u>	<u>Actual Allocation</u>
Domestic equities	42% to 62%	58.38%
International equities	0% to 10%	5.96%
Fixed income	15% to 35%	20.25%
Real assets	0% to 20%	15.41%

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 15. MUNICIPAL EMPLOYEES' RETIREMENT PENSION PLANS (continued)

City Pension Fund for Firefighters and Police Officers (continued)

Types of Investments (continued)

The Plan's net investment income for the year ended September 30, 2023 was \$81,861,3320, as compared to last year's net investment loss of \$(97,917,510).

The money weighted rate of return expresses investment performance, net of investment expense, adjusted for changing amounts actually invested. The annual money-weighted rate of return on the Plan's investment for the year ended September 30, 2023 was 10.81%.

Net Pension Liability of the City

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

	<u>2023</u>
Total pension liability	\$ 1,089,914,347
Plan fiduciary net position	<u>(765,837,403)</u>
City net pension liability	<u>\$ 324,076,944</u>
Plan fiduciary net position as a percentage of total pension liability	70.27%
Net pension liability as a percentage of covered employee payroll	1017.08%

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 15. MUNICIPAL EMPLOYEES' RETIREMENT PENSION PLANS (continued)

City Pension Fund for Firefighters and Police Officers (continued)

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of October 1, 2022, and rolled forward to the measurement date of September 30, 2023, using the following most significant actuarial assumptions: 7.50% for the investment rate of return, 3.50% to 8.50% for projected salary increases and 2.60% for inflation.

The actuarial valuation for October 1, 2022 used the following actuarial assumptions:

Actuarial cost method	Entry Age Normal
Amortization Method	Level Percentage, Closed
Amortization Period	30 Years
Asset Valuation Method	5-year smoothed market
Inflation	2.60%
Salary Increases	3.5% - 8.5%
Investment Rate of Return	7.50%
Mortality	For healthy participants during employment, PUB-2010 Headcount Weighted Safety Employee Female Mortality Table and Safety Below Median Employee Male Mortality Table, both set forward one year, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018. For healthy participants post-employment, PUB-2010 Headcount Weighted Safety Healthy Retiree Female Mortality Table and Safety Below Median Healthy Retiree Male Mortality Table, both set forward one year, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018. For disabled participants, 80% PUB-2010 Headcount Weighted General Disabled Retiree Mortality Table/20% PUB-2010 Headcount Weighted Safety Disabled Retiree Mortality Table, separate rates for males and females, without projected mortality improvements.
Cost-of-Living Increases	Firefighters: 0.0%, 1.5%, 2.0%, or 3.0% Police: 0.0%, 1.5%, 2.0%, 2.5% or 3.0%

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 15. MUNICIPAL EMPLOYEES' RETIREMENT PENSION PLANS (continued)

City Pension Fund for Firefighters and Police Officers (continued)

Actuarial Assumptions (continued)

Future employee contributions are assumed to continue at 10.4% for members who were hired on or prior to May 1, 2010 and 7.0% for members who were hired after May 1, 2010, and the City is expected to contribute amounts necessary on an actuarial basis to fund the Plan's expenses, normal cost, and to amortize the unfunded actuarial accrued liability.

The long-term expected rate of return on Plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of Plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Plan's target asset allocation as of September 30, 2023 (see the discussion of the Plan's investment policy) are summarized in the following table:

<u>Investment Category</u>	<u>Long Term expected real rate of return</u>
Large Cap	8.50%
Mid Cap	9.20%
Small Cap	7.90%
International Equity	5.80%
Real Estate	5.10%
Fixed Income	0.10%

The discount rate used to measure the total pension liability was 7.45%. The projection of cash flows used to determine the discount rate assumed that Plan participant contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the participant rate. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current Plan participants. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 15. MUNICIPAL EMPLOYEES' RETIREMENT PENSION PLANS (continued)

City Pension Fund for Firefighters and Police Officers (continued)

Net Pension Liability

The following presents the net pension liability of the City using the discount rate, 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:

City Net Pension Liability		
1% Decrease (6.45%)	Current rate (7.45%)	1% Increase (8.45%)
\$ 406,650,929	\$ 312,182,472	\$ 191,045,147

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Reporting period as of September 30, 2022	\$ 1,013,261,012	\$ 871,502,793	\$ 141,758,219
Changes for the year:			
Service cost	9,834,890	-	9,834,890
Interest	77,653,204	-	77,653,204
Benefit payments, including refunds	(42,249,585)	(42,249,585)	-
Differences between expected and actual experience	10,245,283	-	10,245,283
Changes in assumptions	21,169,543	-	21,169,543
Contributions - members	-	2,634,183	(2,634,183)
Contributions - city and state	-	32,700,864	(32,700,864)
Net investment income	-	(97,917,510)	97,917,510
Administration expenses	-	(877,097)	877,097
Other	-	43,755	(43,755)
Net Change	76,653,335	(105,665,390)	182,318,725
Reporting period as of September 30, 2023	\$ 1,089,914,347	\$ 765,837,403	\$ 324,076,944

The actuarial assumptions used in the October 1, 2022 valuation were based on the results of an actuarial experience study for the period October 1, 2014 to September 30, 2020.

The pension plan's fiduciary net position has been determined on the same basis used by the pension plan for both firefighters and police officers.

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 15. MUNICIPAL EMPLOYEES' RETIREMENT PENSION PLANS (continued)

City Pension Fund for Firefighters and Police Officers (continued)

Pension Expense and Deferred Outflows/ (Inflows) of Resources

In accordance with GASB 68, paragraph 71, changes in the net pension liability are recognized in pension expense in the current measurement period, except as indicated below. For each of the following, a portion is recognized in pension expense in the current measurement period, and the balance is amortized as deferred outflows or deferred inflows of resources using a systematic and rational method over a closed period, as defined below:

1. Differences between expected and actual experience with regard to economic and demographic factors – amortized over the average expected remaining service life of all employees that are provided with pensions through the pension plan (active and inactive employees)
2. Changes of assumptions or other inputs – amortized over the average expected remaining service life of all employees that are provided with pensions through the pension plan (active and inactive employees)
3. Differences between expected and actual earnings on pension plan investments – amortized over five years

Contributions to the pension plan from the City are not included in collective pension expense. The pension expense for the fiscal year ended September 30, 2023 is \$54,668,170.

Employer contributions made subsequent to the September 30, 2022 measurement date of the Net Pension Liability and before the end of the September 30, 2023 reporting period should be reported as deferred outflows of resources per GASB 68 paragraph 34. The components of deferred outflows and inflows of resources as of September 30, 2023 are presented below:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Total
Contributions, subsequent to measurement date	\$ 29,762,535	\$ -	\$ 29,762,535
Assumptions/inputs	24,888,705	(2,673,941)	22,214,764
Experience expected/actual	15,621,931	-	15,621,931
Projected/Actual earnings	84,365,058	-	84,365,058
	\$ 154,638,229	\$ (2,673,941)	\$ 151,964,288

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 15. MUNICIPAL EMPLOYEES' RETIREMENT PENSION PLANS (continued)

City Pension Fund for Firefighters and Police Officers (continued)

Pension Expense and Deferred Outflows/ (Inflows) of Resources (continued)

Deferred outflows of resources related to employer contributions paid subsequent to the measurement date and prior to the employer's fiscal year end will be recognized as a reduction of the net pension liability in the subsequent fiscal period. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension expense will be recognized as follows:

Reporting Period	Amount to be
Ending	Recognized
September 30,	
2024	\$ 34,878,810
2025	28,768,936
2026	23,100,177
2027	35,453,830
Total	\$ 122,201,753

Florida Retirement System (FRS) - Charter School Employees

On August 16, 2006, the City Commission passed Resolution number 3105 which mandated that all Pembroke Pines Charter Schools' full-time employees hired after August 7, 2006 and all part-time employees regardless of the date of hire will join the Florida Retirement System (FRS) Pension Plan. Individuals who were members of the ICMA-RC Defined Contribution Plan were given a one-time irrevocable election to participate in the FRS Pension Plan.

The Charter Schools' employees participate in the Florida Retirement System (FRS), a cost-sharing, multiple-employer, defined benefit Public Employment Retirement System (PERS). The FRS is totally administered by the State of Florida.

Plan Description

Benefits are computed on the basis of age, average final compensation and service credit. Average final compensation is the average of the highest five (5) fiscal years of earnings. The FRS provides vesting of benefits after six (6) years of creditable service. Early retirement may be taken any time after vesting; however, there is a 5% benefit reduction for each year prior to normal retirement age or date. The FRS also provides death and disability benefits. A State Statute establishes the benefit. Normal retirement requirements are vesting and age 62 with six years of service, or 30 years of creditable service regardless of age if the individual was employed by an FRS employer prior to July 1, 2011. If the member was employed on or after July 1, 2011, normal retirement is age 65 with eight years of vested service; or the age after 65 that the member becomes vested; or thirty-three years of service, regardless of age.

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 15. MUNICIPAL EMPLOYEES' RETIREMENT PENSION PLANS (continued)

Florida Retirement System (FRS) - Charter School Employees

Type of Benefit

The FRS Pension Plan is a cost-sharing, multiple-employer qualified defined benefit pension plan with a Deferred Retirement Option Program (DROP) available for eligible employees. The FRS was established and is administered in accordance with Chapter 121, Florida Statutes. Retirees receive a lifetime pension benefit with joint and survivor payment options. FRS membership is compulsory for employees filling regularly established positions in a state agency, county agency, state university, state community college, or district school board, unless restricted from FRS membership under sections 121.053 and 121.122, Florida Statutes, or allowed to participate in a nonintegrated defined contribution plan in lieu of FRS membership. Participation by cities, municipalities, special districts, charter schools and metropolitan planning organizations is optional.

The Retiree Health Insurance Subsidy (HIS) Program is a cost-sharing, multiple-employer defined benefit pension plan established and administered in accordance with section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. For the fiscal year ended June 30, 2023, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of service credited at retirement multiplied by \$5. The minimum payment is \$30 and the maximum payment is \$150 per month, pursuant to section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under one of the state-administered retirement systems must provide proof of eligible health insurance coverage, which can include Medicare.

Average Final Compensation (AFC)

For members initially enrolled in the FRS before July 1, 2011, average final compensation (AFC) is the average of the five highest fiscal years of salary earned during covered employment. For members initially enrolled in the FRS on or after July 1, 2011, AFC is the average of the eight highest fiscal years of salary earned during covered employment.

Vesting

Members initially enrolled on or after July 1, 2001, through June 30, 2011, vest after six years of service. Members initially enrolled on or after July 1, 2011, vest after eight years of creditable service.

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 15. MUNICIPAL EMPLOYEES' RETIREMENT PENSION PLANS (continued)

Florida Retirement System (FRS) - Charter School Employees (continued)

Service Retirement

Members become eligible for normal retirement or unreduced retirement based on their age and/or service when they first meet one of the minimum requirements below. Early retirement or reduced retirement may be taken after a member is vested and is within 20 years of normal retirement age; however, there is a 5 percent benefit reduction for each year remaining from a member's retirement age to normal retirement age.

Description:	Service retirement:
Normal Retirement Requirements for Regular Class members initially enrolled before July 1, 2011.	Vested with six years of service and age 62; or the age after completing six years of service if after age 62; or 30 years of service, regardless of age.
Normal Retirement Requirements for Regular Class members initially enrolled on or after July 1, 2011.	Vested with eight years of service and age 65; or the age after completing eight years of service if after age 65; or 33 years of service, regardless of age.

FRS issues an annual financial report. A copy can be obtained by contacting the Division of Retirement at:

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

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 15. MUNICIPAL EMPLOYEES' RETIREMENT PENSION PLANS (continued)

Florida Retirement System (FRS) - Charter School Employees (continued)

Funding Policy

The Charter Schools' required contribution rate is established, and may be amended, by State Statute. For the fiscal year ended June 30, 2023, the contribution rate was 11.91% for Regular Class Members and 18.60% for DROP Members. The Schools are required to contribute both for full-time and part-time members of the Plan, which amounted to \$3,051,746. As of June 30, 2023, there were 527 members in this Plan. The contribution rate includes the post-employment health insurance supplement of 1.66% and the administrative/educational fee of 0.06%.

Since year 2012, the State mandated that employees contribute to the FRS Pension Plan. In fiscal year 2023, the contribution rate was 3%. The required employee contribution amounted to \$741,193 for fiscal year ended June 30, 2023.

Fiscal Year	Annual	Total	Percentage Contributed	Contribution Rates	
	Required Contributions	Employer Contributions		Regular Class	DROP
2023	\$ 3,051,746	\$ 3,051,746	100.0%	11.91%	18.60%
2022	2,596,386	2,596,386	100.0%	10.82%	18.34%
2021	2,241,497	2,241,497	100.0%	10.00%	16.98%
2020	1,821,880	1,821,880	100.0%	8.47%	14.60%
2019	1,710,079	1,710,079	100.0%	8.26%	14.03%
2018	1,633,735	1,633,735	100.0%	7.52%	12.99%
2017	1,502,652	1,502,652	100.0%	7.52%	12.99%
2016	1,362,328	1,362,328	100.0%	7.26%	12.88%
2015	1,374,878	1,374,878	100.0%	7.37%	12.28%
2014	1,321,708	1,321,708	100.0%	6.95%	12.84%

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 15. MUNICIPAL EMPLOYEES' RETIREMENT PENSION PLANS (continued)

Florida Retirement System (FRS) - Charter School Employees (continued)

Net Pension Liabilities

The components of the collective net pension liability of the participating employers for each defined benefit plan for the measurement date of June 30, 2022, are shown below (in thousands):

	FRS	HIS
Total Pension Liability	\$ 217,434,441	\$ 11,126,966
Plan Fiduciary Net Position	(180,226,405)	(535,369)
Net pension liability	\$ 37,208,036	\$ 10,591,597

Plan Fiduciary Net Position as a		
Percentage of the Total Pension Liability	82.89%	4.81%

The total pension liability for each plan was determined by the plans' actuary and reported in the plans' valuations dated July 1, 2022. The fiduciary net position used by the actuary to determine the net pension liability (as shown above) was determined on the same basis used by the plan. Each plan's fiduciary net position is reported in the financial statements and the net pension liability is disclosed in the notes to the financial statements. Update procedures were not used.

The Charter Schools reported a liability of \$23,572,356 for their proportionate share of the net pension liability as of June 30, 2023. The detail of the Schools' proportionate shares is as follows:

FRS Pension Plan:

Employer / Agency Number	Employer / Agency Name	Employer Contribution for Pension Plan Funding for Prior Period	Proportion at Prior Measurement Date	Employer Contribution for Pension Plan Funding for Current Period	Proportion at Current Measurement Date	Employer Proportionate Share of Net Pension Liability/(Asset) at Prior Measurement Date ¹	Employer Proportionate Share of Net Pension Liability/(Asset) at Measurement Date
16309	CITY OF PEMBROKE PINES FSU CHARTER SCHOOL	229,287	0.006018715%	254,173	0.005956451%	454,645	2,216,279
16310	CITY OF PEMBROKE PINES CHARTER ELEMENTARY SCHOOL	555,724	0.014587594%	651,016	0.015256345%	1,101,927	5,676,586
16311	CITY OF PEMBROKE PINES CHARTER MIDDLE SCHOOL	379,022	0.009949211%	416,305	0.009755973%	751,550	3,630,006
16312	CITY OF PEMBROKE PINES CHARTER HIGH SCHOOL	509,085	0.013363337%	597,155	0.013994127%	1,009,448	5,206,940

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 15. MUNICIPAL EMPLOYEES' RETIREMENT PENSION PLANS (continued)

Florida Retirement System (FRS) - Charter School Employees (continued)

Net Pension Liabilities (continued)

FRS Retiree Health Insurance Subsidy (HIS) Program:

Employer / Agency Number	Employer / Agency Name	Employer Contribution for Pension Plan Funding for Prior Period	Proportion at Prior Measurement Date	Employer Contribution for Pension Plan Funding for Current Period	Proportion at Current Measurement Date	Employer Proportionate Share of Net Pension Liability/(Asset) at Prior Measurement Date ¹	Employer Proportionate Share of Net Pension Liability/(Asset) at Measurement Date
16309	CITY OF PEMBROKE PINES FSU CHARTER SCHOOL	50,097	0.008522783%	51,896	0.008576608%	1,045,448	908,400
16310	CITY OF PEMBROKE PINES CHARTER ELEMENTARY SCHOOL	119,757	0.020373695%	131,277	0.021695585%	2,499,140	2,297,909
16311	CITY OF PEMBROKE PINES CHARTER MIDDLE SCHOOL	85,064	0.014471648%	85,664	0.014157382%	1,775,165	1,499,493
16312	CITY OF PEMBROKE PINES CHARTER HIGH SCHOOL	113,278	0.019271451%	122,069	0.020173943%	2,363,933	2,136,743

Basis of Allocation

The employer's proportionate share reported in the pension allocation schedules was calculated using accrued retirement contributions related to the reporting periods included in the system's fiscal years ended June 30, 2013 through June 30, 2022, respectively, for employers that were members of the FRS and HIS during those fiscal years. For fiscal years June 30, 2015 through June 30, 2022, in addition to contributions from employers the required accrued contributions for the division (paid on behalf of the division's employees who administer the plans) were allocated to each employer on a proportional basis. The division administers the plans, and therefore, cannot allocate a portion of the liability to itself. Although GASB 68 encourages the use of the employers' projected long-term contribution effort to the retirement plan, allocating on the basis of historical employer contributions is acceptable. The aggregate employer contribution amounts for each fiscal year agree to the employer contribution amounts reported in the system's Annual Comprehensive Financial Report for that fiscal year.

The proportion calculated based on contributions for each of the fiscal years presented in the pension allocation schedules was applied to the net pension liability and other pension amounts applicable to that fiscal year to determine each employer's proportionate share of the liability, deferred outflows of resources, deferred inflows of resources and associated pension expense.

For the purposes of the pension allocation schedules, pension amounts are allocated to reporting employers. The pension amounts of participating employers whose payrolls are reported and contributions are remitted by another entity are included in the reporting employer's amounts and will be allocated to the participating employer by the reporting employer.

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 15. MUNICIPAL EMPLOYEES' RETIREMENT PENSION PLANS (continued)

Florida Retirement System (FRS) - Charter School Employees (continued)

Actuarial Methods and Assumptions

The FRS Actuarial Assumption Conference is responsible for setting the assumptions used in the funding valuations of the defined benefit pension plan pursuant to section 216.136(10), Florida Statutes. The division determines the assumptions in the valuations for GASB 67 reporting purposes. The FRS Pension Plan's GASB 67 valuation is performed annually. The HIS Program has a valuation performed biennially that is updated for GASB reporting in the year a valuation is not performed. The most recent experience study for the FRS Pension Plan was completed in 2019 for the period July 1, 2013, through June 30, 2018. Because the HIS Program is funded on a pay- as-you-go basis, no experience study has been completed for this program. The actuarial assumptions that determined the total pension liability for the HIS Program were based on certain results of the most recent experience study for the FRS Pension Plan.

The total pension liability for each cost-sharing defined benefit plan was determined using the individual entry age actuarial cost method. Inflation increases for both plans is assumed at 2.40%. Payroll growth, including inflation, for both plans is assumed at 3.25%. Both the discount rate and the long-term expected rate of return used for FRS Pension Plan investments is 6.70%. The plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return. Because the HIS Program uses a pay-as-you-go funding structure, a municipal bond rate of 3.54% was used to determine the total pension liability for the program. Mortality assumptions for both plans were based on the PUB-2010 base tables.

The following changes in actuarial assumptions occurred in 2022:

1. FRS: The long-term expected rate of return was decreased from 6.80% to 6.70%.
2. HIS: The demographic assumptions for the Special Risk class were updated to reflect plan changes due to HB5007, HB689, and SB838.
3. HIS: The election assumption for vested terminated members was updated from 20% to 50% to reflect recent experience.
4. HIS: The municipal bond rate used to determine total pension liability was increased from 2.16% to 3.54%.

Because the HIS 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 a long-duration, high-quality, tax-exempt municipal bond rate selected by the plan sponsor. The discount rate used in the 2022 valuation was updated from 2.16% to 3.54%, reflecting the change in the Bond Buyer General Obligation 20-Bond Municipal Bond Index as of June 30, 2022.

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 15. MUNICIPAL EMPLOYEES' RETIREMENT PENSION PLANS (continued)

Florida Retirement System (FRS) - Charter School Employees (continued)

Actuarial Methods and Assumptions (continued)

The benefits received by retirees and beneficiaries are increased by a cost-of-living adjustment (COLA) each July based on their June benefit amount (excluding the Retiree Health Insurance Subsidy benefit). For retirees who have been retired for less than 12 months on July 1, the first COLA increase is prorated. The COLA applies to all continuing monthly retirement benefits paid under the FRS Pension Plan (i.e., normal and early service retirement benefits and benefits accruing in participant accounts under the DROP, disability retirement benefits, and survivor benefits). The COLA for retirements or DROP participation effective before Aug. 1, 2011, is 3 percent per year. The COLA formula for retirees with an effective retirement date or DROP begin date on or after Aug. 1, 2011, will be the sum of the pre-July 2011 service credit divided by the total service credit at retirement multiplied by 3 percent. Each Pension Plan member with an effective retirement date of Aug. 1, 2011, or after will have an individual COLA factor for retirement. FRS Pension Plan members initially enrolled on or after July 1, 2011, will not have a COLA after retirement.

Long-Term Expected Rate of Return

The long-term expected rate of return assumption of 6.70% consists of two building block components: 1) an inferred real (in excess of inflation) return of 4.20%, consistent with the 4.38% 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% as most recently adopted in October 2022 by the FRS Actuarial Assumption Conference. In the opinion of the FRS consulting actuary both components and the overall 6.70% return assumption were determined to be reasonable and appropriate per the Actuarial Standards of Practice. The 6.70% reported investment return assumption is the same as the investment return assumption chosen by the 2022 FRS Actuarial Assumption Conference for funding policy purposes.

For reference, the table below contains a summary of the 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.

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 15. MUNICIPAL EMPLOYEES' RETIREMENT PENSION PLANS (continued)

Florida Retirement System (FRS) - Charter School Employees (continued)

Long-Term Expected Rate of Return (continued)

Asset Class	Target Allocation	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	2.6%	2.6%	1.1%
Fixed income	19.8%	4.4%	4.4%	3.2%
Global equity	54.0%	8.8%	7.3%	17.8%
Real estate	10.3%	7.4%	6.3%	15.7%
Private equity	11.1%	12.0%	8.9%	26.3%
Strategic investments	3.8%	6.2%	5.9%	7.8%
Assumed Inflation - Mean			2.40%	1.30%

Sensitivity Analysis

The following tables demonstrate the sensitivity of the net pension liability to changes in the discount rate. The sensitivity analysis shows the impact to the collective net pension liability of the participating employers if the discount rate was 1.00% higher or 1.00% lower than the current discount rate at June 30, 2023

FRS Net Pension Liability

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
	5.70%	6.70%	7.70%
Charter FSU	\$ 3,832,901	\$ 2,216,279	\$ 864,590
Elementary	9,817,266	5,676,586	2,214,486
Middle	6,277,846	3,630,006	1,416,097
High	9,005,044	5,206,940	2,031,272

HIS Net Pension Liability

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
	2.54%	3.54%	4.54%
Charter FSU	\$ 1,039,284	\$ 908,400	\$ 800,096
Elementary	2,628,996	2,297,909	2,023,941
Middle	1,715,543	1,499,493	1,320,716
High	2,444,609	2,136,743	1,881,990

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 15. MUNICIPAL EMPLOYEES' RETIREMENT PENSION PLANS (continued)

Florida Retirement System (FRS) - Charter School Employees (continued)

Pension Expense and Deferred Outflows/ (Inflows) of Resources

In accordance with GASB 68, paragraph 54 and 71, changes in the net pension liability are recognized in pension expense in the current measurement period, except as indicated below. For each of the following, a portion is recognized in pension expense in the current measurement period, and the balance is amortized as deferred outflows or deferred inflows of resources using a systematic and rational method over a closed period, as defined below:

1. Differences between expected and actual experience with regard to economic and demographic factors – amortized over the average expected remaining service life of all employees that are provided with pensions through the pension plan (active and inactive employees)
2. Changes of assumptions or other inputs – amortized over the average expected remaining service life of all employees that are provided with pensions through the pension plan (active and inactive employees)
3. Changes in proportion and differences between contributions and proportionate share of contributions – amortized over the average expected remaining service life of all employees that are provided with pension through the pension plan (active and inactive employees)
4. Differences between expected and actual earnings on pension plan investments – amortized over five years

Employer contributions to the pension plans from employers are not included in collective pension expense; however, employee contributions are used to reduce pension expense.

The average expected remaining service life of all employees provided with pensions through the pension plans at June 30, 2022, was 5.5 years for FRS and 6.4 years for HIS. The components of collective pension expense reported in the pension allocation schedules for the fiscal year ended June 30, 2022, are presented below:

	Collective Pension Expense
FSU Elementary	\$ 420,645
Charter Elementary	1,018,370
Charter Middle	638,206
Charter High	1,002,312
Total	\$ 3,079,533

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 15. MUNICIPAL EMPLOYEES' RETIREMENT PENSION PLANS (continued)

Florida Retirement System (FRS) - Charter School Employees (continued)

Pension Expense and Deferred Outflows/ (Inflows) of Resources (continued)

The components of deferred outflows and inflows of resources schedules as of the June 30, 2023, are presented below for each plan.

FRS Pension Plan									
	FSU Elementary		Elementary		Middle		High		Total
	Deferred Outflows of Resources	Deferred Inflows of Resources							
Changes in:									
Contributions, subsequent to measurement date	\$ 290,515	\$ -	\$ 716,914	\$ -	\$ 437,308	\$ -	\$ 629,953	\$ -	\$ 2,074,690
Assumptions/inputs	272,944	-	699,095	-	447,050	-	641,256	-	2,060,345
Projected/Actual earnings	146,341	-	374,824	-	239,689	-	343,814	-	1,104,668
Experience expected/actual	105,260	-	269,605	-	172,404	-	247,300	-	794,569
Change in Proportion, NPL	173,736	(20,819)	437,309	(47,499)	299,452	(102,535)	529,281	(26,972)	1,241,953
	\$ 988,796	\$ (20,819)	\$ 2,497,747	\$ (47,499)	\$ 1,595,903	\$ (102,535)	\$ 2,391,604	\$ (26,972)	\$ 7,276,225

HIS Pension Plan									
	FSU Elementary		Elementary		Middle		High		Total
	Deferred Outflows of Resources	Deferred Inflows of Resources							
Changes in:									
Contributions, subsequent to measurement date	\$ 57,199	\$ -	\$ 145,289	\$ -	\$ 89,324	\$ -	\$ 124,393	\$ -	\$ 416,205
Assumptions/inputs	52,070	(140,529)	131,718	(355,485)	85,952	(231,971)	122,479	(330,553)	(666,319)
Projected/Actual earnings	1,315	-	3,327	-	2,171	-	3,094	-	9,907
Experience expected/actual	27,572	(3,997)	69,747	(10,111)	45,513	(6,598)	64,855	(9,402)	177,579
Change in Proportion, NPL	46,893	(7,543)	135,284	(68,097)	57,922	(53,288)	154,288	(14,030)	251,429
	\$ 185,049	\$ (152,069)	\$ 485,365	\$ (433,693)	\$ 280,882	\$ (291,857)	\$ 469,109	\$ (353,985)	\$ 188,801

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 15. MUNICIPAL EMPLOYEES' RETIREMENT PENSION PLANS (continued)

Florida Retirement System (FRS) - Charter School Employees (continued)

Pension Expense and Deferred Outflows/ (Inflows) of Resources (continued)

Deferred outflows of resources related to employer contributions paid subsequent to the measurement date, June 30, 2022, and prior to the Charter Schools' fiscal year end, June 30, 2023, will be recognized as a reduction of the net pension liability in the subsequent fiscal period. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension expense will be recognized as follows:

Year	FSU Elementary		Elementary	
	FRS Expense	HIS Expense	FRS Expense	HIS Expense
Ending June 30, 2024	\$ 175,635	\$ (45)	\$ 423,489	\$ (28,119)
2025	88,204	3,534	214,412	(11,694)
2026	(4,085)	1,164	(12,767)	(3,018)
2027	399,331	(3,800)	1,040,465	(9,641)
2028	18,377	(16,666)	67,735	(28,323)
Thereafter	-	(8,406)	-	(12,822)
Total	\$ 677,462	\$ (24,219)	\$ 1,733,334	\$ (93,617)

Year	Middle		High	
	FRS Expense	HIS Expense	FRS Expense	HIS Expense
Ending June 30, 2024	\$ 260,527	\$ (18,762)	\$ 422,723	\$ (1,097)
2025	126,452	(12,444)	239,509	5,754
2026	(8,595)	(8,058)	33,274	16,948
2027	649,852	(10,397)	976,607	7,939
2028	27,824	(33,895)	62,566	(24,563)
Thereafter	-	(16,743)	-	(14,250)
Total	\$ 1,056,060	\$ (100,299)	\$ 1,734,679	\$ (9,269)

City of Pembroke Pines, Florida

Notes to Basic Financial Statements
Fiscal Year Ended September 30, 2023

NOTE 15. MUNICIPAL EMPLOYEES' RETIREMENT PENSION PLANS (continued)

Aggregate amount for all pension plans

	General Employees' Pension	Firefighters and Police Officers' Pension	Florida Retirement System/HIS	Total
Net pension liabilities	\$ 8,540,871	\$ 324,076,944	\$ 23,572,356	\$ 356,190,171
Deferred outflows of resources	34,842,369	154,638,229	8,894,455	198,375,053
Deferred inflows of resources	-	2,673,941	1,429,429	4,103,370
Pension expense	1,917,458	54,668,170	3,079,533	59,665,161

Defined Contribution Plans

Charter School and Early Development Center Employees

Effective July 1, 2000, the City established a defined contribution plan for employees of the Charter Schools and Early Development Centers (the Charter Schools' Plan) created in accordance with Internal Revenue Service Code Section 401(a) and Ordinance 1345 and amended by Ordinance 1401 dated April 3, 2002. If a participant separates from service and subsequently becomes employed with another unit of a state or local government, then the participant may rollover the benefits into his new employer's pension plan providing said plan permits rollovers.

At September 30, 2023, there were 23 Plan members. Effective January 1, 2002, the Charter Schools' Plan members may make voluntary after-tax contributions of up to 25 percent of compensation during the fiscal year. Such contributions are 100 percent vested at all times. The City's required contribution was 11.92% of the Charter School Plan member's gross salary and 5.0% for the Early Development Centers Plan members. For the year ended June 30, 2023, the City contributed \$157,642 to the Charter Schools' Plan, and the members contributed \$13,624. Provisions of the Charter Schools' Plan may be amended by the City Commission. The Charter Schools' Plan is held in a trust for the exclusive benefit of the participants and their beneficiaries. Therefore, the net assets of the Charter Schools' Plan are not included in the City's financial statements.

Effective October 1, 2006 all new hires of the City's Charter Schools are required to join the defined benefit plan of the Florida Retirement System (FRS). Existing members of the defined contribution plan were given the option to continue with their defined contribution plan or to select the FRS. The City's contribution rate to the defined contribution plan equals the required contribution rate for the FRS. The City's Early Development Center employees remain in the original defined contribution plan with the City continuing to contribute 5.0% of covered payroll.

General Bargaining Unit Employees

Effective October 1, 2014, the City established a defined contribution plan for General bargaining-unit employees created in accordance with Internal Revenue Service Code Section 401(a) and Resolution 3456 dated May 20, 2015. At September 30, 2023, there were 150 participants. The City's required contribution was 12.0% of the non-exempt employees' base wages and 15.0% for the exempt employees' base wages. For the 2023 fiscal year, the City contributed \$1,269,559.



Required Supplementary Information

City of Pembroke Pines, Florida
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended September 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes	\$ 106,323,025	\$ 106,323,025	\$ 111,395,337	\$ 5,072,312
Permits, fees and licenses	46,911,352	46,911,352	49,151,140	2,239,788
Intergovernmental revenue	24,950,192	26,523,248	32,182,635	5,659,387
Charges for services	36,702,443	37,018,680	40,856,153	3,837,473
Fines and forfeitures	521,050	521,050	347,607	(173,443)
Miscellaneous revenues	17,134,220	19,544,128	32,363,262	12,819,134
Total revenues	<u>232,542,282</u>	<u>236,841,483</u>	<u>266,296,134</u>	<u>29,454,651</u>
Expenditures:				
General government services:				
Administrative services	14,058,873	14,455,307	12,008,240	2,447,067
City attorney	1,206,275	1,209,116	1,209,114	2
City clerk	1,543,238	1,750,228	1,451,507	298,721
City manager	1,164,963	1,369,315	1,311,024	58,291
Finance	3,849,800	3,712,396	3,602,787	109,609
Human resources	850,503	906,650	859,168	47,482
Mayor & commission	962,590	1,119,786	979,965	139,821
Non-departmental	5,759,810	9,890,193	9,862,087	28,106
Public services	18,286,585	26,022,286	21,127,033	4,895,253
Total general government services	<u>47,682,637</u>	<u>60,435,277</u>	<u>52,410,925</u>	<u>8,024,352</u>
Public safety				
Emergency and disaster relief services	-	-	480,211	(480,211)
Fire	60,706,167	61,016,633	61,800,280	(783,647)
Police	86,046,626	88,793,984	87,016,375	1,777,609
Total public safety	<u>146,752,793</u>	<u>149,810,617</u>	<u>149,296,866</u>	<u>513,751</u>
Physical environment				
Public services	3,315,095	3,347,319	3,021,372	325,947
Total physical environment	<u>\$ 3,315,095</u>	<u>\$ 3,347,319</u>	<u>\$ 3,021,372</u>	<u>\$ 325,947</u>

(continued)

See accompanying notes to the budgetary comparison schedule.

City of Pembroke Pines, Florida
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended September 30, 2023
(continued)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Expenditures:				
Economic environment				
Community services	9,302,921	9,069,223	8,554,049	515,174
Total economic environment	<u>9,302,921</u>	<u>9,069,223</u>	<u>8,554,049</u>	<u>515,174</u>
Human services				
Community services	1,326,123	1,393,576	1,282,474	111,102
Education	3,371,758	4,015,349	3,197,371	817,978
Total human services	<u>4,697,881</u>	<u>5,408,925</u>	<u>4,479,845</u>	<u>929,080</u>
Culture/recreation				
Cultural services	2,063,105	2,275,197	2,039,338	235,859
Parks & recreation	20,595,216	29,067,797	21,485,871	7,581,926
Total culture/recreation	<u>22,658,321</u>	<u>31,342,994</u>	<u>23,525,209</u>	<u>7,817,785</u>
Debt service				
Principal	-	-	2,092,895	(2,092,895)
Interest	-	-	22,469	(22,469)
Total debt services	<u>-</u>	<u>-</u>	<u>2,115,364</u>	<u>(2,115,364)</u>
Total expenditures	<u>234,409,648</u>	<u>259,414,355</u>	<u>243,403,630</u>	<u>16,010,725</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,867,366)</u>	<u>(22,572,872)</u>	<u>22,892,504</u>	<u>45,465,376</u>
Other financing sources (uses):				
Transfers out	(1,246,901)	(1,037,041)	(1,100,968)	(63,927)
Proceeds from lease financing	-	-	1,616,676	1,616,676
Proceeds from subscription financing	-	-	628,459	628,459
Sale of equipment	60,000	60,000	105,304	45,304
Total other financing sources (uses)	<u>(1,186,901)</u>	<u>(977,041)</u>	<u>1,249,471</u>	<u>2,226,512</u>
Net change in fund balances	(3,054,267)	(23,549,913)	24,141,975	47,691,888
Fund balances, beginning	<u>110,177,338</u>	<u>110,177,338</u>	<u>110,177,338</u>	<u>-</u>
Fund balances, ending	<u>\$ 107,123,071</u>	<u>\$ 86,627,425</u>	<u>\$ 134,319,313</u>	<u>\$ 47,691,888</u>

See accompanying notes to the budgetary comparisons schedule.

City of Pembroke Pines, Florida

Notes to Budgetary Comparison Schedule

Fiscal Year Ended September 30, 2023

NOTE 1. BUDGETS AND BUDGETARY ACCOUNTING

Annual budgets are legally adopted for all governmental funds other than the Capital Projects Fund, whose budget is adopted on a project length basis. All governmental fund budgets are maintained on the modified accrual basis of accounting, consistent with accounting principles generally accepted in the United States (GAAP), except for encumbrances, which are purchase orders and contracts issued for goods or services not received at year-end.

1. No later than sixty days prior to the close of the current fiscal year, the City Manager submits to the City Commission a budget estimate of the expenditures and revenues of all City departments and divisions for the fiscal year commencing the following October 1.
2. Two public hearings are conducted at the City's Commission Chambers, to inform the taxpayers and receive their comments. The commission-approved adopted budget is integrated into the accounting software effective October 1. It establishes the legal authority to incur expenditures up to the appropriated amount.
3. Section 30.30(F) of the Code of Ordinances requires a majority affirmative vote of the quorum to adopt the budget, which prior to October 1, is legally enacted through passage of an ordinance. Section 5.06 of the City Charter provides that no officer, department, or agency may legally expend or contract to expend amounts in excess of the amounts appropriated for that general classification of expenditures.
4. The City's legal level of budgetary control is at the fund level. The adopted budget may be amended as follows:
 - a. The City Manager and Finance Director approve line item adjustments within a department and between departments within the same fund.
 - b. The City Commission approves budget adjustments that transfer monies from fund to fund or interdepartmentally.
 - c. The City Commission may approve supplemental appropriations of revenues and expenditures during the year. Such changes are reflected in an amended budget ordinance, which is adopted within sixty days of the end of that fiscal year.
5. The final budget included budget transfers, supplemental appropriations and reductions, which modified the original adopted budget. The General Fund net upward adjustment to expenditure appropriations amounted to \$25,004,707 for the fiscal year ended September 30, 2023. The increase is attributable to the carryover of mainly capital items from prior year.

NOTE 2. BUDGETARY EXPENDITURES IN EXCESS OF APPROPRIATIONS

The General Fund budgetary expenditures that were in excess of appropriations for the fiscal year ended September 30, 2023 were emergency and disaster relief in connection with the Hurricane Ian. The City does not budget for emergency and disaster relief services.

NOTE 3. BUDGETARY COMPARISON TO ACTUAL

A budgetary comparison to actual can be found under General Fund Budgetary Highlights in the Management's Discussion and Analysis.

City of Pembroke Pines, Florida
Required Supplementary Information
General Employees' Pension Plan
Schedule of Changes in Net Pension Liability and Related Ratios

Reporting period as of:	<u>9/30/2023</u>	<u>9/30/2022</u>	<u>9/30/2021</u>	<u>9/30/2020</u>	<u>9/30/2019</u>	<u>9/30/2018</u>	<u>9/30/2017</u>	<u>9/30/2016</u>	<u>9/30/2015</u>
Measurement date as of:	9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014
Total pension liability:									
Service Cost	\$ 204,234	\$ 183,734	\$ 295,178	\$ 319,441	\$ 328,149	\$ 366,046	\$ 277,835	\$ 267,925	\$ 210,178
Interest	11,502,305	11,688,125	12,022,266	12,298,238	12,180,084	11,561,466	11,678,072	11,551,682	11,362,422
Benefit payments	(12,334,024)	(12,470,598)	(11,830,697)	(11,436,533)	(11,074,842)	(10,560,812)	(10,243,459)	(9,814,147)	(10,021,946)
Differences in experience	(922,219)	249,751	(768,541)	948,492	453,550	1,023,439	562,441	135	1,255,121
Changes in assumptions	61,815	5,471,715	(4,805,034)	16,358,571	-	7,170,147	13,441,392	838,952	3,309,464
Net change in total pension liability	(1,487,889)	5,122,727	(5,086,828)	18,488,209	1,886,941	9,560,286	15,716,281	2,844,547	6,115,239
Total pension liability/(asset) - beginning	206,461,236	201,338,509	206,425,337	187,937,128	186,050,187	176,489,901	160,773,620	157,929,073	151,813,834
Total pension liability/(asset) - ending	<u>\$ 204,973,347</u>	<u>\$ 206,461,236</u>	<u>\$ 201,338,509</u>	<u>\$ 206,425,337</u>	<u>\$ 187,937,128</u>	<u>\$ 186,050,187</u>	<u>\$ 176,489,901</u>	<u>\$ 160,773,620</u>	<u>\$ 157,929,073</u>
Plan fiduciary net position:									
Contributions - employer	\$ 9,500,000	\$ 7,500,000	\$ 3,500,000	\$ 10,000,000	\$ 5,500,000	\$ 2,500,068	\$ 6,500,000	\$ 9,174,902	\$ 16,474,902
Contributions - member	131,422	135,762	161,054	202,595	234,517	244,566	249,519	251,779	245,607
Net investment income	(36,894,597)	33,465,579	17,635,642	10,318,705	14,389,554	20,165,819	12,366,901	(1,774,130)	12,873,758
Benefit payments	(12,334,024)	(12,470,598)	(11,830,697)	(11,436,533)	(11,074,842)	(10,560,812)	(10,243,459)	(9,814,147)	(10,021,946)
Administrative expense	(5,550)	(5,700)	(6,800)	(11,290)	(200)	(11,280)	(1,740)	(280)	(2,299)
Net change in plan fiduciary net position	(39,602,749)	28,625,043	9,459,199	9,073,477	9,049,029	12,338,361	8,871,221	(2,161,876)	19,570,022
Plan fiduciary net position - beginning	236,035,225	207,410,182	197,950,983	188,877,506	179,828,477	167,490,116	158,618,895	160,780,771	141,210,749
Plan fiduciary net position - ending	<u>\$ 196,432,476</u>	<u>\$ 236,035,225</u>	<u>\$ 207,410,182</u>	<u>\$ 197,950,983</u>	<u>\$ 188,877,506</u>	<u>\$ 179,828,477</u>	<u>\$ 167,490,116</u>	<u>\$ 158,618,895</u>	<u>\$ 160,780,771</u>
Net pension liability/(asset) - ending	\$ 8,540,871	\$ (29,573,989)	\$ (6,071,673)	\$ 8,474,354	\$ (940,378)	\$ 6,221,710	\$ 8,999,785	\$ 2,154,725	\$ (2,851,698)
Plan fiduciary net position as a percentage of the total pension liability/(asset)	95.83%	114.32%	103.02%	95.89%	100.50%	96.66%	94.90%	98.66%	101.81%
Covered payroll (1)	\$ 1,792,752	\$ 1,776,018	\$ 2,002,799	\$ 2,425,558	\$ 3,128,143	\$ 3,148,593	\$ 3,441,627	\$ 3,280,160	\$ 3,163,848
Net pension liability/(asset) as a percentage of covered payroll	476.41%	-1665.19%	-303.16%	349.38%	-30.06%	197.60%	261.50%	65.69%	-90.13%

Note: Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

(1) includes all active members with no adjustments

City of Pembroke Pines, Florida
Required Supplementary Information
General Employees' Pension Plan
Schedule of Employer Contributions
For the Year Ended September 30

Reporting period:	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Actuarially determined contribution	\$ 3,829,070	\$ 2,707,856	\$ 566,798	\$ 2,378,931	\$ 2,660,082	\$ 2,243,128	\$ 1,671,161	\$ 364,567	\$ 384,846	\$ 375,000
Contributions in relation to the actuarially determined contribution	16,474,902	9,174,902	6,500,000	2,500,068	5,500,000	10,000,000	3,500,000	7,500,000	9,500,000	9,500,343
Contribution Deficiency/(Excess)	<u>\$ (12,645,832)</u>	<u>\$ (6,467,046)</u>	<u>\$ (5,933,202)</u>	<u>\$ (121,137)</u>	<u>\$ (2,839,918)</u>	<u>\$ (7,756,872)</u>	<u>\$ (1,828,839)</u>	<u>\$ (7,135,433)</u>	<u>\$ (9,115,154)</u>	<u>\$ (9,125,343)</u>
Covered payroll	\$ 3,163,848	\$ 3,280,160	\$ 3,441,627	\$ 3,148,593	\$ 3,128,143	\$ 2,425,558	\$ 2,221,438	\$ 1,872,583	\$ 1,792,752	\$ 1,701,808
Contributions as a percentage of covered payroll	520.72%	279.71%	188.86%	79.40%	175.82%	412.28%	157.56%	400.52%	529.91%	558.25%

Notes to Schedule

Measurement date	9/30/2022
Actuarial cost method	Entry Age Cost
Long-term rate of return on assets	5.75% (all asset class - determine based on the overall actual historical rate of return of the plan)
Discount rate	5.75%
Long-term inflation rate	2.40%
Salary increase assumption	Table S-5 from actuary's pension handbook plus 2.50%
COLA increase assumption	2.00% and 3.00% per year depending on location
Retirement age assumption	Age 55 and 10 years of service
Plan changes	None
Mortality rate	Based on PubG-2010 General median base rate mortality table projected to future years with historical and assumed mortality improvement (MI) rates. Mortality Improvement (MI): MP-2018 is the improvement scale used on the 2019 State of Florida Valuation.
Disability rate	1987 Commissioner's Group disability table, six month elimination period, male and female
Withdrawal rate	2003 Society of Actuaries Small Plan Age Table, multiplied by 0.75
Marital assumptions	75% married; male is 3 years older than the female
Future employer contributions	Assumed employer contributions are equal to: <ul style="list-style-type: none"> • Employer Contribution is assumed to continue at 19.30% of payroll throughout the projection period. • Expenses are assumed to start at \$67,000 and grow with the inflation assumption throughout the projection period. This is the best estimate available of upcoming years' expenses.

City of Pembroke Pines, Florida
Required Supplementary Information
City Pension Fund for Firefighters and Police Officers
Schedule of Changes in Net Pension Liability and Related Ratios

Reporting period as of:	9/30/2023	9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014
Measurement date as of:	9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014	9/30/2013
Total pension liability:										
Service Cost	\$ 9,834,890	\$ 9,832,199	\$ 9,170,806	\$ 9,460,539	\$ 9,288,146	\$ 9,212,121	\$ 9,537,905	\$ 10,619,978	\$ 10,631,405	
Interest	77,653,204	73,320,856	69,213,834	66,491,126	62,814,379	59,453,153	56,386,139	53,285,378	50,687,264	
Changes of benefit terms	-	-	-	-	-	-	22,338	765,470	-	
Difference between expected and actual experience	10,245,283	8,200,941	8,829,679	6,212,714	4,956,652	1,830,547	399,811	(3,834,368)	(679,355)	
Other	-	-	390,575	-	-	-	41,959	-	-	
Assumption Changes	21,169,543	15,816,597	(7,687,585)	6,152,407	5,779,580	5,790,909	8,511,772	-	-	
Benefit payments, including refunds of member contributions	(42,249,585)	(38,504,065)	(36,106,324)	(34,185,981)	(32,981,866)	(30,611,666)	(29,062,537)	(27,110,856)	(25,391,326)	
Net change in total pension liability	76,653,335	68,666,528	43,810,985	54,130,805	49,856,891	45,675,064	45,837,387	33,725,602	35,247,988	
Total pension liability/(asset) - beginning	1,013,261,012	944,594,484	900,783,499	846,652,694	796,795,803	751,120,739	705,283,352	671,557,750	636,309,762	
Total pension liability/(asset) - ending	<u>\$ 1,089,914,347</u>	<u>\$ 1,013,261,012</u>	<u>\$ 944,594,484</u>	<u>\$ 900,783,499</u>	<u>\$ 846,652,694</u>	<u>\$ 796,795,803</u>	<u>\$ 751,120,739</u>	<u>\$ 705,283,352</u>	<u>\$ 671,557,750</u>	
Plan fiduciary net position:										
Contributions - employer	\$ 29,930,325	\$ 28,296,402	\$ 28,117,027	\$ 27,248,665	\$ 26,710,046	\$ 24,935,503	\$ 23,908,967	\$ 23,719,361	\$ 23,585,326	
Contributions - state	2,770,539	2,681,597	2,678,889	2,978,593	2,485,959	2,420,304	2,445,532	2,470,921	2,629,081	
Contributions - member	2,634,183	2,739,444	2,682,831	2,688,739	2,783,723	2,663,136	2,819,814	3,065,485	2,994,992	
Net investment income	(97,917,510)	142,128,291	51,835,953	25,868,833	64,922,938	61,789,524	44,141,730	9,650,600	44,126,987	
Benefit payments, including refunds of member contributions	(42,249,585)	(38,504,065)	(36,106,324)	(34,185,981)	(32,981,866)	(30,611,666)	(29,062,537)	(27,070,511)	(25,391,326)	
Administrative expense	(877,097)	(827,418)	(723,056)	(749,211)	(627,989)	(738,354)	(627,306)	(597,262)	(606,484)	
Other	43,755	-	-	-	35,049	8,131	26,207	72,859	44,649	
Net change in plan fiduciary net position	(105,665,390)	136,514,251	48,485,320	23,849,638	63,327,860	60,466,578	43,652,407	11,311,453	47,383,225	
Plan fiduciary net position - beginning	871,502,793	734,988,542	686,503,222	662,653,584	599,325,724	538,859,146	495,206,739	483,895,286	436,512,061	
Plan fiduciary net position - ending	<u>\$ 765,837,403</u>	<u>\$ 871,502,793</u>	<u>\$ 734,988,542</u>	<u>\$ 686,503,222</u>	<u>\$ 662,653,584</u>	<u>\$ 599,325,724</u>	<u>\$ 538,859,146</u>	<u>\$ 495,206,739</u>	<u>\$ 483,895,286</u>	
Net pension liability	\$ 324,076,944	\$ 141,758,219	\$ 209,605,942	\$ 214,280,277	\$ 183,999,110	\$ 197,470,079	\$ 212,261,593	\$ 210,076,613	\$ 187,662,464	
Plan fiduciary net position as a percentage of the total pension liability	70.27%	86.01%	77.81%	76.21%	78.27%	75.22%	71.74%	70.21%	72.06%	
Covered payroll	\$ 31,863,439	\$ 31,923,658	\$ 30,046,447	\$ 28,868,635	\$ 28,431,363	\$ 27,697,423	\$ 27,677,991	\$ 28,313,818	\$ 27,588,952	
Net pension liability as a percentage of covered payroll	1017.08%	444.05%	697.61%	742.26%	647.17%	712.95%	766.90%	741.96%	680.21%	

Note: Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

City of Pembroke Pines, Florida
Required Supplementary Information
City Pension Fund for Firefighters and Police Officers
Schedule of Employer Contributions
For the Year Ended September 30

Reporting period:	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>
Actuarially determined contribution	\$ 26,214,407	\$ 26,190,282	\$ 26,354,499	\$ 27,355,807	\$ 29,196,004	\$ 30,227,258	\$ 30,795,916	\$ 30,977,999	\$ 32,700,864	\$ 33,885,385
Contributions in relation to the actuarially determined contribution	26,214,407	26,190,282	26,354,499	27,355,807	29,196,004	30,227,258	30,795,916	30,977,999	32,700,864	33,885,385
Contribution Deficiency/(Excess)	<u>\$ -</u>									
Covered payroll	\$ 28,252,541	\$ 28,831,332	\$ 27,677,991	\$ 27,697,423	\$ 28,431,363	\$ 28,868,635	\$ 30,046,447	\$ 31,923,658	\$ 31,863,439	\$ 32,250,032
Contributions as a percentage of covered payroll	92.79%	90.84%	95.22%	98.77%	102.69%	104.71%	102.49%	97.04%	102.63%	105.07%

Notes to Schedule

Methods and assumptions used to determine contribution rates:

Measurement date	9/30/2022
Actuarial cost method	Entry Age Normal
Amortization method	Level percentage, closed
Amortization period	30 years
Asset valuation method	5-year smoothed market
Inflation	2.60%
Salary increases	3.5% - 8.5%
Investment rate of return	7.50%

Cost of living increases:

Firefighters	0.0%, 1.5%, 2.0%, or 3.0%
Police	0.0%, 1.5%, 2.0%, 2.5%, or 3.0%

Mortality For healthy participants during employment, PUB-2010 Headcount Weighted Safety Employee Female Mortality Table and Safety Below Median Employee Male Mortality Table, both set forward one year, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018.

For healthy participants post-employment, PUB-2010 Headcount Weighted Safety Healthy Retiree Female Mortality Table and Safety Below Median Healthy Retiree Male Mortality Table, both set forward one year, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018.

For disabled participants, 80% PUB-2010 Headcount Weighted General Disabled Retiree Mortality Table/20% PUB-2010 Headcount Weighted Safety Disabled Retiree Mortality Table, separate rates for males and females, without projected mortality improvements.

City of Pembroke Pines, Florida
Required Supplementary Information
Other Post Employment Benefit Plan
Schedule of Changes in Net OPEB Liability and Related Ratios

Reporting period as of:	<u>9/30/2023</u>	<u>9/30/2022</u>	<u>9/30/2021</u>	<u>9/30/2020</u>	<u>9/30/2019</u>	<u>9/30/2018</u>
Measurement date as of:	9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018	9/30/2017
Total OPEB liability:						
Service Cost	\$ 1,152,477	\$ 1,475,688	\$ 1,450,661	\$ 1,408,542	\$ 1,375,830	\$ 1,051,493
Interest	12,695,973	12,826,901	12,794,169	12,385,846	14,591,153	10,944,615
Benefit payments	(13,129,679)	(11,242,642)	(9,768,783)	(11,192,979)	(13,753,640)	(10,035,735)
Differences in experience	6,354,719	(5,929,448)	3,663,232	(8,334,459)	20,890,751	4,928,391
Changes in assumptions	(19,161,494)	19,582,129	(11,778,163)	(3,755,732)	(11,600,799)	22,069,149
Net change in total OPEB liability	(12,088,004)	16,712,628	(3,638,884)	(9,488,782)	11,503,295	28,957,913
Total OPEB liability - beginning	180,278,270	163,565,642	167,204,526	176,693,308	165,190,013	136,232,100
Total OPEB liability - ending	<u>\$ 168,190,266</u>	<u>\$ 180,278,270</u>	<u>\$ 163,565,642</u>	<u>\$ 167,204,526</u>	<u>\$ 176,693,308</u>	<u>\$ 165,190,013</u>
Plan fiduciary net position:						
Contributions - employer	\$ 15,193,939	\$ 16,693,961	\$ 11,659,238	\$ 13,722,749	\$ 11,702,240	\$ 14,206,817
Contributions - member	794,455	742,359	622,506	546,754	581,044	587,859
Other contributions (Part D subsidy, Rx rebates)	220,913	205,383	860,351	531,716	185,724	-
Net investment income	(17,797,062)	19,676,728	9,455,947	4,449,042	8,447,157	8,403,953
Benefit payments	(13,129,679)	(11,242,642)	(9,768,783)	(11,192,979)	(13,753,640)	(10,035,735)
Administrative expense	(215,145)	(136,037)	(235,516)	(233,991)	(388,318)	(182,178)
Net change in plan fiduciary net position	(14,932,579)	25,939,752	12,593,743	7,823,291	6,774,207	12,980,716
Plan fiduciary net position - beginning	134,015,621	108,075,869	95,482,126	87,658,835	80,884,628	67,903,912
Plan fiduciary net position - ending	<u>\$ 119,083,042</u>	<u>\$ 134,015,621</u>	<u>\$ 108,075,869</u>	<u>\$ 95,482,126</u>	<u>\$ 87,658,835</u>	<u>\$ 80,884,628</u>
Net OPEB liability - ending	\$ 49,107,224	\$ 46,262,649	\$ 55,489,773	\$ 71,722,400	\$ 89,034,473	\$ 84,305,385
Plan fiduciary net position as a percentage of the total OPEB liability	70.80%	74.34%	66.07%	57.10%	49.61%	48.96%
Covered payroll (1)	\$ 114,202,978	\$ 104,014,766	\$ 101,600,953	\$ 97,678,351	\$ 94,833,350	\$ 59,252,825
Net OPEB liability as a percentage of covered payroll	43.00%	44.48%	54.62%	73.43%	93.89%	142.28%

Note: Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

(1) includes all active members with no adjustments

City of Pembroke Pines, Florida
Required Supplementary Information
Other Post Employment Benefit Plan
Schedule of Employer Contributions
For the Year Ended September 30

Reporting period:	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Actuarially determined contribution (1)	\$ 8,103,000	\$ 8,057,000	\$ 6,147,000	\$ 9,561,443	\$ 10,384,902	\$ 10,067,044	\$ 9,248,030	\$ 7,162,911	\$ 6,510,145	\$ 6,440,000
Contributions in relation to the actuarially determined contribution	9,352,000	10,010,983	15,192,960	14,206,817	11,702,240	13,722,749	11,659,238	16,693,958	15,193,939	17,702,117
Contribution Deficiency/(Excess)	<u>\$ (1,249,000)</u>	<u>\$ (1,953,983)</u>	<u>\$ (9,045,960)</u>	<u>\$ (4,645,374)</u>	<u>\$ (1,317,338)</u>	<u>\$ (3,655,705)</u>	<u>\$ (2,411,208)</u>	<u>\$ (9,531,047)</u>	<u>\$ (8,683,794)</u>	<u>\$ (11,262,117)</u>
Covered payroll	\$ 67,720,879	\$ 69,752,505	\$ 71,845,080	\$ 59,252,828	\$ 94,833,350	\$ 97,678,351	\$ 101,600,953	\$ 104,014,766	\$ 114,202,978	\$ 117,629,000
Contributions as a percentage of covered payroll	13.81%	14.35%	21.15%	23.98%	12.34%	14.05%	11.48%	16.05%	13.30%	15.05%

Notes to Schedule	
Measurement date	September 30, 2022
Actuarial cost method	Entry Age Normal based on level percentage of projected salary
Amortization method	Experience gains and losses are amortized over a closed period of 4.8 years, equal to the average remaining service of active and inactive plan members (those without future service remaining count as 0 years in the averaging). Investment gains and losses are amortized over a closed period of five years.
Marriage rate	The assumed number of eligible spouses is based on the current information in the census provided.
Spouse age	Male spouses are assumed to be three years older than female spouses.
Mortality rates	PUB-2010 headcount weighted mortality table, projected generationally using Scale MP-2021, applied on a gender-specific basis and job class basis.
Actuarial assumptions:	
Inflation rate	2.6%
Investment rate of return (2)	8.24%
Projected salary increases	3.0%
Healthcare cost trend rate (3)	6.75% initial for Pre-Medicare Medical and Prescription and stop loss fees, 5.75% initial for Medicare benefits, decreasing 0.25% per year until an ultimate rate of 4.0% is reached and 4.0% for administrative fees
Post-retirement benefits increases	N/A

- (1) Prior to FY2017, the ADC was represented by the Annual Required Contribution (ARC) in accordance with GASB 45.
(2) Valuation results are developed assuming a discount rate of 8.24% determined based on the long-term yield on the investments used to finance the payment of benefits.
(3) The healthcare cost trend rate grades down every year by 0.25% until an ultimate rate of 4.00% is reached.

City of Pembroke Pines, Florida
Required Supplementary Information
Schedule of Annual Money Weighted Rate of Return
For the Year Ended September 30

General Employees' Pension Plan:

Fiscal year ending:	Annual Money Weighted Rate of Return
2015	14.04%
2016	-1.12%
2017	8.01%
2018	12.37%
2019	8.20%
2020	5.60%
2021	9.13%
2022	16.54%
2023	-15.99%

City Pension Fund for Firefighters and Police Officers:

Fiscal year ending:	Annual Money Weighted Rate of Return
2014	10.24%
2015	2.04%
2016	9.09%
2017	11.49%
2018	10.99%
2019	4.01%
2020	7.63%
2021	19.63%
2022	-11.33%
2023	10.81%

Other Post-Employment Benefits Plan (OPEB):

Fiscal year ending:	Annual Money Weighted Rate of Return
2017	12.10%
2018	11.40%
2019	4.90%
2020	9.70%
2021	18.0%
2022	-13.4%
2023	9.9%

Note: Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

City of Pembroke Pines Charter Schools
Required Supplementary Information
Pension Schedule
Charter Elementary School

Florida Retirement System									
Reporting period:	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability	\$ 217,434,441	\$ 209,636,046	\$ 204,909,739	\$ 198,012,334	\$ 191,317,399	\$ 183,632,592	\$ 167,030,999	\$ 161,370,735	\$ 156,115,763
Plan fiduciary net position	(180,226,405)	(202,082,183)	(161,568,265)	(163,573,726)	(161,196,881)	(154,053,263)	(141,780,921)	(148,454,394)	(150,014,292)
Net pension liability	<u>\$ 37,208,036</u>	<u>\$ 7,553,863</u>	<u>\$ 43,341,474</u>	<u>\$ 34,438,608</u>	<u>\$ 30,120,518</u>	<u>\$ 29,579,329</u>	<u>\$ 25,250,078</u>	<u>\$ 12,916,341</u>	<u>\$ 6,101,471</u>
Plan fiduciary net position as a percentage of the total pension liability	82.89%	96.40%	78.85%	82.61%	84.26%	83.89%	84.88%	92.00%	96.09%
Share of net pension liability as a percentage	0.015256345%	0.014587594%	0.013222129%	0.013409509%	0.013727637%	0.013577866%	0.013137343%	0.014180334%	0.015319553%
Share of net pension liability as an amount	\$ 5,676,586	\$ 1,101,927	\$ 5,730,666	\$ 4,618,048	\$ 4,134,835	\$ 4,016,242	\$ 3,317,189	\$ 1,831,580	\$ 934,718
Covered payroll	\$ 8,828,804	\$ 8,028,361	\$ 7,212,741	\$ 7,042,033	\$ 7,957,227	\$ 7,745,300	\$ 7,520,707	\$ 7,546,090	\$ 7,816,059
Net pension liability as a percentage of covered payroll	64.30%	13.73%	79.45%	65.58%	51.96%	51.85%	44.11%	24.27%	11.96%
Health Insurance Subsidy									
Reporting period:	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability	\$ 11,126,966	\$ 12,719,121	\$ 12,588,098	\$ 11,491,044	\$ 10,816,576	\$ 10,870,772	\$ 11,768,445	\$ 10,249,201	\$ 9,443,629
Plan fiduciary net position	(535,368)	(452,618)	(378,261)	(302,045)	(232,463)	(178,311)	(113,859)	(50,774)	(93,385)
Net pension liability	<u>\$ 10,591,598</u>	<u>\$ 12,266,503</u>	<u>\$ 12,209,837</u>	<u>\$ 11,188,999</u>	<u>\$ 10,584,113</u>	<u>\$ 10,692,461</u>	<u>\$ 11,654,586</u>	<u>\$ 10,198,427</u>	<u>\$ 9,350,244</u>
Plan fiduciary net position as a percentage of the total pension liability	4.81%	3.56%	3.00%	2.63%	2.15%	1.64%	0.97%	0.50%	0.99%
Share of net pension liability as a percentage	0.021695585%	0.020373695%	0.020635278%	0.021056019%	0.021531224%	0.021325349%	0.021223884%	0.021143721%	0.023009714%
Share of net pension liability as an amount	\$ 2,297,909	\$ 2,499,140	\$ 2,519,534	\$ 2,355,958	\$ 2,278,889	\$ 2,280,205	\$ 2,473,556	\$ 2,156,327	\$ 2,151,464
Covered payroll	\$ 8,828,804	\$ 8,028,361	\$ 7,212,741	\$ 7,042,033	\$ 7,957,227	\$ 7,745,300	\$ 7,520,707	\$ 7,546,090	\$ 7,816,059
Net pension liability as a percentage of covered payroll	26.03%	31.13%	34.93%	33.46%	28.64%	29.44%	32.89%	28.58%	27.53%

Note to Schedule:

Assumptions:

1. The total pension liability for each cost-sharing defined benefit plan was determined by an actuarial valuation as of July 1, 2022, using the individual entry age actuarial cost method.
2. Inflation increases for both plans is assumed at 2.40%.
3. Payroll growth for both plans is assumed at 3.25%.
4. Both the discount rate and the long-term expected rate of return used for FRS Pension Plan investments is 6.70%.
5. Mortality assumptions for both the FRS Pension Plan and the HIS Program were based on the PUB-2010 base table, projected generationally with Scale MP-2018.
6. The municipal bond rate (the Bond Buyer General Obligation 20-Bond Municipal Bond Index) used to determine total pension liability for HIS was 3.54%.

Benefit Types:

1. FRS pension plan's retirees receive a lifetime pension benefit with joint and survivor payment options.
2. HIS program is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. For the fiscal year ended June 30, 2022, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of service credited at the retirement multiplied by \$5. The minimum payment is \$30 and the maximum payment is \$150 per month, pursuant to section 112.363, Florida Statutes.

Note: Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

City of Pembroke Pines Charter Schools
Required Supplementary Information
Pension Schedule
Charter Middle School

Florida Retirement System

Reporting period:	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability	\$ 217,434,441	\$ 209,636,046	\$ 204,909,739	\$ 198,012,334	\$ 191,317,399	\$ 183,632,592	\$ 167,030,999	\$ 161,370,735	\$ 156,115,763
Plan fiduciary net position	(180,226,405)	(202,082,183)	(161,568,265)	(163,573,726)	(161,196,881)	(154,053,263)	(141,780,921)	(148,454,394)	(150,014,292)
Net pension liability	\$ 37,208,036	\$ 7,553,863	\$ 43,341,474	\$ 34,438,608	\$ 30,120,518	\$ 29,579,329	\$ 25,250,078	\$ 12,916,341	\$ 6,101,471
Plan fiduciary net position as a percentage of the total pension liability	82.89%	96.40%	78.85%	82.61%	84.26%	83.89%	84.88%	92.00%	96.09%
Share of net pension liability as a percentage	0.009755973%	0.009949211%	0.008672572%	0.008387837%	0.009170693%	0.009167388%	0.008687191%	0.009774085%	0.010014704%
Share of net pension liability as an amount	\$ 3,630,006	\$ 751,550	\$ 3,758,821	\$ 2,888,654	\$ 2,762,260	\$ 2,711,652	\$ 2,193,523	\$ 1,262,454	\$ 611,044
Covered payroll	\$ 5,459,960	\$ 5,182,179	\$ 5,125,177	\$ 4,632,343	\$ 5,606,419	\$ 5,398,562	\$ 5,357,386	\$ 5,273,513	\$ 5,373,301
Net pension liability as a percentage of covered payroll	66.48%	14.50%	73.34%	62.36%	49.27%	50.23%	40.94%	23.94%	11.37%

Health Insurance Subsidy

Reporting period:	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability	\$ 11,126,966	\$ 12,719,121	\$ 12,588,098	\$ 11,491,044	\$ 10,816,576	\$ 10,870,772	\$ 11,768,445	\$ 10,249,201	\$ 9,443,629
Plan fiduciary net position	(535,368)	(452,618)	(378,261)	(302,045)	(232,463)	(178,311)	(113,859)	(50,774)	(93,385)
Net pension liability	\$ 10,591,598	\$ 12,266,503	\$ 12,209,837	\$ 11,188,999	\$ 10,584,113	\$ 10,692,461	\$ 11,654,586	\$ 10,198,427	\$ 9,350,244
Plan fiduciary net position as a percentage of the total pension liability	4.81%	3.56%	3.00%	2.63%	2.15%	1.64%	0.97%	0.50%	0.99%
Share of net pension liability as a percentage	0.014157382%	0.014471648%	0.014047239%	0.013849723%	0.014329829%	0.014203866%	0.013636514%	0.013999520%	0.014743185%
Share of net pension liability as an amount	\$ 1,499,493	\$ 1,775,165	\$ 1,715,145	\$ 1,549,645	\$ 1,516,685	\$ 1,518,743	\$ 1,589,279	\$ 1,427,731	\$ 1,378,524
Covered payroll	\$ 5,459,960	\$ 5,182,179	\$ 5,125,177	\$ 4,632,343	\$ 5,606,419	\$ 5,398,562	\$ 5,357,386	\$ 5,273,513	\$ 5,373,301
Net pension liability as a percentage of covered payroll	27.46%	34.26%	33.47%	33.45%	27.05%	28.13%	29.67%	27.07%	25.66%

Note to Schedule:

Assumptions:

1. The total pension liability for each cost-sharing defined benefit plan was determined by an actuarial valuation as of July 1, 2022, using the individual entry age actuarial cost method.
2. Inflation increases for both plans is assumed at 2.40%.
3. Payroll growth for both plans is assumed at 3.25%.
4. Both the discount rate and the long-term expected rate of return used for FRS Pension Plan investments is 6.70%.
5. Mortality assumptions for both the FRS Pension Plan and the HIS Program were based on the PUB-2010 base table, projected generationally with Scale MP-2018.
6. The municipal bond rate (the Bond Buyer General Obligation 20-Bond Municipal Bond Index) used to determine total pension liability for HIS was 3.54%.

Benefit Types:

1. FRS pension plan's retirees receive a lifetime pension benefit with joint and survivor payment options.
2. HIS program is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. For the fiscal year ended June 30, 2022, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of service credited at the retirement multiplied by \$5. The minimum payment is \$30 and the maximum payment is \$150 per month, pursuant to section 112.363, Florida Statutes.

Note: Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

City of Pembroke Pines Charter Schools
Required Supplementary Information
Pension Schedule
Charter High School

Florida Retirement System									
Reporting period:	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability	\$ 217,434,441	\$ 209,636,046	\$ 204,909,739	\$ 198,012,334	\$ 191,317,399	\$ 183,632,592	\$ 167,030,999	\$ 161,370,735	\$ 156,115,763
Plan fiduciary net position	(180,226,405)	(202,082,183)	(161,568,265)	(163,573,726)	(161,196,881)	(154,053,263)	(141,780,921)	(148,454,394)	(150,014,292)
Net pension liability	<u>\$ 37,208,036</u>	<u>\$ 7,553,863</u>	<u>\$ 43,341,474</u>	<u>\$ 34,438,608</u>	<u>\$ 30,120,518</u>	<u>\$ 29,579,329</u>	<u>\$ 25,250,078</u>	<u>\$ 12,916,341</u>	<u>\$ 6,101,471</u>
Plan fiduciary net position as a percentage of the total pension liability	82.89%	96.40%	78.85%	82.61%	84.26%	83.89%	84.88%	92.00%	96.09%
Share of net pension liability as a percentage	0.013994127%	0.013363337%	0.011554431%	0.011433330%	0.011548723%	0.012016723%	0.011451996%	0.012391542%	0.011808963%
Share of net pension liability as an amount	\$ 5,206,940	\$ 1,009,448	\$ 5,007,861	\$ 3,937,480	\$ 3,478,535	\$ 3,554,466	\$ 2,891,638	\$ 1,600,534	\$ 720,520
Covered payroll	\$ 7,627,315	\$ 7,368,647	\$ 6,822,503	\$ 6,221,975	\$ 7,140,664	\$ 6,894,012	\$ 6,648,338	\$ 6,249,677	\$ 5,987,830
Net pension liability as a percentage of covered payroll	68.27%	13.70%	73.40%	63.28%	48.71%	51.56%	43.49%	25.61%	12.03%
Health Insurance Subsidy									
Reporting period:	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability	\$ 11,126,966	\$ 12,719,121	\$ 12,588,098	\$ 11,491,044	\$ 10,816,576	\$ 10,870,772	\$ 11,768,445	\$ 10,249,201	\$ 9,443,629
Plan fiduciary net position	(535,368)	(452,618)	(378,261)	(302,045)	(232,463)	(178,311)	(113,859)	(50,774)	(93,385)
Net pension liability	<u>\$ 10,591,598</u>	<u>\$ 12,266,503</u>	<u>\$ 12,209,837</u>	<u>\$ 11,188,999</u>	<u>\$ 10,584,113</u>	<u>\$ 10,692,461</u>	<u>\$ 11,654,586</u>	<u>\$ 10,198,427</u>	<u>\$ 9,350,244</u>
Plan fiduciary net position as a percentage of the total pension liability	4.81%	3.56%	3.00%	2.63%	2.15%	1.64%	0.97%	0.50%	0.99%
Share of net pension liability as a percentage	0.020173943%	0.019271451%	0.018577679%	0.018604000%	0.018683750%	0.018962929%	0.018074525%	0.018101749%	0.017492768%
Share of net pension liability as an amount	\$ 2,136,743	\$ 2,363,933	\$ 2,268,303	\$ 2,081,600	\$ 1,977,508	\$ 2,027,603	\$ 2,106,510	\$ 1,846,093	\$ 1,635,616
Covered payroll	\$ 7,627,315	\$ 7,368,647	\$ 6,822,503	\$ 6,221,975	\$ 7,140,664	\$ 6,894,012	\$ 6,648,338	\$ 6,249,677	\$ 5,987,830
Net pension liability as a percentage of covered payroll	28.01%	32.08%	33.25%	33.46%	27.69%	29.41%	31.68%	29.54%	27.32%

Note to Schedule:

Assumptions:

1. The total pension liability for each cost-sharing defined benefit plan was determined by an actuarial valuation as of July 1, 2022, using the individual entry age actuarial cost method.
2. Inflation increases for both plans is assumed at 2.40%.
3. Payroll growth for both plans is assumed at 3.25%.
4. Both the discount rate and the long-term expected rate of return used for FRS Pension Plan investments is 6.70%.
5. Mortality assumptions for both the FRS Pension Plan and the HIS Program were based on the PUB-2010 base table, projected generationally with Scale MP-2018.
6. The municipal bond rate (the Bond Buyer General Obligation 20-Bond Municipal Bond Index) used to determine total pension liability for HIS was 3.54%.

Benefit Types:

1. FRS pension plan's retirees receive a lifetime pension benefit with joint and survivor payment options.
2. HIS program is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. For the fiscal year ended June 30, 2022, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of service credited at the retirement multiplied by \$5. The minimum payment is \$30 and the maximum payment is \$150 per month,

Note: Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

City of Pembroke Pines Charter Schools
Charter Schools
Required Supplementary Information
Schedule of Contributions

Reporting period:	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 2,620,578	\$ 2,241,335	\$ 1,934,235	\$ 1,574,740	\$ 1,476,624	\$ 1,413,716	\$ 1,311,513	\$ 1,191,296	\$ 1,202,083	\$ 1,157,206
Contributions in relation to the contractually required contribution	(2,620,578)	(2,241,335)	(1,934,235)	(1,574,740)	(1,476,624)	(1,413,716)	(1,311,513)	(1,191,296)	(1,202,083)	(1,157,206)
Contributions deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 21,916,079	\$ 20,579,187	\$ 19,160,421	\$ 18,485,891	\$ 17,896,351	\$ 17,896,351	\$ 20,037,874	\$ 19,526,431	\$ 19,069,280	\$ 19,177,190
Contributions as a percentage of covered payroll	11.96%	10.89%	10.09%	8.52%	8.25%	7.90%	6.55%	6.10%	6.30%	6.03%

City of Pembroke Pines, Florida
Required Supplementary Information
Pension Schedule
Charter Elementary School
Florida State University

Florida Retirement System

Reporting period:	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability	\$ 217,434,441	\$ 209,636,046	\$ 204,909,739	\$ 191,317,399	\$ 191,317,399	\$ 183,632,592	\$ 167,030,999	\$ 161,370,735	\$ 156,115,763
Plan fiduciary net position	(180,226,405)	(202,082,183)	(161,568,265)	(161,196,881)	(161,196,881)	(154,053,263)	(141,780,921)	(148,454,394)	(150,014,292)
Net pension liability	<u>\$ 37,208,036</u>	<u>\$ 7,553,863</u>	<u>\$ 43,341,474</u>	<u>\$ 30,120,518</u>	<u>\$ 30,120,518</u>	<u>\$ 29,579,329</u>	<u>\$ 25,250,078</u>	<u>\$ 12,916,341</u>	<u>\$ 6,101,471</u>
Plan fiduciary net position as a percentage of the total pension liability	82.89%	96.40%	78.85%	84.26%	84.26%	83.89%	84.88%	92.00%	96.09%
Share of net pension liability as a percentage	0.005956451%	0.006018715%	0.005244823%	0.005230315%	0.005320825%	0.005031075%	0.004659122%	0.005166942%	0.005205347%
Share of net pension liability as an amount	\$ 2,216,279	\$ 454,645	\$ 2,273,183	\$ 1,801,248	\$ 1,602,660	\$ 1,488,158	\$ 1,176,432	\$ 667,380	\$ 317,603
Covered payroll	\$ 3,458,115	\$ 3,169,001	\$ 3,017,263	\$ 2,779,138	\$ 3,197,135	\$ 2,852,151	\$ 2,748,729	\$ 2,800,535	\$ 2,826,918
Net pension liability as a percentage of covered payroll	64.09%	14.35%	75.34%	64.81%	50.13%	52.18%	42.80%	23.83%	11.23%

Health Insurance Subsidy

Reporting period:	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability	\$ 11,126,966	\$ 12,719,121	\$ 12,588,098	\$ 10,816,576	\$ 10,816,576	\$ 10,870,772	\$ 11,768,445	\$ 10,249,201	\$ 9,443,629
Plan fiduciary net position	(535,368)	(452,618)	(378,261)	(232,463)	(232,463)	(178,311)	(113,859)	(50,774)	(93,385)
Net pension liability	<u>\$ 10,591,598</u>	<u>\$ 12,266,503</u>	<u>\$ 12,209,837</u>	<u>\$ 10,584,113</u>	<u>\$ 10,584,113</u>	<u>\$ 10,692,461</u>	<u>\$ 11,654,586</u>	<u>\$ 10,198,427</u>	<u>\$ 9,350,244</u>
Plan fiduciary net position as a percentage of the total pension liability	4.81%	3.56%	3.00%	2.15%	2.15%	1.64%	0.97%	0.50%	0.99%
Share of net pension liability as a percentage	0.008576608%	0.008522783%	0.008263835%	0.008309768%	0.008401021%	0.007881519%	0.007524053%	0.007705802%	0.007934707%
Share of net pension liability as an amount	\$ 908,400	\$ 1,045,447	\$ 1,009,001	\$ 929,780	\$ 889,174	\$ 842,728	\$ 876,897	\$ 785,871	\$ 741,914
Covered payroll	\$ 3,458,115	\$ 3,169,001	\$ 3,017,263	\$ 2,779,138	\$ 3,197,135	\$ 2,852,151	\$ 2,748,729	\$ 2,800,535	\$ 2,826,918
Net pension liability as a percentage of covered payroll	26.27%	32.99%	33.44%	33.46%	27.81%	29.55%	31.90%	28.06%	26.24%

Note to Schedule:

Assumptions:

1. The total pension liability for each of the defined benefit plans was determined by an actuarial valuation as of July 1, 2022, using the entry age normal actuarial cost method.
2. Inflation increases for both plans is assumed at 2.40%.
3. Payroll growth for both plans is assumed at 3.25%.
4. Both the discount rate and the long-term expected rate of return used for FRS Pension Plan investments is 6.70%.
5. Mortality assumptions for the FRS Pension Plan were based on the PUB-2010 base table, projected generationally with Scale MP-2018.
6. The municipal rate (the Bond Buyer General Obligation 20-Bond Municipal Bond Index) used to determine total pension liability for HIS is 3.54%

Benefit Types:

1. FRS pension plan's retirees receive a lifetime pension benefit with joint and survivor payment options.
2. HIS program is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. For the fiscal year ended June 30, 2022, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of service credited at the retirement multiplied by \$5. The minimum payment is \$30 and the maximum payment is \$150 per month, pursuant to section 112.363, Florida Statutes.

Note: Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

City of Pembroke Pines, Florida
Florida State University
Charter Elementary School
Required Supplementary Information
Schedule of Contributions

Reporting period:	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 431,168	\$ 355,051	\$ 307,262	\$ 247,140	\$ 233,455	\$ 220,019	\$ 191,139	\$ 171,032	\$ 172,795	\$ 164,502
Contributions in relation to the contractually required contribution	(431,168)	(355,051)	(307,262)	(247,140)	(233,455)	(220,019)	(191,139)	(171,032)	(172,795)	(164,502)
Contributions deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 3,458,115	\$ 3,169,001	\$ 3,017,263	\$ 2,868,137	\$ 2,779,138	\$ 3,197,135	\$ 2,852,151	\$ 2,748,729	\$ 2,800,535	\$ 2,826,918
Contributions as a percentage of covered payroll	12.47%	11.20%	10.18%	8.62%	8.40%	6.88%	6.70%	6.22%	6.17%	5.82%



Combining and Individual Fund Statements and Schedules

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

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

Road and Bridge Fund – To account for the receipt and disbursement of funds earmarked for the construction and maintenance of roads, bridges, sidewalks, and streetlights.

Building Services Fund - To account for the revenues generated from fees charged for the review of building plans, issuance of permits and inspections, and expenditures associated with those services to administer the City's and Florida Building Code.

Law Enforcement Grant Fund – To account for Federal funded programs:

- Victim's Advocate (Victims of Crime Act)
 - One (1) part-time victim's advocate
- Homeland Security (Urban Area Security Initiative-UASI)
 - Equipment

Police Community Service Grant – To account for Federal funded program:

- Byrne Grant
 - Equipment

State Housing Initiative Program – To account for State funds received from the Florida Housing Finance Agency. These funds are used for the following:

- Minor home repairs/weatherization
- Homeowner counseling
- Foreclosure prevention
- Emergency repair program
- Administration
- Homebuyer assistance
- Public facilities

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds (continued)

Schools chartered by Broward County School Board – To account for funds received from the Broward County School Board for the operation of elementary, middle, and high schools owned and operated by the City. The schools have a fiscal year end of June 30th.

School chartered by Florida State University – To account for funds received from Florida State University for the operation of an elementary school owned and operated by the City. The school has a fiscal year end of June 30th.

Housing and Urban Development Grant – To account for Federal funds received from the U.S. Department of Housing and Urban Development (HUD):

- Community Development Block Grant (CDBG)
 - Home repairs/weatherization
 - Arch Barrier removal
 - Public facilities
 - Commercial revitalization
 - Administration
 - Acquisition-Rehabilitation or new construction
 - Senior Center Transportation
- HOME Investment Partnership Program (HOME)
 - Home repairs/weatherization.
- Neighborhood Stabilization Program (NSP)
 - Minor home repairs/weatherization
 - Homebuyer assistance
- Community Development Block Grant Recovery (CDBG-R)
 - Thermal storage system
- Disaster Recovery Initiative (DRI)
 - Disaster mitigation/recovery

Community Bus Program – To account for funds received from the Broward County Transit Grant to provide subsidized transportation to local residents.

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds (continued)

Older Americans Act – To account for Federal funds received from the Division of Health and Human Services, State funds received from the Department of Elder Affairs, and Local funds received from Broward County that are passed-through to the Area-wide Agency on Aging. These funds are used to provide the following:

- Premises where meals for senior citizens are served by a private company under a state contract.
- Information, counseling, and referrals.
- Weekend adult day care.
- Alzheimer's Day Care Program on Friday, Saturday, and Sunday.
- Health support services.
- Recreational activities/classes for senior citizens.
- Transportation to and from the Senior Center, doctor appointments, and grocery shopping.
- Health education, blood pressure screening, fitness, and nutrition consulting are offered by a registered nurse.

Treasury Confiscated – To account for funds and property seized or confiscated by the City's Police Department in connection with Federal Treasury forfeiture cases.

Justice Confiscated – To account for funds and property seized or confiscated by the City's Police Department in connection with Federal Justice forfeiture cases.

\$2 Police Education – To account for funds and property seized or confiscated by the City's Police Department in connection with local forfeiture cases.

FDLE (Florida Department of Law Enforcement) Confiscated – To account for funds and property seized or confiscated by the City's Police Department in connection with State forfeiture cases.

NONMAJOR GOVERNMENTAL FUNDS

Permanent Fund

Permanent Funds are used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for the benefit of the government or its citizenry.

Wetland Mitigation Trust Fund - To account for funds donated by developers, which are used to maintain and administer wetlands located in the City.

City of Pembroke Pines, Florida

Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2023

	Special Revenue Funds								
	Road and Bridge	Building	Law Enforcement Grant	Police Community Service Grant	State Housing Initiative Program	Schools Chartered by*			Florida State University Elementary
						Broward County School Board			
						Elementary	Middle	High	
Assets									
Pooled cash and cash equivalents	\$ 6,652,853	\$ 1,166,766	\$ -	\$ -	\$ 2,746,805	\$ 838	\$ 538	\$ 500	\$ 2,768,643
Investment in marketable securities	1,010,192	-	-	-	-	-	-	-	-
Franchise fees and taxes receivable	476,668	-	-	-	-	-	-	-	-
Other receivables	-	-	-	-	-	94,618	66,482	112,558	34,809
Prepaid costs	-	-	142,667	-	-	-	-	-	-
Due from other governments	57,446	-	371,627	21,608	24,093	3,530,979	2,287,464	3,399,299	586,081
Restricted pooled cash and cash equivalents	-	-	-	-	-	-	-	-	-
Total assets	\$ 8,197,159	\$ 1,166,766	\$ 514,294	\$ 21,608	\$ 2,770,898	\$ 3,626,435	\$ 2,354,484	\$ 3,512,357	\$ 3,389,533
Liabilities and Fund Balances									
Liabilities:									
Accounts payable and accrued liabilities	\$ 551,032	\$ 584,687	\$ -	\$ -	\$ 98,625	\$ 565,467	\$ 362,392	\$ 506,091	\$ 215,599
Retainage payable	-	-	-	-	-	-	-	-	-
Due to other funds	-	-	371,627	21,608	-	249,789	1,616,956	129,869	-
Deposits	-	-	-	-	-	229,919	135,716	515,260	50,660
Unearned revenue	545,000	-	142,667	-	2,672,273	19,492	11,230	28,308	7,149
Total liabilities	1,096,032	584,687	514,294	21,608	2,770,898	1,064,667	2,126,294	1,179,528	273,408
Fund balances: Nonspendable:									
Wetland Mitigation Trust	-	-	-	-	-	-	-	-	-
Restricted for:									
Road and sidewalks	7,101,127	-	-	-	-	-	-	-	-
Community bus program	-	-	-	-	-	-	-	-	-
Law enforcement	-	-	-	-	-	-	-	-	-
Wetland Mitigation	-	-	-	-	-	-	-	-	-
Building services	-	582,079	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-	-	-
Human services	-	-	-	-	-	-	-	-	-
Assigned to:									
Lease payments	-	-	-	-	-	2,561,768	228,190	2,332,829	3,116,125
Total fund balances	7,101,127	582,079	-	-	-	2,561,768	228,190	2,332,829	3,116,125
Total liabilities and fund balances	\$ 8,197,159	\$ 1,166,766	\$ 514,294	\$ 21,608	\$ 2,770,898	\$ 3,626,435	\$ 2,354,484	\$ 3,512,357	\$ 3,389,533

*As of June 30, 2023

(continued)

City of Pembroke Pines, Florida
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2023
(continued)

	Special Revenue Funds						Permanent Fund	Total Nonmajor Governmental Funds	
	Housing and Urban Development Grant	Community Bus Program	Older Americans Act	Treasury Confiscated	Justice Confiscated	\$2 Police Education	FDLE Confiscated		Wetland Mitigation Trust Fund
Assets									
Pooled cash and cash equivalents	\$ 43,976	\$ 499,643	\$ -	\$ 557,625	\$ 462,265	\$ 70,627	\$ 1,477,427	\$ -	\$ 16,448,506
Investment in marketable securities	-	-	-	-	-	-	-	-	1,010,192
Franchise fees and taxes receivable	-	-	-	-	-	-	-	-	476,668
Other receivables	-	-	-	-	-	-	25,900	-	334,367
Prepaid costs	-	-	-	-	-	-	-	-	142,667
Due from other governments	526,816	-	182,030	-	-	-	-	-	10,987,443
Restricted pooled cash and cash equivalents	-	-	-	-	-	-	-	706,048	706,048
Total assets	<u>\$ 570,792</u>	<u>\$ 499,643</u>	<u>\$ 182,030</u>	<u>\$ 557,625</u>	<u>\$ 462,265</u>	<u>\$ 70,627</u>	<u>\$ 1,503,327</u>	<u>\$ 706,048</u>	<u>\$ 30,105,891</u>
Liabilities and Fund Balances									
Liabilities:									
Accounts payable and accrued liabilities	\$ 272,030	\$ 22,977	\$ 50,762	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,229,662
Retainage payable	39,874	-	-	-	-	-	-	-	39,874
Due to other funds	-	234,591	127,239	-	-	-	-	-	2,751,679
Deposits	-	-	-	-	-	-	249,826	-	1,181,381
Unearned revenue	258,888	-	-	-	-	-	-	-	3,685,007
Total liabilities	<u>570,792</u>	<u>257,568</u>	<u>178,001</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>249,826</u>	<u>-</u>	<u>10,887,603</u>
Fund balances: Nonspendable:									
Wetland Mitigation Trust	-	-	-	-	-	-	-	452,080	452,080
Restricted for:									
Road and sidewalks	-	-	-	-	-	-	-	-	7,101,127
Community bus program	-	242,075	-	-	-	-	-	-	242,075
Law enforcement	-	-	-	557,625	462,265	70,627	1,253,501	-	2,344,018
Wetland Mitigation	-	-	-	-	-	-	-	253,968	253,968
Building services	-	-	-	-	-	-	-	-	582,079
Human services	-	-	4,029	-	-	-	-	-	4,029
Assigned to:									
Lease payments	-	-	-	-	-	-	-	-	8,238,912
Total fund balances	<u>-</u>	<u>242,075</u>	<u>4,029</u>	<u>557,625</u>	<u>462,265</u>	<u>70,627</u>	<u>1,253,501</u>	<u>706,048</u>	<u>19,218,288</u>
Total liabilities and fund balances	<u>\$ 570,792</u>	<u>\$ 499,643</u>	<u>\$ 182,030</u>	<u>\$ 557,625</u>	<u>\$ 462,265</u>	<u>\$ 70,627</u>	<u>\$ 1,503,327</u>	<u>\$ 706,048</u>	<u>\$ 30,105,891</u>

City of Pembroke Pines, Florida
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Fiscal Year Ended September 30, 2023

	Special Revenue Funds								
	Road and Bridge	Building	Law Enforcement Grant	Police Community Service Grant	State Housing Initiative Program	Schools Chartered by*			Florida State University Elementary
						Elementary	Middle	High	
Revenues:									
Taxes	\$ 2,972,388	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Permits, fees and licenses	1,624,498	10,873,547	-	-	-	-	-	-	-
Intergovernmental	1,595,621	-	247,367	101,608	863,335	20,481,443	13,816,695	23,384,458	7,600,307
Charges for services	-	460,090	-	-	-	1,445,881	489,941	599,187	651,256
Fines and forfeitures	-	-	-	-	-	-	-	-	-
Investment income (loss)	352,805	-	-	-	-	(36,335)	6	(19,872)	118,714
Contributions	-	-	-	-	-	174,168	118,280	186,049	63,536
Rental revenue	-	-	-	-	-	146,542	259,224	279,503	14,950
Other	267,556	-	-	-	-	9,859	6,246	19,921	3,470
Total revenues	6,812,868	11,333,637	247,367	101,608	863,335	22,221,558	14,690,392	24,449,246	8,452,233
Expenditures:									
Current									
Public safety	-	10,848,118	224,464	101,608	-	-	-	-	-
Physical environment	-	-	-	-	-	-	-	-	-
Transportation	5,727,206	-	-	-	-	-	-	-	-
Economic environment	-	-	-	-	863,335	-	-	-	-
Human services	-	-	-	-	-	19,377,660	13,871,876	19,744,641	8,764,722
Debt Services									
Principal	-	-	-	-	-	1,976,027	1,113,501	2,994,327	381,144
Interest	-	-	-	-	-	137,244	65,283	178,777	51,042
Capital Outlay									
Public safety	-	-	22,903	-	-	-	-	-	-
Transportation	127,306	-	-	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-	-	-	-
Human services	-	-	-	-	-	-	-	-	-
Total expenditures	5,854,512	10,848,118	247,367	101,608	863,335	21,791,334	15,416,230	23,060,500	9,686,407
Excess (deficiency) of revenues over (under) expenditures	958,356	485,519	-	-	-	430,224	(725,838)	1,388,746	(1,234,174)
Other financing sources (uses):									
Transfers in	-	-	-	-	-	-	444,500	-	-
Transfers out	(268,114)	-	-	-	-	(444,500)	-	-	-
Issuance of subscription financing	-	-	-	-	-	124,020	155,143	124,727	99,627
Total other financing sources (uses)	(268,114)	-	-	-	-	(320,480)	599,643	124,727	99,627
Net change in fund balances	690,242	485,519	-	-	-	109,744	(126,195)	1,513,473	(1,134,547)
Fund balances, beginning	6,410,885	96,560	-	-	-	2,452,024	354,385	819,356	4,250,672
Fund balances, ending	\$ 7,101,127	\$ 582,079	\$ -	\$ -	\$ -	\$ 2,561,768	\$ 228,190	\$ 2,332,829	\$ 3,116,125

*As of June 30, 2023

(continued)

City of Pembroke Pines, Florida
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
September 30, 2023
(continued)

	Special Revenue Funds						Permanent Fund	Total	
	Housing and Urban Development Grant	Community Bus Program	Older Americans Act	Treasury Confiscated	Justice Confiscated	\$2 Police Education	FDLE Confiscated	Wetland Mitigation Trust Fund	Nonmajor Governmental Funds
Revenues:									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,972,388
Permits, fees and licenses	-	-	-	-	-	-	-	-	12,498,045
Intergovernmental	2,483,626	602,166	664,435	-	-	-	-	-	71,841,061
Charges for services	-	-	-	-	-	-	-	-	3,646,355
Fines and forfeitures	-	-	-	-	-	12,424	5,500	-	17,924
Investment income	-	-	-	26,463	21,938	3,002	69,919	32,743	569,383
Contributions	-	-	-	-	-	-	-	-	542,033
Rental revenue	-	-	-	-	-	-	-	-	700,219
Other	-	-	3,854	-	-	-	-	-	310,906
Total revenues	2,483,626	602,166	668,289	26,463	21,938	15,426	75,419	32,743	93,098,314
Expenditures:									
Current									
Public safety	-	-	-	-	-	-	17,791	-	11,191,981
Physical environment	-	-	-	-	-	-	-	1,460	1,460
Transportation	151,603	1,135,506	-	-	-	-	-	-	7,014,315
Economic environment	636,300	-	-	-	-	-	-	-	1,499,635
Human services	-	-	1,404,424	-	-	-	-	-	63,163,323
Debt Services									
Principal	-	-	-	-	-	-	-	-	6,464,999
Interest	-	-	-	-	-	-	-	-	432,346
Capital Outlay									
Public safety	-	-	-	-	-	-	-	-	22,903
Transportation	-	-	-	-	-	-	-	-	127,306
Economic environment	1,695,723	-	-	-	-	-	-	-	1,695,723
Human services	-	-	-	-	-	-	-	-	1,298,227
Total expenditures	2,483,626	1,135,506	1,404,424	-	-	-	17,791	1,460	92,912,218
Excess (deficiency) of revenues over (under) expenditures	-	(533,340)	(736,135)	26,463	21,938	15,426	57,628	31,283	186,096
Other financing sources (uses):									
Transfers in	-	532,947	736,135	-	-	-	-	-	1,713,582
Transfers out	-	-	-	-	-	-	-	-	(712,614)
Issuance of subscription financing	-	-	-	-	-	-	-	-	503,517
Total other financing sources (uses)	-	532,947	736,135	-	-	-	-	-	1,504,485
Net change in fund balances	-	(393)	-	26,463	21,938	15,426	57,628	31,283	1,690,581
Fund balances, beginning	-	242,468	4,029	531,162	440,327	55,201	1,195,873	674,765	17,527,707
Fund balances, ending	\$ -	\$ 242,075	\$ 4,029	\$ 557,625	\$ 462,265	\$ 70,627	\$ 1,253,501	\$ 706,048	\$ 19,218,288

SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL

- **Debt Service Fund**

- **Nonmajor Governmental Funds:**
 - Road and Bridge Fund
 - Building Services Fund
 - Law Enforcement Grant
 - Police Community Service Grant
 - State Housing Initiative Program
 - Elementary Schools chartered by Broward County School Board
 - Middle Schools chartered by Broward County School Board
 - High School chartered by Broward County School Board
 - Elementary School chartered by Florida State University
 - Housing and Urban Development Grant
 - Community Bus Program
 - Older Americans Act
 - Treasury Confiscated
 - Justice Confiscated
 - \$2 Police Education
 - FDLE Confiscated
 - Wetland Mitigation Trust Fund

City of Pembroke Pines, Florida
Required Supplementary Information
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Debt Service Fund
Fiscal Year Ended September 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes:				
Property taxes	\$ 5,865,901	\$ 5,865,901	\$ 5,923,911	\$ 58,010
Utility taxes	1,656,375	1,656,375	1,071,937	(584,438)
Communications services tax	4,389,759	4,389,759	4,801,426	411,667
Permits, fees and licenses	761,648	761,648	744,058	(17,590)
Investment income	86,199	86,199	582,016	495,817
Contributions	11,325,468	11,325,468	11,063,832	(261,636)
Total revenues	<u>24,085,350</u>	<u>24,085,350</u>	<u>24,187,180</u>	<u>101,830</u>
Expenditures				
Debt Service:				
Principal	16,312,900	16,312,900	16,312,900	-
Interest	10,538,984	10,538,984	10,538,984	-
Total expenditures	<u>26,851,884</u>	<u>26,851,884</u>	<u>26,851,884</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,766,534)</u>	<u>(2,766,534)</u>	<u>(2,664,704)</u>	<u>101,830</u>
Net change in fund balances	(2,766,534)	(2,766,534)	(2,664,704)	101,830
Fund balances, beginning	14,723,608	14,723,608	14,723,608	-
Fund balances, ending	<u>\$ 11,957,074</u>	<u>\$ 11,957,074</u>	<u>\$ 12,058,904</u>	<u>\$ 101,830</u>

City of Pembroke Pines, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Nonmajor Governmental Funds
Fiscal Year Ended September 30, 2023

	Special Revenue Funds							
	Road & Bridge				Building Services Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Budgeted Amounts		Actual Amounts	Variance with Final Budget
Original	Final	Original			Final			
Revenues:								
Taxes	\$ 3,250,000	\$ 3,250,000	\$ 2,972,388	\$ (277,612)	\$ -	\$ -	\$ -	\$ -
Permits, fees and licenses	1,624,000	1,624,000	1,624,498	498	7,595,000	11,095,000	10,873,547	(221,453)
Intergovernmental	1,560,800	1,771,458	1,595,621	(175,837)	-	-	-	-
Charges for services	-	-	-	-	345,000	465,000	460,090	(4,910)
Fines and forfeitures	-	-	-	-	-	-	-	-
Investment income	70,000	70,000	352,805	282,805	-	-	-	-
Contributions	-	-	-	-	-	-	-	-
Rental revenue	-	-	-	-	-	-	-	-
Other	247,282	247,282	267,556	20,274	-	-	-	-
Total revenues	<u>6,752,082</u>	<u>6,962,740</u>	<u>6,812,868</u>	<u>(149,872)</u>	<u>7,940,000</u>	<u>11,560,000</u>	<u>11,333,637</u>	<u>(226,363)</u>
Expenditures:								
Public safety	-	-	-	-	7,940,000	11,560,000	10,848,118	711,882
Transportation	9,231,962	12,745,417	5,854,512	6,890,905	-	-	-	-
Economic environment	-	-	-	-	-	-	-	-
Human services	-	-	-	-	-	-	-	-
Total expenditures	<u>9,231,962</u>	<u>12,745,417</u>	<u>5,854,512</u>	<u>6,890,905</u>	<u>7,940,000</u>	<u>11,560,000</u>	<u>10,848,118</u>	<u>711,882</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,479,880)</u>	<u>(5,782,677)</u>	<u>958,356</u>	<u>6,741,033</u>	<u>-</u>	<u>-</u>	<u>485,519</u>	<u>485,519</u>
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	(338,551)	(338,551)	(268,114)	70,437	-	-	-	-
Proceeds from subscription financing	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>(338,551)</u>	<u>(338,551)</u>	<u>(268,114)</u>	<u>70,437</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(2,818,431)</u>	<u>(6,121,228)</u>	<u>690,242</u>	<u>6,811,470</u>	<u>-</u>	<u>-</u>	<u>485,519</u>	<u>485,519</u>
Fund balances, beginning	<u>6,410,885</u>	<u>6,410,885</u>	<u>6,410,885</u>	<u>-</u>	<u>96,560</u>	<u>96,560</u>	<u>96,560</u>	<u>-</u>
Fund balances, ending	<u>\$ 3,592,454</u>	<u>\$ 289,657</u>	<u>\$ 7,101,127</u>	<u>\$ 6,811,470</u>	<u>\$ 96,560</u>	<u>\$ 96,560</u>	<u>\$ 582,079</u>	<u>\$ 485,519</u>

(continued)

City of Pembroke Pines, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Nonmajor Governmental Funds
Fiscal Year Ended September 30, 2023

	Special Revenue Funds							
	Law Enforcement				Police Community Service Grant			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Budgeted Amounts		Actual Amounts	Variance with Final Budget
Original	Final	Original			Final			
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Permits, fees and licenses	-	-	-	-	-	-	-	-
Intergovernmental	22,167	432,600	247,367	(185,233)	-	102,352	101,608	(744)
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Investment income	-	-	-	-	-	-	-	-
Contributions	-	-	-	-	-	-	-	-
Rental revenue	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total revenues	<u>22,167</u>	<u>432,600</u>	<u>247,367</u>	<u>(185,233)</u>	<u>-</u>	<u>102,352</u>	<u>101,608</u>	<u>(744)</u>
Expenditures:								
Public safety	22,167	432,600	247,367	185,233	-	102,352	101,608	744
Transportation	-	-	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-	-	-
Human services	-	-	-	-	-	-	-	-
Total expenditures	<u>22,167</u>	<u>432,600</u>	<u>247,367</u>	<u>185,233</u>	<u>-</u>	<u>102,352</u>	<u>101,608</u>	<u>744</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-	-	-	-	-
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Proceeds from subscription financing	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	-	-	-	-	-	-	-
Fund balances, beginning	-	-	-	-	-	-	-	-
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(continued)

City of Pembroke Pines, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Nonmajor Governmental Funds
Fiscal Year Ended September 30, 2023

	Special Revenue Funds							
	State Housing Initiative Program				Elementary Schools Chartered by Broward County School Board*			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Budgeted Amounts		Actual Amounts	Variance with Final Budget
Original	Final	Original			Final			
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Permits, fees and licenses	-	-	-	-	-	-	-	-
Intergovernmental	1,116,000	4,883,958	863,335	(4,020,623)	20,295,905	20,646,577	20,481,443	(165,134)
Charges for services	-	-	-	-	1,400,266	1,400,266	1,445,881	45,615
Fines and forfeitures	-	-	-	-	-	-	-	-
Investment income (loss)	6,000	5,996	-	(5,996)	6,500	6,500	(36,335)	(42,835)
Contributions	-	-	-	-	176,337	182,173	174,168	(8,005)
Rental revenue	-	-	-	-	157,546	157,546	146,542	(11,004)
Other	-	-	-	-	11,946	11,946	9,859	(2,087)
Total revenues	<u>1,122,000</u>	<u>4,889,954</u>	<u>863,335</u>	<u>(4,026,619)</u>	<u>22,048,500</u>	<u>22,405,008</u>	<u>22,221,558</u>	<u>(183,450)</u>
Expenditures:								
Public safety	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-
Economic environment	1,116,000	4,883,954	863,335	4,020,619	-	-	-	-
Human services	-	-	-	-	21,853,568	21,890,228	21,791,334	98,894
Total expenditures	<u>1,116,000</u>	<u>4,883,954</u>	<u>863,335</u>	<u>4,020,619</u>	<u>21,853,568</u>	<u>21,890,228</u>	<u>21,791,334</u>	<u>98,894</u>
Excess (deficiency) of revenues over (under) expenditures	<u>6,000</u>	<u>6,000</u>	<u>-</u>	<u>(6,000)</u>	<u>194,932</u>	<u>514,780</u>	<u>430,224</u>	<u>(84,556)</u>
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	(557,925)	(557,925)	(444,500)	113,425
Proceeds from subscription financing	-	-	-	-	-	-	124,020	124,020
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(557,925)</u>	<u>(557,925)</u>	<u>(320,480)</u>	<u>237,445</u>
Net change in fund balances	6,000	6,000	-	(6,000)	(362,993)	(43,145)	109,744	152,889
Fund balances, beginning	-	-	-	-	2,452,024	2,452,024	2,452,024	-
Fund balances, ending	<u>\$ 6,000</u>	<u>\$ 6,000</u>	<u>\$ -</u>	<u>\$ (6,000)</u>	<u>\$ 2,089,031</u>	<u>\$ 2,408,879</u>	<u>\$ 2,561,768</u>	<u>\$ 152,889</u>

*As of June 30, 2023

(continued)

City of Pembroke Pines, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Nonmajor Governmental Funds
Fiscal Year Ended September 30, 2023

Special Revenue Funds

	Middle Schools Chartered by Broward County School Board*				High School Chartered by Broward County School Board*			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final			Original	Final		
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Permits, fees and licenses	-	-	-	-	-	-	-	-
Intergovernmental	13,867,821	14,114,990	13,816,695	(298,295)	23,392,345	23,783,476	23,384,458	(399,018)
Charges for services	418,816	418,816	489,941	71,125	679,055	679,055	599,187	(79,868)
Fines and forfeitures	-	-	-	-	-	-	-	-
Investment income	500	500	6	(494)	5,000	5,000	(19,872)	(24,872)
Contributions	123,893	123,893	118,280	(5,613)	194,897	194,897	186,049	(8,848)
Rental revenue	288,730	288,730	259,224	(29,506)	260,294	260,294	279,503	19,209
Other	8,137	8,137	6,246	(1,891)	12,941	12,941	19,921	6,980
Total revenues	<u>14,707,897</u>	<u>14,955,066</u>	<u>14,690,392</u>	<u>(264,674)</u>	<u>24,544,532</u>	<u>24,935,663</u>	<u>24,449,246</u>	<u>(486,417)</u>
Expenditures:								
Public safety	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-	-	-
Human services	15,874,330	15,965,879	15,416,230	549,649	24,044,637	23,835,403	23,060,500	774,903
Total expenditures	<u>15,874,330</u>	<u>15,965,879</u>	<u>15,416,230</u>	<u>549,649</u>	<u>24,044,637</u>	<u>23,835,403</u>	<u>23,060,500</u>	<u>774,903</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,166,433)</u>	<u>(1,010,813)</u>	<u>(725,838)</u>	<u>284,975</u>	<u>499,895</u>	<u>1,100,260</u>	<u>1,388,746</u>	<u>288,486</u>
Other financing sources (uses):								
Transfers in	911,383	911,383	444,500	(466,883)	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Proceeds from subscription financing	-	-	155,143	155,143	-	-	124,727	124,727
Total other financing sources (uses)	<u>911,383</u>	<u>911,383</u>	<u>599,643</u>	<u>(311,740)</u>	<u>-</u>	<u>-</u>	<u>124,727</u>	<u>124,727</u>
Net change in fund balances	(255,050)	(99,430)	(126,195)	(26,765)	499,895	1,100,260	1,513,473	413,213
Fund balances, beginning	354,385	354,385	354,385	-	819,356	819,356	819,356	-
Fund balances, ending	<u>\$ 99,335</u>	<u>\$ 254,955</u>	<u>\$ 228,190</u>	<u>\$ (26,765)</u>	<u>\$ 1,319,251</u>	<u>\$ 1,919,616</u>	<u>\$ 2,332,829</u>	<u>\$ 413,213</u>

*As of June 30, 2023

(continued)

City of Pembroke Pines, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Nonmajor Governmental Funds
Fiscal Year Ended September 30, 2023

	Special Revenue Funds							
	Elementary School Chartered by Florida State University*				Housing and Urban Development Grant			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Budgeted Amounts		Actual Amounts	Variance with Final Budget
Original	Final	Original			Final			
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Permits, fees and licenses	-	-	-	-	-	-	-	-
Intergovernmental	7,656,719	7,812,480	7,600,307	(212,173)	1,268,411	6,543,556	2,483,626	(4,059,930)
Charges for services	381,465	381,465	651,256	269,791	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Investment income	8,500	8,500	118,714	110,214	-	-	-	-
Contributions	60,763	62,360	63,536	1,176	-	-	-	-
Rental revenue	37,050	37,050	14,950	(22,100)	-	-	-	-
Other	4,475	4,475	3,470	(1,005)	-	-	-	-
Total revenues	<u>8,148,972</u>	<u>8,306,330</u>	<u>8,452,233</u>	<u>145,903</u>	<u>1,268,411</u>	<u>6,543,556</u>	<u>2,483,626</u>	<u>(4,059,930)</u>
Expenditures:								
Public safety	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	150,354	151,603	151,603	-
Economic environment	-	-	-	-	1,118,057	6,391,953	2,332,023	4,059,930
Human services	8,870,269	9,293,722	9,686,407	(392,685)	-	-	-	-
Total expenditures	<u>8,870,269</u>	<u>9,293,722</u>	<u>9,686,407</u>	<u>(392,685)</u>	<u>1,268,411</u>	<u>6,543,556</u>	<u>2,483,626</u>	<u>4,059,930</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(721,297)</u>	<u>(987,392)</u>	<u>(1,234,174)</u>	<u>(246,782)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Proceeds from subscription financing	-	-	99,627	99,627	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>99,627</u>	<u>99,627</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(721,297)	(987,392)	(1,134,547)	(147,155)	-	-	-	-
Fund balances, beginning	4,250,672	4,250,672	4,250,672	-	-	-	-	-
Fund balances, ending	<u>\$ 3,529,375</u>	<u>\$ 3,263,280</u>	<u>\$ 3,116,125</u>	<u>\$ (147,155)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

*As of June 30, 2023

(continued)

City of Pembroke Pines, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Nonmajor Governmental Funds
Fiscal Year Ended September 30, 2023

	Special Revenue Funds							
	Community Bus Program				Older Americans Act			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Budgeted Amounts		Actual Amounts	Variance with Final Budget
Original	Final	Original			Final			
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Permits, fees and licenses	-	-	-	-	-	-	-	-
Intergovernmental	606,947	606,947	602,166	(4,781)	788,499	722,554	664,435	(58,119)
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Investment income	-	-	-	-	-	-	-	-
Contributions	-	-	-	-	2,500	2,500	3,854	1,354
Rental revenue	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total revenues	<u>606,947</u>	<u>606,947</u>	<u>602,166</u>	<u>(4,781)</u>	<u>790,999</u>	<u>725,054</u>	<u>668,289</u>	<u>(56,765)</u>
Expenditures:								
Public safety	-	-	-	-	-	-	-	-
Transportation	1,252,684	1,252,684	1,135,506	117,178	-	-	-	-
Economic environment	-	-	-	-	-	-	-	-
Human services	-	-	-	-	1,461,189	1,461,189	1,404,424	56,765
Total expenditures	<u>1,252,684</u>	<u>1,252,684</u>	<u>1,135,506</u>	<u>117,178</u>	<u>1,461,189</u>	<u>1,461,189</u>	<u>1,404,424</u>	<u>56,765</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(645,737)</u>	<u>(645,737)</u>	<u>(533,340)</u>	<u>112,397</u>	<u>(670,190)</u>	<u>(736,135)</u>	<u>(736,135)</u>	<u>-</u>
Other financing sources (uses):								
Transfers in	645,737	645,737	532,947	(112,790)	670,190	736,135	736,135	-
Transfers out	-	-	-	-	-	-	-	-
Proceeds from subscription financing	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>645,737</u>	<u>645,737</u>	<u>532,947</u>	<u>(112,790)</u>	<u>670,190</u>	<u>736,135</u>	<u>736,135</u>	<u>-</u>
Net change in fund balances	-	-	(393)	(393)	-	-	-	-
Fund balances, beginning	242,468	242,468	242,468	-	-	-	-	-
Fund balances, ending	<u>\$ 242,468</u>	<u>\$ 242,468</u>	<u>\$ 242,075</u>	<u>\$ (393)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(continued)

City of Pembroke Pines, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Nonmajor Governmental Funds
Fiscal Year Ended September 30, 2023

	Special Revenue Funds							
	Treasury Confiscated				Justice Confiscated			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Budgeted Amounts		Actual Amounts	Variance with Final Budget
Original	Final	Original			Final			
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Permits, fees and licenses	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Investment income	4,000	4,000	26,463	22,463	3,000	3,000	21,938	18,938
Contributions	-	-	-	-	-	-	-	-
Rental revenue	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total revenues	<u>4,000</u>	<u>4,000</u>	<u>26,463</u>	<u>22,463</u>	<u>3,000</u>	<u>3,000</u>	<u>21,938</u>	<u>18,938</u>
Expenditures:								
Public safety	712	526,900	-	526,900	590	436,794	-	436,794
Transportation	-	-	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-	-	-
Human services	-	-	-	-	-	-	-	-
Total expenditures	<u>712</u>	<u>526,900</u>	<u>-</u>	<u>526,900</u>	<u>590</u>	<u>436,794</u>	<u>-</u>	<u>436,794</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,288</u>	<u>(522,900)</u>	<u>26,463</u>	<u>549,363</u>	<u>2,410</u>	<u>(433,794)</u>	<u>21,938</u>	<u>455,732</u>
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Proceeds from subscription financing	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	3,288	(522,900)	26,463	549,363	2,410	(433,794)	21,938	455,732
Fund balances, beginning	<u>531,162</u>	<u>531,162</u>	<u>531,162</u>	<u>-</u>	<u>440,327</u>	<u>440,327</u>	<u>440,327</u>	<u>-</u>
Fund balances, ending	<u>\$ 534,450</u>	<u>\$ 8,262</u>	<u>\$ 557,625</u>	<u>\$ 549,363</u>	<u>\$ 442,737</u>	<u>\$ 6,533</u>	<u>\$ 462,265</u>	<u>\$ 455,732</u>

(continued)

City of Pembroke Pines, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Nonmajor Governmental Funds
Fiscal Year Ended September 30, 2023

	Special Revenue Funds							
	\$2 Police Education				FDLE Confiscated			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Budgeted Amounts		Actual Amounts	Variance with Final Budget
Original	Final	Original			Final			
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Permits, fees and licenses	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	24,139	24,139	12,424	(11,715)	-	5,500	5,500	5,500
Investment income	200	200	3,002	2,802	10,000	10,000	69,919	59,919
Contributions	-	-	-	-	-	-	-	-
Rental revenue	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total revenues	<u>24,339</u>	<u>24,339</u>	<u>15,426</u>	<u>(8,913)</u>	<u>10,000</u>	<u>10,000</u>	<u>75,419</u>	<u>65,419</u>
Expenditures:								
Public safety	24,139	44,657	-	44,657	14,170	70,812	17,791	53,021
Transportation	-	-	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-	-	-
Human services	-	-	-	-	-	-	-	-
Total expenditures	<u>24,139</u>	<u>44,657</u>	<u>-</u>	<u>44,657</u>	<u>14,170</u>	<u>70,812</u>	<u>17,791</u>	<u>53,021</u>
Excess (deficiency) of revenues over (under) expenditures	<u>200</u>	<u>(20,318)</u>	<u>15,426</u>	<u>35,744</u>	<u>(4,170)</u>	<u>(60,812)</u>	<u>57,628</u>	<u>118,440</u>
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Proceeds from subscription financing	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	200	(20,318)	15,426	35,744	(4,170)	(60,812)	57,628	118,440
Fund balances, beginning	55,201	55,201	55,201	-	1,195,873	1,195,873	1,195,873	-
Fund balances, ending	<u>\$ 55,401</u>	<u>\$ 34,883</u>	<u>\$ 70,627</u>	<u>\$ 35,744</u>	<u>\$ 1,191,703</u>	<u>\$ 1,135,061</u>	<u>\$ 1,253,501</u>	<u>\$ 118,440</u>

(continued)

City of Pembroke Pines, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Nonmajor Governmental Funds
Fiscal Year Ended September 30, 2023

	Permanent Fund			
	Wetland Mitigation Trust Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
Original	Final			
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Permits, fees and licenses	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Investment income	5,000	5,000	32,743	27,743
Contributions	-	-	-	-
Rental revenue	-	-	-	-
Other	-	-	-	-
Total revenues	<u>5,000</u>	<u>5,000</u>	<u>32,743</u>	<u>27,743</u>
Expenditures:				
General government	-	-	-	-
Public safety	-	-	-	-
Physical Environment	16,500	16,500	1,460	15,040
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Total expenditures	<u>16,500</u>	<u>16,500</u>	<u>1,460</u>	<u>15,040</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(11,500)</u>	<u>(11,500)</u>	<u>31,283</u>	<u>42,783</u>
Other financing sources (uses):				
Proceeds from subscription financing				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(11,500)	(11,500)	31,283	42,783
Fund balances, beginning	<u>674,765</u>	<u>674,765</u>	<u>674,765</u>	<u>-</u>
Fund balances, ending	<u>\$ 663,265</u>	<u>\$ 663,265</u>	<u>\$ 706,048</u>	<u>\$ 42,783</u>

FIDUCIARY FUND TYPES

- PENSION and OTHER POST-EMPLOYMENT BENEFITS (OPEB)
TRUST FUNDS

PENSION and OTHER POST-EMPLOYMENT BENEFITS (OPEB) TRUST FUNDS

Employees Retirement Funds - To account for the accumulation of resources to be used for retirement benefits to the City's General Employees and Firefighters and Police Officers. Resources are contributed by employees at rates fixed by law and by the City at amounts determined by annual actuarial valuations.

Other Post-Employment Benefits (OPEB) Fund - To account for the accumulation of resources to be used for retiree health and life insurance benefits. Resources are contributed by retirees based on hire date, retirement date, and employee group and by the City at amounts determined by annual actuarial valuations.

City of Pembroke Pines, Florida
Combining Statement of Net Position
Fiduciary Funds
September 30, 2023

	General Employees' Pension	Firefighters and Police Officers Pension	Other Post- Employment Benefits	Totals
Assets				
Cash and short term investments	\$ -	\$ 27,118,788	\$ 131,324	\$ 27,250,112
Accrued interest investment income	-	832,972	-	832,972
Accounts receivable - sale of investments	-	126,804	-	126,804
DROP loans receivable	-	2,739,248	-	2,739,248
Contribution receivable	6,000,000	72,160	6,000,000	12,072,160
Investments, at fair value				
U.S. Government securities	-	56,740,445	-	56,740,445
Corporate bonds	-	41,705,966	-	41,705,966
Foreign bonds	-	1,483,054	-	1,483,054
Equity securities	-	308,325,451	-	308,325,451
Domestic equity funds	-	162,208,686	-	162,208,686
International equity funds	-	48,026,119	-	48,026,119
Real estate funds	-	72,862,545	-	72,862,545
Timber funds	-	23,697,332	-	23,697,332
Farmland funds	-	27,648,207	-	27,648,207
Mutual funds	204,432,024	63,234,323	130,959,876	398,626,223
Total investments	<u>204,432,024</u>	<u>805,932,128</u>	<u>130,959,876</u>	<u>1,141,324,028</u>
Capital assets, being depreciated, net	-	1,261,156	-	1,261,156
Total assets	<u>210,432,024</u>	<u>838,083,256</u>	<u>137,091,200</u>	<u>1,185,606,480</u>
Liabilities				
Accounts payable	-	561,126	238,157	799,283
Accounts payable - purchases of investments	-	555,040	-	555,040
Reserve for health insurance claims	-	-	813,970	813,970
Total liabilities	<u>-</u>	<u>1,116,166</u>	<u>1,052,127</u>	<u>2,168,293</u>
Net Position				
Net position restricted for benefits	<u>\$ 210,432,024</u>	<u>\$ 836,967,090</u>	<u>\$ 136,039,073</u>	<u>\$ 1,183,438,187</u>

City of Pembroke Pines, Florida
Combining Statement of Changes in Net Position
Fiduciary Funds
Fiscal Year Ended September 30, 2023

	General Employees' Pension	Firefighters and Police Officers Pension	Other Post- Employment Benefits	Totals
Additions				
Contributions:				
Plan members	\$ 127,556	\$ 2,494,571	\$ 825,091	\$ 3,447,218
Employer	9,500,343	29,762,535	17,702,117	56,964,995
Chapter 175 and 185	-	4,122,850	-	4,122,850
Total contributions:	<u>9,627,899</u>	<u>36,379,956</u>	<u>18,527,208</u>	<u>64,535,063</u>
Investment income:				
Net appreciation in fair value of investments	17,372,600	76,249,128	12,524,063	106,145,791
Investment income	-	10,166,910	18,315	10,185,225
Less investment expenses	56,752	4,554,718	608,870	5,220,340
Net investment income	<u>17,315,848</u>	<u>81,861,320</u>	<u>11,933,508</u>	<u>111,110,676</u>
Other additions:				
Specific stop loss and medical claims recovery	-	-	599,156	599,156
Other income	-	46,815	-	46,815
Total other additions:	<u>-</u>	<u>46,815</u>	<u>599,156</u>	<u>645,971</u>
Total additions	<u>26,943,747</u>	<u>118,288,091</u>	<u>31,059,872</u>	<u>176,291,710</u>
Deductions				
Benefit payments and insurance premiums	12,938,549	38,363,780	13,926,419	65,228,748
DROP distributions	-	7,488,043	-	7,488,043
Refunds of contributions	-	292,016	-	292,016
Administrative expenses	5,650	1,014,565	177,422	1,197,637
Total deductions	<u>12,944,199</u>	<u>47,158,404</u>	<u>14,103,841</u>	<u>74,206,444</u>
Change in net position	13,999,548	71,129,687	16,956,031	102,085,266
Net position, beginning	<u>196,432,476</u>	<u>765,837,403</u>	<u>119,083,042</u>	<u>1,081,352,921</u>
Net position, ending	<u>\$ 210,432,024</u>	<u>\$ 836,967,090</u>	<u>\$ 136,039,073</u>	<u>\$ 1,183,438,187</u>

III. STATISTICAL SECTION

- 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

- Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.

- 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.

- 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.

- Operating Information

These schedules contain trend service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

- Other Information

City of Pembroke Pines, Florida
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

Fiscal Year	2014	2015 (1)	2016	2017 (2)	2018	2019 (3)	2020	2021	2022	2023
Governmental activities										
Net invested in capital assets	\$ 96,036,092	\$ 101,327,909	\$ 122,925,559	\$ 151,177,610	\$ 158,778,013	\$ 151,680,283	\$ 153,605,639	\$ 155,997,708	\$ 157,369,699	\$ 184,123,777
Restricted	23,199,554	21,134,115	22,061,419	16,111,639	17,536,425	20,216,558	20,189,558	20,402,571	21,293,413	20,033,677
Unrestricted	35,059,606	(194,576,902)	(175,580,464)	(239,753,033)	(230,440,848)	(197,669,376)	(195,556,986)	(159,613,968)	(106,060,128)	(99,473,520)
Total governmental activities net position	\$ 154,295,252	\$ (72,114,878)	\$ (30,593,486)	\$ (72,463,784)	\$ (54,126,410)	\$ (25,772,535)	\$ (21,761,789)	\$ 16,786,311	\$ 72,602,984	\$ 104,683,934
Business-type activities										
Net invested in capital assets	\$ 143,816,502	\$ 145,060,182	\$ 148,395,164	\$ 148,314,875	\$ 152,998,320	\$ 156,517,943	\$ 160,492,109	\$ 164,224,194	\$ 171,280,530	\$ 178,732,530
Restricted	1,263,613	745,236	759,702	775,231	798,951	827,105	848,383	864,580	881,074	931,092
Unrestricted	85,725,566	85,560,873	77,361,508	68,138,649	75,980,326	87,623,941	86,375,549	85,834,218	87,154,555	84,555,073
Total business-type activities net position	\$ 230,805,681	\$ 231,366,291	\$ 226,516,374	\$ 217,228,755	\$ 229,777,597	\$ 244,968,989	\$ 247,716,041	\$ 250,922,992	\$ 259,316,159	\$ 264,218,695
Primary government										
Net invested in capital assets	\$ 239,852,594	\$ 246,388,091	\$ 271,320,723	\$ 299,492,485	\$ 311,776,333	\$ 308,198,226	\$ 314,097,748	\$ 320,221,902	\$ 328,650,229	\$ 362,856,307
Restricted	24,463,167	21,879,351	22,821,121	16,886,870	18,335,376	21,043,663	21,037,941	21,267,151	22,174,487	20,964,769
Unrestricted	120,785,172	(109,016,029)	(98,218,956)	(171,614,384)	(154,460,522)	(110,045,435)	(109,181,437)	(73,779,750)	(18,905,573)	(14,918,447)
Total primary government net position	\$ 385,100,933	\$ 159,251,413	\$ 195,922,888	\$ 144,764,971	\$ 175,651,187	\$ 219,196,454	\$ 225,954,252	\$ 267,709,303	\$ 331,919,143	\$ 368,902,629

(1) FY 2015 Governmental activities negative unrestricted net position was a result of the implementation of GASB Statement 68

(2) FY 2017 Governmental activities and business-type activities net position was restated as the result of the implementation of GASB Statement 75.

(3) FY 2019 Business-type activities net position was restated as the result of recording prior period adjustment related to contributed capital improvements.

City of Pembroke Pines, Florida

Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

Expenses	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Governmental activities:										
General government	\$ 21,442,092	\$ 23,730,945	\$ 23,981,833	\$ 35,168,870	\$ 31,513,483	\$ 29,121,715	\$ 41,821,200	\$ 25,056,610	\$ 35,188,653	\$ 42,500,586
Public safety	93,399,960	90,001,259	94,753,829	102,981,478	109,238,547	108,975,222	120,930,133	120,534,774	114,382,929	171,281,440
Physical environment	8,398,804	7,244,178	7,858,575	8,521,008	2,946,734	2,904,812	3,199,010	2,994,584	3,152,440	3,094,988
Transportation	7,592,371	8,275,897	7,795,228	9,923,820	9,044,091	9,436,738	10,239,560	9,181,306	9,715,828	9,908,461
Economic environment	11,647,174	9,965,841	10,068,923	10,023,659	9,858,362	10,855,610	10,242,321	10,684,941	11,456,906	11,174,046
Human services	57,230,972	57,826,212	60,215,463	61,061,133	63,418,667	64,510,440	65,183,602	63,941,101	68,373,355	77,359,112
Culture/Recreation	10,357,409	9,737,321	9,663,091	11,790,368	21,093,029	22,632,986	23,541,985	19,574,713	22,000,109	23,511,567
Interest on long-term debt	16,518,111	15,982,325	13,858,187	11,696,265	11,981,311	11,037,040	11,658,849	10,762,155	10,284,986	10,162,807
Total governmental activities expenses	226,586,893	222,763,978	228,195,129	251,166,601	259,094,224	259,474,563	286,816,660	262,730,184	274,555,206	348,993,007
Business-type activities:										
Public safety	-	-	-	169,172	20,767	19,657	180,087	162,897	258,248	-
Water utility services	5,235,305	4,430,806	5,795,010	6,941,478	8,145,767	7,916,075	8,287,584	8,170,832	8,666,301	10,060,923
Sewer/wastewater services	11,541,769	11,992,522	13,659,700	14,590,136	15,292,240	14,703,028	15,488,711	17,615,267	17,315,410	18,066,819
Solid waste control services	-	-	-	-	-	-	-	-	4,482,554	6,185,699
Water-sewer combined services	24,700,745	27,023,984	26,505,206	30,833,117	30,517,738	30,407,704	35,889,205	31,205,821	33,114,891	38,811,877
Total business-type activities expenses	41,477,819	43,447,312	45,959,916	52,533,903	53,976,512	53,046,464	59,845,587	57,154,817	63,837,404	73,125,318
Total primary government expenses	\$ 268,064,712	\$ 266,211,290	\$ 274,155,045	\$ 303,700,504	\$ 313,070,736	\$ 312,521,027	\$ 346,662,247	\$ 319,885,001	\$ 338,392,610	\$ 422,118,325
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 18,125,053	\$ 18,868,438	\$ 18,626,505	\$ 19,247,447	\$ 20,433,775	\$ 21,294,797	\$ 21,909,070	\$ 23,853,438	\$ 25,135,697	\$ 26,457,870
Public safety	29,418,815	29,912,357	30,573,276	30,246,161	32,796,611	33,428,144	32,184,163	34,056,228	38,650,573	52,541,650
Transportation	16,667	-	-	-	-	-	-	-	-	-
Economic environment	7,146,956	7,387,525	7,388,352	7,543,409	7,926,589	8,334,363	8,471,291	8,223,611	8,781,216	9,729,477
Human services	50,101,744	52,567,131	54,257,002	54,700,932	57,126,722	59,208,977	57,406,389	54,471,340	57,771,665	62,760,218
Culture/Recreation	4,044,472	3,732,053	3,648,582	3,867,995	4,183,037	4,352,545	3,429,454	3,530,020	5,243,186	5,674,546
Interest on long-term debt	12,359,687	11,921,093	12,030,058	11,559,069	11,168,428	10,676,537	11,095,975	11,371,175	11,739,789	11,063,833
Operating grants and contributions	7,245,855	5,253,284	6,838,005	9,437,789	5,553,029	6,407,995	9,733,908	11,153,397	14,117,444	19,602,522
Capital grants and contributions	718,466	717,681	1,398,971	942,372	1,340,796	441,039	1,773,814	2,498,192	700,966	66,981
Total governmental activities program revenues	129,177,715	130,359,562	134,760,751	137,545,174	140,528,987	144,144,397	146,004,064	149,157,401	162,140,536	187,897,097
Business-type activities:										
Charges for services:										
Water utility services	21,619,222	21,970,462	21,656,421	22,679,743	27,624,928	29,731,449	27,644,537	27,623,717	29,099,036	30,378,507
Sewer/wastewater services	22,211,823	22,586,436	22,325,554	23,351,196	28,639,022	30,890,068	29,790,290	30,761,399	31,776,275	32,540,659
Solid waste control services	-	-	-	-	-	-	-	-	4,074,717	6,938,228
Water-sewer combined services	113,001	187,861	229,497	239,370	354,892	241,103	74,384	123,991	638,568	218,223
Operating grants and contributions	-	-	-	-	124,536	47,900	-	-	-	-
Capital grants and contributions	2,064,436	1,069,739	1,842,201	1,167,738	3,677,444	5,695,144	4,187,729	1,673,964	2,116,603	1,925,711
Total business-type activities program revenues	46,008,482	45,814,498	46,053,673	47,438,047	60,420,822	66,605,664	61,696,940	60,183,071	67,705,199	72,001,328
Total primary government program revenues	\$ 175,186,197	\$ 176,174,060	\$ 180,814,424	\$ 184,983,221	\$ 200,949,809	\$ 210,750,061	\$ 207,701,004	\$ 209,340,472	\$ 229,845,735	\$ 259,898,425
Net (expense)/revenue:										
Governmental activities	\$ (97,409,178)	\$ (92,404,416)	\$ (93,434,378)	\$ (113,621,427)	\$ (118,565,237)	\$ (115,330,166)	\$ (140,812,596)	\$ (113,572,783)	\$ (112,414,670)	\$ (161,095,910)
Business-type activities	4,530,663	2,367,186	93,757	(5,095,856)	6,444,310	13,559,200	1,851,353	3,028,254	3,867,795	(1,123,990)
Total primary government net expense	\$ (92,878,515)	\$ (90,037,230)	\$ (93,340,621)	\$ (118,717,283)	\$ (112,120,927)	\$ (101,770,966)	\$ (138,961,243)	\$ (110,544,529)	\$ (108,546,875)	\$ (162,219,900)

City of Pembroke Pines, Florida
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes:										
Property taxes, levied for debt service	\$ 5,470,524	\$ 5,406,078	\$ 5,904,829	\$ 5,956,732	\$ 5,946,763	\$ 5,679,525	\$ 5,780,588	\$ 5,830,413	\$ 5,883,245	\$ 5,923,911
Property taxes, levied for general purposes	48,136,008	51,515,774	55,321,195	59,856,769	64,584,724	68,805,103	73,466,259	77,410,365	80,198,885	87,565,264
Utility taxes	12,655,027	12,865,364	12,995,837	13,284,313	14,165,682	14,379,623	14,554,944	14,772,388	15,408,445	17,496,742
Communication service tax	6,350,145	6,197,471	5,545,281	5,254,642	5,131,400	4,583,688	4,357,078	4,388,336	4,584,481	4,801,426
Insurance premium taxes	2,629,081	2,470,921	2,445,532	2,420,304	2,485,959	2,978,593	2,678,889	2,681,597	2,770,539	4,122,850
Local option gas taxes	2,682,012	2,780,280	2,868,929	2,954,782	2,956,209	2,984,213	2,619,291	2,742,078	2,924,680	2,972,388
Local business tax	3,272,689	3,378,223	3,455,361	3,541,780	3,609,836	3,588,457	3,586,587	3,433,475	3,177,791	3,282,418
Franchise fees	17,121,734	17,260,844	17,179,061	17,733,442	18,507,248	19,079,063	18,896,407	19,226,637	20,079,600	20,518,088
Intergovernmental revenue - unrestricted	14,273,538	15,255,862	15,809,815	16,274,170	17,138,274	17,347,646	15,773,743	18,830,874	27,344,804	30,885,018
Gain on sale of wetland credits	-	-	-	-	-	-	-	-	3,494,790	9,192,555
Miscellaneous revenues	697,727	872,538	633,848	490,442	511,792	601,684	553,177	305,415	1,372,316	1,123,776
Investment earnings not restricted	844,119	169,104	1,722,180	936,857	1,803,964	3,541,444	2,396,564	207,985	(2,452,565)	8,032,724
Gain (loss) on disposal of capital assets	-	639,710	11,981	-	60,757	115,002	159,815	2,291,320	3,444,332	(2,740,300)
Transfers in (out) (1)	-	-	11,061,921	13,791,343	-	-	-	-	-	-
Total governmental activities	<u>114,132,604</u>	<u>118,812,169</u>	<u>134,955,770</u>	<u>142,495,576</u>	<u>136,902,608</u>	<u>143,684,041</u>	<u>144,823,342</u>	<u>152,120,883</u>	<u>168,231,343</u>	<u>193,176,860</u>
Business-type activities:										
Intergovernmental revenue - unrestricted	-	-	-	-	-	-	-	-	672,065	3,759,737
Investment earnings (losses) not restricted (1)	3,098,559	384,910	1,746	13,977,389	1,064,931	1,625,658	842,692	158,649	3,802,350	2,596,700
Miscellaneous revenues	2,038	138	6,085,595	7,122	11,708	6,534	33,378	10,448	20,012	48,069
Gain (loss) on disposal of capital assets	276,690	62,794	30,906	6,665	(43,573)	-	19,629	9,600	30,945	(377,980)
Transfers in (out) (1)	-	-	(11,061,921)	(13,791,343)	-	-	-	-	-	-
Total business-type activities	<u>3,377,287</u>	<u>447,842</u>	<u>(4,943,674)</u>	<u>199,833</u>	<u>1,033,066</u>	<u>1,632,192</u>	<u>895,699</u>	<u>178,697</u>	<u>4,525,372</u>	<u>6,026,526</u>
Total primary government	<u>\$ 117,509,891</u>	<u>\$ 119,260,011</u>	<u>\$ 130,012,096</u>	<u>\$ 142,695,409</u>	<u>\$ 137,935,674</u>	<u>\$ 145,316,233</u>	<u>\$ 145,719,041</u>	<u>\$ 152,299,580</u>	<u>\$ 172,756,715</u>	<u>\$ 199,203,386</u>
Change in Net Position										
Governmental activities	\$ 16,723,426	\$ 26,407,753	\$ 41,521,392	\$ 28,874,149	\$ 18,337,371	\$ 28,353,875	\$ 4,010,746	\$ 38,548,100	\$ 55,816,673	\$ 32,080,950
Business-type activities	7,907,950	2,815,028	(4,849,917)	(4,896,023)	7,477,376	15,191,392	2,747,052	3,206,951	8,393,167	4,902,536
Total primary government	<u>\$ 24,631,376</u>	<u>\$ 29,222,781</u>	<u>\$ 36,671,475</u>	<u>\$ 23,978,126</u>	<u>\$ 25,814,747</u>	<u>\$ 43,545,267</u>	<u>\$ 6,757,798</u>	<u>\$ 41,755,051</u>	<u>\$ 64,209,840</u>	<u>\$ 36,983,486</u>

(1) In FY 2016, the Utility Fund transferred net profits of \$4.8 million from the sale of Investments in Real Estate to the Municipal Construction Fund.
In FY 2017, the Utility Fund transferred gain of \$13.8 million from the appreciation of Investments in Real Estate to the Municipal Construction Fund.

City of Pembroke Pines, Florida
General Governmental Tax Revenues By Source
Last Ten Fiscal Years
(modified accrual basis of accounting)

<u>Fiscal Year</u>	<u>Property Taxes</u>	<u>Utility Taxes</u>	<u>Communications Services Tax</u>	<u>Insurance Premium Taxes</u>	<u>Local Option Gas Taxes</u>	<u>Local Business Tax</u>	<u>Total</u>
2014	\$ 53,606,532	\$ 12,655,027	\$ 6,350,145	\$ 2,629,081	\$ 2,682,012	\$ 3,272,689	\$ 81,195,486
2015	56,921,852	12,865,364	6,197,471	2,470,921	2,780,280	3,378,223	84,614,111
2016	61,226,024	12,995,837	5,545,281	2,445,532	2,868,929	3,455,361	88,536,964
2017	65,813,501	13,284,314	5,254,642	2,420,304	2,954,781	3,541,780	93,269,322
2018	70,531,487	14,165,682	5,131,400	2,485,959	2,956,209	3,609,836	98,880,573
2019	74,484,629	14,379,624	4,583,688	2,978,593	2,984,214	3,588,457	102,999,205
2020	79,246,847	14,554,944	4,357,078	2,678,889	2,619,291	3,586,587	107,043,636
2021	83,240,777	14,772,388	4,388,336	2,681,597	2,742,078	3,433,475	111,258,651
2022	86,082,130	15,408,445	4,584,481	2,770,539	2,924,680	3,177,790	114,948,065
2023	93,489,175	17,496,742	4,801,426	4,122,850	2,972,388	3,282,418	126,164,999

City of Pembroke Pines, Florida
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
General fund										
Nonspendable	\$ 25,064,410	\$ 14,414,929	\$ 14,267,076	\$ 333,556	\$ 294,360	\$ 293,815	\$ 267,312	\$ 357,807	\$ 394,762	\$ 444,630
Assigned	9,063,100	12,078,353	20,792,177	29,362,381	35,557,637	37,557,637	42,409,025	46,558,930	58,050,899	81,356,374
Unassigned	20,503,089	35,768,693	34,582,347	44,470,455	44,573,960	45,694,277	43,050,991	49,137,764	51,731,677	52,518,309
Total general fund	<u>\$ 54,630,599</u>	<u>\$ 62,261,975</u>	<u>\$ 69,641,600</u>	<u>\$ 74,166,392</u>	<u>\$ 80,425,957</u>	<u>\$ 83,545,729</u>	<u>\$ 85,727,328</u>	<u>\$ 96,054,501</u>	<u>\$ 110,177,338</u>	<u>\$ 134,319,313</u>
All other governmental funds										
Nonspendable	\$ 505,649	\$ 469,349	\$ 471,695	\$ 446,115	\$ 446,115	\$ 446,115	\$ 446,115	\$ 446,115	\$ 452,080	\$ 452,080
Restricted	42,435,671	54,684,510	34,889,813	5,929,534	21,417,945	22,406,207	26,700,798	25,009,745	26,138,524	24,022,741
Assigned	3,095,135	3,341,347	4,146,148	3,846,884	4,103,470	5,418,677	6,062,594	6,780,593	10,642,333	10,387,394
Unassigned	(36,300)	-	(25,580)	-	-	-	-	-	-	-
Total all other governmental funds	<u>\$ 46,000,155</u>	<u>\$ 58,495,206</u>	<u>\$ 39,482,076</u>	<u>\$ 10,222,533</u>	<u>\$ 25,967,530</u>	<u>\$ 28,270,999</u>	<u>\$ 33,209,507</u>	<u>\$ 32,236,453</u>	<u>\$ 37,232,937</u>	<u>\$ 34,862,215</u>

City of Pembroke Pines, Florida
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Revenues										
Taxes	\$ 81,195,486	\$ 84,614,112	\$ 88,536,964	\$ 93,269,322	\$ 98,880,573	\$ 102,999,205	\$ 107,043,635	\$ 111,258,651	\$ 114,948,064	\$ 126,164,999
Special assessments	22,212,257	22,179,789	23,134,760	23,141,007	24,868,419	24,688,314	24,120,225	26,741,813	26,523,017	30,168,400
Permits, fees and licenses	17,606,785	18,266,865	18,024,711	18,744,385	19,749,605	19,815,814	19,273,590	19,773,279	24,387,809	32,224,843
Intergovernmental	59,602,343	62,616,021	65,741,161	69,016,566	68,955,406	71,545,106	75,840,434	82,109,104	92,431,634	104,023,696
Charges for services	30,900,561	31,143,921	30,776,622	31,187,238	32,706,342	34,553,386	31,399,672	30,833,138	36,880,270	44,502,508
Fines and forfeitures	1,522,857	1,924,777	1,627,353	990,113	1,403,701	1,842,938	1,390,505	632,492	525,596	365,531
Investment income	717,564	(43,581)	1,451,836	762,104	1,644,759	3,541,443	2,396,565	207,984	(1,848,430)	8,619,852
Contributions	2,277,717	1,417,371	2,111,449	1,869,826	12,421,391	945,157	773,927	392,605	781,333	547,846
Rental revenue	25,537,050	24,599,904	25,365,440	25,285,587	14,678,948	25,835,072	26,759,175	26,442,374	28,271,282	27,214,179
Other	1,793,160	1,818,498	1,879,427	1,983,259	2,061,693	1,947,009	1,557,604	595,526	4,033,235	9,982,402
Total revenues	<u>243,365,780</u>	<u>248,537,677</u>	<u>258,649,723</u>	<u>266,249,407</u>	<u>277,370,837</u>	<u>287,713,444</u>	<u>290,555,332</u>	<u>298,986,966</u>	<u>326,933,810</u>	<u>383,814,256</u>
Expenditures										
General government	25,685,959	27,672,048	26,676,269	32,266,558	30,841,912	38,260,452	38,124,009	42,071,971	45,856,881	53,566,129
Public safety	98,070,048	99,510,607	103,334,591	108,208,057	116,296,801	117,848,860	121,182,336	128,893,040	135,921,355	160,511,750
Physical environment	10,284,640	8,021,490	10,292,747	10,281,352	2,983,832	2,989,523	3,246,731	2,687,001	2,696,664	3,022,832
Transportation	8,127,464	6,621,778	6,413,099	10,585,966	6,482,366	6,999,699	7,289,268	7,427,972	8,150,754	7,141,621
Economic environment	10,595,084	8,793,498	8,942,361	8,831,839	9,111,465	9,787,682	9,126,539	9,665,754	10,516,660	11,749,407
Human services	54,231,101	55,650,058	58,288,428	57,692,994	59,653,031	60,567,438	60,564,334	59,214,396	67,611,407	68,941,395
Culture and recreation	11,497,504	14,807,661	44,526,500	37,930,064	18,647,950	19,430,865	19,334,353	16,454,572	20,054,964	23,999,232
Debt service:										
Principal	10,305,165	11,784,365	11,683,165	12,269,466	12,767,950	12,808,600	13,345,000	13,814,800	14,540,865	24,870,794
Interest	16,231,252	12,601,764	14,496,970	12,593,430	12,662,074	11,766,115	11,395,169	11,594,661	11,091,984	10,993,799
Other debt service costs	1,622,757	702,331	147,925	640,794	3,700	-	585,808	-	-	-
Total expenditures	<u>246,650,974</u>	<u>246,165,600</u>	<u>284,802,055</u>	<u>291,300,520</u>	<u>269,451,081</u>	<u>280,459,234</u>	<u>284,193,547</u>	<u>291,824,167</u>	<u>316,441,534</u>	<u>364,796,959</u>
Excess (deficiency) of revenues over (under) expenditures	(3,285,194)	2,372,077	(26,152,332)	(25,051,113)	7,919,756	7,254,210	6,361,785	7,162,799	10,492,276	19,017,297
Other financing sources (uses)										
Transfers in	2,593,289	2,412,504	13,484,656	5,521,576	3,261,597	2,709,006	9,018,405	1,283,767	2,279,667	1,713,582
Transfers out	(2,593,289)	(2,412,504)	(2,422,736)	(2,960,757)	(3,261,597)	(4,709,006)	(9,018,405)	(1,383,767)	(2,379,667)	(1,813,582)
Premium (discount) on bonds	-	-	-	5,511,204	-	-	-	-	-	-
Refunding bonds issued	108,896,529	85,875,036	7,636,000	63,346,400	-	-	73,668,597	-	-	-
Payment to refunded bond escrow agent	(109,277,444)	(75,230,994)	(7,565,000)	(71,149,279)	-	-	(62,195,000)	-	-	-
Payment for termination of swap	-	-	-	-	-	-	(10,879,000)	-	-	-
Installment purchase	-	-	-	-	-	-	-	-	-	-
Issuance of lease financing	-	-	-	-	-	-	-	-	8,990	1,616,676
Issuance of subscription financing	-	-	-	-	-	-	-	-	-	1,131,976
Sale of equipment/land	-	7,110,308	3,385,907	47,218	293,463	169,031	163,725	2,291,320	8,718,055	105,304
Total other financing sources (uses)	<u>(380,915)</u>	<u>17,754,350</u>	<u>14,518,827</u>	<u>316,362</u>	<u>293,463</u>	<u>(1,830,969)</u>	<u>758,322</u>	<u>2,191,320</u>	<u>8,627,045</u>	<u>2,753,956</u>
Net change in fund balances	<u>\$ (3,666,109)</u>	<u>\$ 20,126,427</u>	<u>\$ (11,633,505)</u>	<u>\$ (24,734,751)</u>	<u>\$ 8,213,219</u>	<u>\$ 5,423,241</u>	<u>\$ 7,120,107</u>	<u>\$ 9,354,119</u>	<u>\$ 19,119,321</u>	<u>\$ 21,771,253</u>
Capital outlay	\$ 10,495,383	\$ 16,581,397	\$ 45,523,966	\$ 43,153,212	\$ 13,085,215	\$ 12,575,303	\$ 16,393,140	\$ 11,987,923	\$ 14,646,615	\$ 19,179,800
Debt service as a percentage of noncapital expenditures	11.2%	10.6%	10.9%	10.0%	9.9%	9.2%	9.2%	9.1%	8.5%	10.4%

City of Pembroke Pines, Florida
Governmental Activities Tax Revenues By Source
Last Ten Fiscal Years
(accrual basis of accounting)

Fiscal Year	Property Taxes levied for:		Utility Taxes	Communications Services Tax	Insurance Premium Taxes	Local Option Gas Taxes	Local Business Tax	Total
	Debt Service	General Purposes						
2014	\$ 5,470,524	\$ 48,136,008	\$ 12,655,027	\$ 6,350,145	\$ 2,629,081	\$ 2,682,012	\$ 3,272,689	\$ 81,195,487
2015	5,406,078	51,515,774	12,865,364	6,197,471	2,470,921	2,780,280	3,378,223	84,614,111
2016	5,904,829	55,321,195	12,995,837	5,545,281	2,445,532	2,868,929	3,455,361	88,536,964
2017	5,956,732	59,856,769	13,284,314	5,254,642	2,420,304	2,954,781	3,541,780	93,269,322
2018	5,946,763	64,584,724	14,165,682	5,131,400	2,485,959	2,956,209	3,609,836	98,880,573
2019	5,679,525	68,805,104	14,379,624	4,583,688	2,978,593	2,984,214	3,588,457	102,999,205
2020	5,780,588	73,466,259	14,554,944	4,357,078	2,678,889	2,619,291	3,586,587	107,043,636
2021	5,830,413	77,410,364	14,772,388	4,388,336	2,681,597	2,742,078	3,433,475	111,258,651
2022	5,883,245	80,198,885	15,408,445	4,584,481	2,770,539	2,924,680	3,177,790	114,948,065
2023	5,923,911	87,565,264	17,496,742	4,801,426	4,122,850	2,972,388	3,282,418	126,164,999

City of Pembroke Pines, Florida
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year Ended September 30	Assessment Value		Less:				Total Taxable Assessed Value	Total Direct Tax Rate (5)	Estimated Actual Taxable Value	Assessed Value(6) as a Percentage of Actual Value
	Real Property	Personal Property	Tax-Exempt Properties(1)	Personal Exemptions(2)	Capped Differential(3)	V.A.B. Adjustments (4)				
2014	\$ 12,713,588,220	\$ 432,087,651	\$ 1,412,737,736	\$ 1,947,248,688	\$ 882,480,633	\$ 21,959,798	\$ 8,881,249,016	6.2776	\$ 13,145,675,871	100.00%
2015	14,374,066,460	432,799,032	1,429,151,457	1,931,756,828	1,878,364,413	67,687,878	9,499,904,916	6.2303	14,806,865,492	100.00%
2016	15,589,012,450	464,226,429	1,453,875,309	1,931,944,671	2,467,524,216	34,162,005	10,165,732,678	6.2385	16,053,238,879	100.00%
2017	17,105,024,440	473,603,615	1,450,762,336	1,962,792,426	3,190,398,919	45,962,643	10,928,711,731	6.2381	17,578,628,055	100.00%
2018	18,313,727,080	479,512,592	1,479,091,482	2,001,722,894	3,456,122,272	74,246,257	11,782,056,767	6.1958	18,793,239,672	100.00%
2019	19,334,781,000	489,980,886	1,518,858,711	2,055,228,595	3,598,843,072	74,026,373	12,577,805,135	6.1419	19,824,761,886	100.00%
2020	20,680,489,020	494,720,462	1,574,372,587	2,113,285,732	3,982,229,210	75,014,018	13,430,307,935	6.1200	21,175,209,482	100.00%
2021	21,316,592,300	503,415,981	1,504,072,838	2,173,734,487	3,888,363,450	97,363,214	14,156,474,292	6.1009	21,820,008,281	100.00%
2022	22,443,171,440	498,057,691	1,623,247,905	2,213,581,365	4,283,741,820	118,523,589	14,702,134,452	6.0849	22,941,229,131	100.00%
2023	25,960,920,470	503,677,691	1,613,012,131	2,265,313,105	6,505,238,700	55,990,438	16,025,043,787	6.0525	26,464,598,161	100.00%

Source: Forms DR-403 & DR-420, Broward County Property Appraiser (BCPA).

Note: Property in Broward County is reassessed annually. The County assesses property at just value (market value) for all types of real and personal property. Therefore, just value is equivalent to estimated actual taxable value. Tax rates are per \$1,000 of assessed value.

- (1) Just value of agricultural land classified net of use value, governmental and institutional (charitable, religious, scientific, and educational).
- (2) Widows/widowers, disability/blind, \$25,000 homestead, additional \$25,000 homestead, additional \$25,000 homestead age 65 and older, homestead assessment reduction for parents or grandparents, disabled veterans' homestead discount and deployed service member's homestead exemption.
- (3) Per Florida Statute 193.155, the reassessed value of homestead property shall not exceed the lower of a) 3% of the assessed value of the property for the prior year; or b) the percentage change in the Consumer Price Index. Per Florida Statutes 193.1554 & 193.1555, the reassessed value may not exceed 10% of the assessed value of the property for the prior year. Per Florida Statute 193.461, no lands shall be classified as agricultural lands unless a return is filed on or before March 1 of each year. Per Florida Statute 193.621, the reassessed value may not be greater than its market value as salvage.
- (4) Final adjustments to assessed value made by the Value Adjustment Board (VAB) of Broward County per Florida Statute 194.011 and BCPA.
- (5) Total direct tax rate includes debt service millage as follows: 0.6408-FY2014, 0.5935-FY2015, 0.6017-FY2016, 0.5645-FY2017, 0.5222-FY2018, 0.4683-FY2019, 0.4464-FY2020, 0.4273-FY2021, 0.4159 FY2022, 0.3835 FY2023
- (6) Includes tax-exempt property.

City of Pembroke Pines, Florida

Property Tax Rates

Direct and Overlapping (1) Governments

Last Ten Fiscal Years

Fiscal Year	City of Pembroke Pines			Broward County				School Board				Special Districts	Total Direct & Overlapping Rates
	Operating Millage	Debt Service Millage	Total City Millage	Operating Millage	Capital Projects Millage	Debt Service Millage	Total County Millage	General Fund Millage	Capital Outlay Millage	Debt Service Millage	Total School Millage		
2014	5.6368	0.6408	6.2776	5.3639	0.0761	0.2830	5.7230	5.9800	1.5000	-	7.4800	1.3337	20.8143
2015	5.6368	0.5935	6.2303	5.3444	0.1140	0.2646	5.7230	5.9380	1.5000	-	7.4380	1.0932	20.4845
2016	5.6368	0.6017	6.2385	5.3444	0.1297	0.2489	5.7230	5.7030	1.5000	0.0710	7.2740	1.0490	20.2845
2017	5.6736	0.5645	6.2381	5.2904	0.1570	0.2216	5.6690	5.3360	1.5000	0.0703	6.9063	1.0124	19.8258
2018	5.6736	0.5222	6.1958	5.2904	0.1719	0.2067	5.6690	4.9740	1.5000	0.0654	6.5394	0.9798	19.3840
2019	5.6736	0.4683	6.1419	5.2904	0.1888	0.1898	5.6690	4.7750	1.5000	0.1279	6.4029	0.9552	19.1690
2020	5.6736	0.4464	6.1200	5.2904	0.1974	0.1812	5.6690	5.1350	1.5000	0.1043	6.7393	0.9257	19.4540
2021	5.6736	0.4273	6.1009	5.2904	0.2095	0.1691	5.6690	4.9140	1.5000	0.0912	6.5052	0.9076	19.1827
2022	5.6690	0.4159	6.0849	5.2904	0.2230	0.1556	5.6690	4.8180	1.5000	0.1441	6.4621	0.8735	19.0895
2023	5.6690	0.3835	6.0525	5.2904	0.2402	0.1384	5.6690	4.4510	1.5000	0.1873	6.1383	0.8131	18.6729

Source: Broward County Property Appraiser.

(1) Overlapping rates are those of local and county governments that apply to property owners within the City of Pembroke Pines. Not all overlapping rates apply to all City of Pembroke Pines property owners (e.g. the rates for special districts only apply to the proportion of Pembroke Pines' property owners whose property is located within the geographic boundaries of the special district).

City of Pembroke Pines, Florida
Principal Property Taxpayers
Current Year and Nine Years Ago

Taxpayer	2023 Collection Year			2014 Collection Year		
	Taxable Assessed	Rank	Percentage of Total Taxable Assessed	Taxable Assessed	Rank	Percentage of Total Taxable Assessed
	Value		Value	Value		Value
NXRT Pembroke LLC	\$ 304,767,280	1	1.90%			
City Center On 7 Lessor LLC	203,985,970	2	1.27%			
FR Pembroke Gardens LLC	152,653,440	3	0.95%			
Pembroke Lakes Mall LTD	145,714,590	4	0.91%	132,750,020	2	1.44%
Pembroke Pines Owner LLC	110,137,710	5	0.69%			
RAR2 250 NW 130th Avenue FL LLC	100,999,450	6	0.63%			
Taplin Falls LTD	100,879,200	7	0.63%	48,009,600	6	0.52%
SCG Atlas Winston LLC	100,315,070	8	0.63%			
Terra City Center MF LLC	96,498,820	9	0.60%			
Bell Fund VI Pembroke Pines SPE	92,417,810	10	0.58%			
Arium Resort LLC				205,011,680	1	2.23%
JRA HHF Venture LLC				122,931,250	3	1.34%
Pines City Center Res I LLC				67,520,000	4	0.73%
EQR-SWN Line Financing Limited				56,042,380	5	0.61%
WRI JT Pembroke Commons LP				44,307,920	7	0.48%
Stockbridge Lap LLC				42,258,200	8	0.46%
PR Pembroke Crossing LLC				41,603,300	9	0.45%
MIG/Pines Development LTD				39,863,100	10	0.43%
Total	\$ 1,408,369,340		8.79%	\$ 800,297,450		8.69%

Source: Broward County Property Appraiser's Tax Roll.

City of Pembroke Pines, Florida
Property Tax Levies and Collections (1)
Last Ten Fiscal Years

Fiscal Year Ended September 30	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years (2)	Total Collections to Date	
		Amount	% of Levy		Amount	% of Levy
2014	\$ 50,061,824	\$ 48,229,073	96.3%	\$ (131,887)	\$ 48,097,187	96.1%
2015	53,549,064	51,625,432	96.4%	53,581	51,679,013	96.5%
2016	57,302,202	55,243,335	96.4%	24,314	55,267,649	96.4%
2017	62,005,139	59,744,360	96.4%	30,749	59,775,109	96.4%
2018	66,846,677	64,434,368	96.4%	16,649	64,451,017	96.4%
2019	71,361,435	68,787,774	96.4%	33,481	68,821,255	96.4%
2020	76,198,195	73,440,414	96.4%	(89,772)	73,350,642	96.3%
2021	80,318,173	77,373,290	96.3%	(48,549)	77,324,741	96.3%
2022	83,346,400	80,320,852	96.4%	15,662	80,336,514	96.4%
2023	90,845,973	87,536,946	96.4%	-	87,536,946	96.4%

Source: Broward County Property Appraiser

- (1) For operating purposes only - excludes taxes levied for voted debt service.
- (2) Includes refunds due to reassessments and overpayments and excludes penalties collected.

City of Pembroke Pines, Florida
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Governmental Activities</u>						<u>Business-Type Activities</u>		<u>Total Primary Government</u>	<u>Percentage of Personal Income (1)</u>	<u>Per Capita (1)</u>
	<u>General Obligation Bonds</u>	<u>Revenue Bonds</u>	<u>Installment Purchase</u>	<u>Issuance Discounts/Premiums</u>	<u>Lease Liability</u>	<u>SBITA Liability</u>	<u>Utility Bonds</u>	<u>Lease Liability</u>			
2014	\$ 75,270,000	\$ 270,446,100	\$ 442,745	\$ 4,157,778	\$ -	\$ -	\$ 10,348,785	\$ -	\$ 360,665,408	8.01%	2,284
2015	77,325,000	261,669,800	324,680	13,654,226	-	-	9,640,059	-	362,613,765	7.54%	2,267
2016	75,060,000	252,440,700	206,615	12,131,392	-	-	8,906,528	-	348,745,235	6.98%	2,155
2017	72,715,000	236,115,700	88,550	15,730,617	-	-	8,147,323	-	332,797,190	6.51%	2,040
2018	70,275,000	225,876,300	-	14,193,171	-	-	7,361,546	-	317,706,017	6.23%	1,921
2019	67,735,000	215,607,700	-	12,722,772	-	-	6,548,268	-	302,613,740	5.64%	1,801
2020	65,070,000	205,352,700	-	21,549,153	-	-	5,706,524	-	297,678,377	5.47%	1,768
2021	62,270,000	194,337,900	-	19,388,079	-	-	4,835,319	-	280,831,298	4.73%	1,644
2022	59,330,000	182,987,000	-	17,302,029	852,456	4,539,185	3,933,622	6,356	268,950,648	4.17%	1,570
2023	56,245,000	169,759,100	-	15,294,193	2,109,552	3,194,909	3,000,365	455	249,603,574	3.87%	1,458

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

(1) See Schedule of Demographic and Economic Statistics for personal income and population data.

* Information not available.

City of Pembroke Pines, Florida
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Amounts Available in Debt Service Fund for Payment of Principal</u>	<u>Issuance Discounts/ Premiums</u>	<u>Total</u>	<u>Percentage of Estimated Actual Taxable Value(1) of Property</u>	<u>Per Capita(2)</u>
2014	\$ 75,270,000	-	\$ (402,014)	\$ 74,867,986	0.57%	474
2015	77,325,000	-	9,529,466	86,854,466	0.59%	543
2016	75,060,000	-	8,819,135	83,879,135	0.52%	518
2017	72,715,000	-	8,120,432	80,835,432	0.46%	496
2018	70,275,000	-	7,406,385	77,681,385	0.41%	470
2019	67,735,000	-	6,716,299	74,451,299	0.38%	443
2020	65,070,000	-	6,051,155	71,121,155	0.34%	423
2021	62,270,000	-	5,412,181	67,682,181	0.31%	396
2022	59,330,000	-	4,800,702	64,130,702	0.28%	374
2023	56,245,000	-	4,218,094	60,463,094	0.23%	353

Notes:

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

- (1) Property value data can be found in the Schedule of Assessed Value and Estimated Actual Value of Taxable Property.
- (2) Population data can be found in the Schedule of Demographic and Economic Statistics.

City of Pembroke Pines, Florida
Direct and Overlapping Governmental Activities Debt
As of September 30, 2023

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable (1)</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Broward County	\$ 40,974,000	6.56%	\$ 2,687,894
School Board of Broward County	861,969,000	6.56%	56,545,166
South Florida Water Management District	305,610,000	6.56%	20,048,016
Other debt			
Broward County	1,239,702,000	6.56%	81,324,451
School Board of Broward County	1,516,747,000	6.56%	99,498,603
South Florida Water Management District	24,476,600	6.56%	1,605,665
South Broward Hospital District	896,000,000	6.56%	<u>58,777,600</u>
Subtotal, overlapping debt			320,487,395
City of Pembroke Pines, direct debt (2)			241,298,293
Total direct and overlapping debt			<u><u>\$ 561,785,688</u></u>

Source: Assessed value data used to estimate applicable percentages provided by the Broward County Property Appraiser. Debt outstanding data provided by each governmental unit.

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

(1) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of Broward County's taxable assessed value that is within the City of Pembroke Pines' boundaries and dividing it by Broward County's total taxable assessed value.

(2) Includes all long-term debt instructions of the governmental activities, such as bonds, notes, certificates of participation, loans, and capital leases.

City of Pembroke Pines, Florida
Pledged-Revenue Coverage
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Net Available Revenues (1)</u>	<u>Debt Service</u>		<u>Coverage</u>
		<u>Principal</u>	<u>Interest</u>	
Revenue Bonds Secured by Electric Franchise Fees (2)				
2014	\$ 8,529,691	\$ 2,872,100	\$ 3,233,729	1.40
2015	8,577,201	2,986,300	3,117,082	1.41
2016	8,292,391	3,120,100	2,985,969	1.36
2017	8,507,143	3,301,400	2,816,469	1.39
2018	8,419,672	3,324,200	2,350,175	1.48
2019	8,431,652	3,385,500	2,223,400	1.50
2020	8,360,987	3,496,100	2,103,505	1.49
2021	8,621,770	3,652,400	1,965,011	1.53
2022	10,066,524	3,797,000	1,805,672	1.80
2023	11,430,104	3,973,000	1,624,415	2.04
Revenue Bonds Secured by Electric Public Service Tax (3)				
2014	\$ 10,461,326	\$ 3,040,000	\$ 2,773,749	1.80
2015	10,617,674	3,160,000	1,806,490	2.14
2016	10,772,091	3,205,000	2,213,731	1.99
2017	11,002,694	985,000	1,318,399	4.78
2018	11,452,361	3,776,200	1,382,800	2.22
2019	11,574,231	3,905,100	1,293,455	2.23
2020	11,745,620	4,008,900	1,200,537	2.25
2021	11,849,134	4,092,400	1,110,201	2.28
2022	12,371,348	4,178,900	1,016,988	2.38
2023	14,399,714	4,274,900	927,531	2.77
Revenue Bonds Secured by Communications Services Tax and Water Public Service Tax (4)				
2014	\$ 8,311,246	\$ 2,120,000	\$ 4,067,232	1.34
2015	8,206,333	2,530,000	2,468,856	1.64
2016	7,525,809	2,875,000	3,069,795	1.27
2017	7,309,422	2,990,000	3,035,523	1.21
2018	7,614,504	3,030,000	2,982,886	1.27
2019	7,160,909	3,090,000	2,911,974	1.19
2020	6,944,449	3,175,000	2,825,400	1.16
2021	7,064,360	3,270,000	2,724,206	1.18
2022	7,340,233	3,375,000	2,608,205	1.23
2023	7,638,513	3,500,000	2,478,795	1.28

City of Pembroke Pines, Florida
Pledged-Revenue Coverage
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Net Available Revenues (1)</u>	<u>Debt Service</u>		<u>Coverage</u>
		<u>Principal</u>	<u>Interest</u>	
Revenue Bonds Secured by Net Revenues of the Consolidated Utility System (5)				
2014	\$ 13,755,051	\$ 684,759	\$ 406,082	12.61
2015	9,230,437	708,726	341,536	8.79
2016	13,061,017	733,531	316,008	12.44
2017	15,928,695	759,205	289,585	15.19
2018	14,544,878	785,777	262,238	13.88
2019	20,340,717	813,279	233,935	19.42
2020	6,826,536	841,744	204,638	6.52
2021	9,160,398	871,205	184,482	8.68
2022	13,499,631	901,697	153,456	12.79
2023	8,787,136	933,257	110,456	8.42

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

- (1) **Net available revenues** are equal to gross revenues as specific operating expenses are not applicable.
- (2) **Electric Franchise Fees** are fees collected from granting an electric franchise to Florida Power and Light Company, which consists of the non-exclusive privilege of constructing, maintaining and operating in streets, rights of way and other public places in the City, electric light and power facilities.
- (3) **Electric Public Service Taxes** are taxes levied within the corporate limits of the City on the purchase of electricity service.
- (4) **Communications Services Taxes** are taxes levied pursuant to Chapter 202, Florida Statutes, except the receipts of taxes levied pursuant to Section 202.12, Florida Statutes.
Water Public Service Taxes are taxes levied within the corporate limits of the City on the purchase of water service.
- (5) **Net Revenues** of the System are the Gross Revenues after deduction of the Cost of Operation and Maintenance.
Gross Revenues are all income and earnings, including all investment income but excluding Contributions in Aid of Construction.
 (Refer to Note 9. LONG TERM DEBT under Consolidated Utility System Revenue Bonds, Series 2010 for details.)
Cost of Operations and Maintenance are current expenses for the operation, maintenance and repair of the System, excluding capital expenditures, any reserve for renewals and replacements, any allowance for depreciation and any Bond Service Requirement.
Renewal, Replacement and Improvement Fund is a reserve that is at least equal to five percent (5%) of the Gross Revenues received during the immediately preceding fiscal year.

City of Pembroke Pines, Florida
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	Population(1)	Personal Income (in thousands)	Per Capita Personal Income(2)	Median Age(3)	Percent with a bachelor's degree or higher(3)	School Enrollment(4)	Unemployment Rate(5)
2014	157,905	\$ 4,499,977	\$ 28,498	39.8	32.5%	25,461	4.9%
2015	159,922	4,811,733	30,088	40.3	37.0%	26,357	4.9%
2016	161,799	4,995,382	30,874	39.9	33.4%	26,234	4.3%
2017	163,103	5,114,584	31,358	40.1	33.0%	26,052	4.0%
2018	165,352	5,099,621	30,841	41.0	31.3%	26,404	3.2%
2019	168,023	5,363,126	31,919	40.7	34.6%	26,314	3.0%
2020	168,326	5,438,781	32,311	42.2	33.6%	26,030	6.9%
2021	170,857	5,931,984	34,719	42.3	36.7%	25,772	4.5%
2022	171,309	6,453,724	37,673	42.9	39.3%	25,607	2.7%
2023	171,222	*	*	*	*	25,034	2.5%

Data sources:

- (1) Estimates from the University of Florida's Statistical Abstract.
 - (2) Represents income per capita for Broward County as provided by the U.S. Department of Commerce, Bureau of Economic Analysis.
 - (3) US Census Bureau, American Community Survey Profile - Pembroke Pines.
 - (4) Grades 1 -12, Broward County School Board, First Day Enrollment Count report.
 - (5) Florida Department of Labor, Bureau of Labor Market Information. The unemployment rates for FY2016-2023 represent the average for 12 months ending September 30th. Unemployment rate for FY2014-2015 obtained from US Census Bureau.
- * Information not available.

City of Pembroke Pines, Florida
Principal Employers
Current Year and Nine Years Ago

<u>Employer</u>	<u>2023</u>			<u>2014</u>		
	<u>(1)</u> <u>Employees</u>	<u>Rank</u>	<u>Percentage</u> <u>of Total City</u> <u>Employment (2)</u>	<u>(1)</u> <u>Employees</u>	<u>Rank</u>	<u>Percentage</u> <u>of Total City</u> <u>Employment (2)</u>
Memorial Hospital West	2,200	1	2.31%	3600	1	4.30%
City of Pembroke Pines	1,329	2	1.39%	1,059	3	1.27%
Broward County Public Schools	1,250	3	1.31%	-	-	-
Publix Supermarkets	401	4	0.42%	810	4	0.97%
FPI Security Services	345	5	0.36%	-	-	-
Cano Health	300	6	0.31%	-	-	-
Elizabeth Arden	277	7	0.29%	-	-	-
CareSpot	244	8	0.26%	-	-	-
GMMI	240	9	0.25%	-	-	-
Broward Parks & Recreation	222	10	0.23%	-	-	-
Pembroke Lakes Mall (3)	-	-	-	2,180	2	2.61%
Linder Industrial Machinery	-	-	-	475	5	0.57%
Claire's Corporation	-	-	-	300	6	0.36%
Target	-	-	-	249	7	0.30%
Miami Herald	-	-	-	200	8	0.24%
Bergeron Land Development	-	-	-	135	9	0.16%
Power 1 Financial	-	-	-	118	10	0.14%

(1) Source - City of Pembroke Pines Human Resources Department (includes full-time and part-time). Greater Fort Lauderdale Alliance - Broward County

(2) Source - Greater Fort Lauderdale Alliance, percent in labor force

(3) Includes all employees at this location which encompass many individual employers.

City of Pembroke Pines, Florida
Full-time Equivalent City Government Employees by Function
Last Ten Fiscal Years

Function	Fiscal Year									
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
General government services	74.50	74.50	73.00	65.00	63.50	62.00	62.50	62.50	59.50	56.50
Public safety										
Police										
Sworn	238.50	239.50	238.50	251.00	257.00	256.50	264.50	271.50	280.00	269.00
Non-sworn and grant positions	70.50	82.50	94.00	94.00	97.00	107.00	101.00	109.00	107.50	120.50
Fire and rescue	219.50	219.50	217.50	217.00	215.50	214.50	214.50	220.50	220.50	220.00
Code enforcement	11.00	*	*	*	*	*	*	*	*	*
Physical environment (1)	63.00	56.50	54.25	4.75	1.00	1.50	1.50	2.00	2.00	2.00
Transportation	3.00	*	0.50	0.50	*	*	*	*	*	*
Economic environment	2.50	2.50	2.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Human services										
Early development centers	97.50	98.00	91.50	91.00	79.50	77.00	71.00	67.00	35.00	25.00
Community services	2.50	2.50	2.50	2.50	1.50	1.50	1.50	1.50	1.50	1.50
Charter schools	492.50	501.50	502.00	511.00	490.00	489.50	490.00	484.50	489.00	493.00
Culture and recreation (1)	66.50	58.00	56.50	55.00	51.00	48.50	48.50	47.50	47.50	47.00
Water-sewer combined service	32.00	10.50	10.75	7.75	6.50	7.00	7.00	8.50	7.50	8.50
Total	<u>1,373.50</u>	<u>1,345.50</u>	<u>1,343.50</u>	<u>1,300.00</u>	<u>1,263.00</u>	<u>1,265.50</u>	<u>1,262.50</u>	<u>1,275.00</u>	<u>1,250.50</u>	<u>1,243.50</u>

* The City utilized contracted employees.

(1) Parks employees were reclassified from Culture and Recreation to Physical Environment as a result from restructuring in FY2014. Beginning FY2016, City utilized contracted employees as parks employees. As of FY2017, parks function was reclassified back to Culture and Recreation.

Source: City of Pembroke Pines, Florida Annual Budget.

City of Pembroke Pines, Florida
Operating Indicators by Function
Last Ten Fiscal Years

Function	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Public safety										
Police										
Number of calls answered	93,516	85,546	81,286	84,629	85,301	79,283	78,054	82,735	81,983	83,427
Felony arrests	1,362	1,051	968	999	909	863	586	489	310	660
Traffic accidents	5,170	5,869	6,375	6,043	5,761	5,652	4,063	4,580	4,964	5,216
Traffic/parking/red light citations	35,215	31,690	23,962	15,659	23,099	24,841	19,862	12,580	10,569	12,232
False alarm citations	1,682	2,202	1,870	7,293	7,038	7,893	5,740	4,675	5,071	4,307
Fire/ambulance rescue										
Number of EMS calls answered	19,679	18,410	17,813	18,016	17,914	17,076	16,206	17,835	18,067	18,005
Number of fire calls answered	141	146	160	140	101	149	135	138	150	144
Building permits issued	10,536	6,524	7,264	8,439	11,306	9,518	7,975	11,597	8,852	9,765
Physical environment										
Maintained rights of ways (miles)	475	475	475	475	475	475	475	475	234	234
Landscaping and irrigation (miles)	163	160	161	163	163	163	163	163	67	67
Transportation										
Sidewalks replaced (linear feet)	10,000	13,852	18,410	3,934	10,904	10,971	9,082	9,234	10,610	12,057
Curbing installed (linear feet)	-	438	-	-	980	356	298	187	328	220
Number of trips - Community Bus program	218,497	210,000	195,684	175,786	188,475	186,852	133,550	100,387	139,018	152,378
Human services										
Charter schools										
Average student class size	25	22	22	22	24	22	22	20	20	20
Number of students enrolled	5,925	5,881	5,901	5,926	5,899	6,032	6,026	6,019	6,032	6,032
Culture/recreation										
Number of sports leagues	41	43	44	47	45	52	47	42	45	50
Number of tennis memberships	166	156	178	119	116	162	227	196	250	221
Water-sewer combined service										
Number of water accounts	43,513	43,597	43,378	43,546	43,875	44,135	44,036	44,052	44,670	44,368
Sewer mains rehabilitated (linear feet)	-	-	-	-	-	-	-	4,511	2,736	2,767
Average daily consumption (millions of gallons)	11	13	13	11	11	13	13	13	13	14

Source: Various City Departments

City of Pembroke Pines, Florida
Capital Asset Statistics by Function
Last Ten Fiscal Years

<u>Function</u>	<u>Fiscal Year</u>									
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Public safety										
Police:										
Stations	2	2	2	2	2	2	2	2	2	2
Patrol units	320	313	316	311	330	362	386	346	364	386
Fire/ambulance rescue:										
Stations	6	6	6	6	6	6	6	6	6	6
Fire trucks / engines	9	10	10	10	10	10	10	11	11	11
Other trucks	3	3	3	3	3	3	3	3	3	4
Fire ladders	3	3	3	3	3	3	3	4	4	4
Fire rescue ambulances	12	12	12	12	12	12	12	12	12	12
Physical environment										
Water:										
Water mains (miles)	525	528	531.7	533	540.52	545.17	545.45	545.94	555.66	558.14
Fire hydrants	4,641	4,677	4,712	4,725	4,587	4,607	4,420	4,641	5,435	5,445
Maximum daily permit capacity (millions of gallons)	16.2	16.2	16.2	16.2	16.2	16.2	16.2	16.2	16.2	16.2
Maximum daily plant capacity (millions of gallons)	18	18	18	18	18	18	18	18	18	18
Sewer:										
Sanitary sewers (miles)	448	451	452.62	454	419.3	418.68	418.99	419	474.3	475.11
Storm sewers (miles)	226	226.41	226.4	226	226	226	226	226	226	226
Maximum daily treatment capacity (millions of gallons)	9.5	9.5	9.5	9.5	9.5	9.5	9.5	9.5	9.5	9.5
Transportation										
Maintained roads (miles)	465	468	468	468	468	468.25	468.25	468.25	468.25	468.25
Economic environment										
Senior housing units	804	804	804	804	804	804	804	804	804	804
Transitional living units (2)	21	21	21	21	-	-	-	-	-	-
Human services										
City operated charter schools										
Elementary School	4	4	4	4	4	4	4	4	4	4
Middle School	2	2	2	2	2	2	2	2	2	2
High School	1	1	1	1	1	1	1	1	1	1
Culture/recreation										
Parks acreage (1)	970	970	970	973	973	973	973	975.6	978.04	978.04
Parks	31	31	31	35	35	35	35	36	36	36
Swimming pools	6	6	6	6	7	7	6	6	7	7
Tennis courts	50	50	50	46	50	50	50	50	50	50
Recreation centers	4	4	4	4	4	4	4	4	5	6
Football/Soccer fields	18	21	21	21	22	22	20	20	20	20
Basketball courts	21.5	21.5	21.5	22.5	22.5	22.5	22.5	22.5	24	24
Playgrounds	22	22	22	26	26	27	27	27	27	27

Source: Various City Departments

(1) Previously did not include Chapel Trail Nature Preserve.

(2) Managed by Browns Harbor starting in FY2018

City of Pembroke Pines, Florida
Property Assessed Value, Outstanding Debt, Legal Debt Limit,
Debt Management Policies and Covenants

Property Assessed Value:

Just Value	\$ 26,464,598,161
Less: Property and Personal Exemptions	(3,878,325,236)
Homestead Assessment Differential ⁽¹⁾	(5,922,623,650)
Nonhomestead Residential Property Differential ⁽²⁾	(459,311,950)
Certain Residential and Nonresidential Real Property Differential ⁽²⁾	(114,857,890)
Agricultural Differential ⁽³⁾	(8,005,090)
Pollution Control Devices Differential ⁽⁴⁾	(440,120)
Value Adjustment Board & Broward County Property Appraiser Adjustments	(55,990,438)
Final Taxable Value	<u><u>\$ 16,025,043,787</u></u>

Outstanding Debt:

City's debt management policy regarding direct unlimited tax general obligation debt limitation **\$ 240,375,657**

Revenue Bonds:

Charter School Bonds, Series 2019 A & B	\$ 61,140,000
Capital Improvement Revenue Refunding Bonds, Series 2010	2,934,100
Consolidated Utility system Revenue Bonds, Series 2010	3,000,365
Taxable Communications Services Tax Revenue Bonds, Series 2013	23,085,000
Taxable Communications Services Tax Revenue Bonds, Series 2014	27,210,000
Public Improvement Revenue Bonds, Series 2014	20,315,000
Variable Rate Capital Improvement Revenue Refunding Bonds, Series 2016	6,275,000
Capital Improvement Revenue Refunding Bonds, Series 2017	<u>28,800,000</u>
Total outstanding revenue bonds	172,759,465

General Obligation Bonds:

General Obligation Bonds, Series 2015	<u>\$ 56,245,000</u>	
Total General Obligation Bonds subject to debt limitation		\$ 56,245,000

Total outstanding debt	229,004,465
Less: Reserve for debt service	<u>(10,911,933)</u>
Net total outstanding debt	<u><u>\$ 218,092,532</u></u>

Legal debt margin **\$ 184,130,657**

(1) Per F.S. 193.155, the reassessed value shall not exceed the lower of a) 3% of the assessed value of the property for the prior year; or b) the percentage change in the CPI.

(2) Per F.S. 193.1554 & 193.1555, the reassessed value may not exceed 10% of the assessed value of the property for the prior year.

(3) Per F.S. 193.461, no lands shall be classified as agricultural lands unless a return is filed on or before March 1 of each year.

(4) Per F.S. 193.621, the reassessed value may not be greater than its market value as salvage.

City of Pembroke Pines, Florida
Property Assessed Value, Outstanding Debt, Legal Debt Limit,
Debt Management Policies & Covenants
September 30, 2023

Legal Debt Limit:

There are no direct limitations imposed by the Florida Constitution or the Florida Statutes on the amount of debt that the City can issue.

Debt Management Policies:

On November 1, 2006, the City of Pembroke Pines adopted Ordinances No. 1560 and No. 1561, creating a “Debt Management Policy” and a “Derivative Debt Management Policy” respectively for the City, and amending Chapter 33 of the Code of Ordinances of the City by specifically creating Section 33.65, entitled “Debt Management Policy” and Section 33.66, entitled “Derivative Debt Management Policy,” respectively.

The **Debt Management Policy** provides structure and regulation to the City’s debt process, and the following limitations on the City’s indebtedness:

A. Target Limitations on Unlimited Tax General Obligation Indebtedness. The City shall, as a matter of policy, conduct its finances so that the amount of direct unlimited tax general obligation (“UTGO”) debt outstanding at any time that is subject to approval by the voters (excluding long-term, non-self-supporting leases) does not exceed 1.5% of the City’s total taxable assessed valuation.

B. Target Limitations on Non-Self-Supporting Limited Tax General Obligation Indebtedness and Lease-Purchase Obligations. The City shall, as a matter of policy, conduct its finances so that the amount of direct, non-self-supporting, limited tax general obligation (“LTGO”) debt and lease-purchase obligations outstanding at any time that are not subject to approval by the voters does not exceed 1.5% of the City’s total taxable assessed valuation. Furthermore, the City shall strive to limit the annual debt service requirements on these obligations to an amount that is not greater than 10% of annual General Fund and Debt Service Fund revenues.

These limitations apply to debt obligations issued with a specific LTGO pledge, and obligations that are in effect secured by a LTGO pledge and are not self-supporting.

C. Target Limitations on Lease-Purchase Financing of Equipment and Furnishings. The City may enter into short-term lease-purchase obligations to finance the acquisition of capital equipment and furnishings with estimated useful lives of less than ten years. Outstanding lease-purchase obligations issued to finance capital equipment and furnishings shall not exceed 0.25% of the City’s total taxable assessed valuation. Repayment of these lease-purchase obligations shall occur over a period not to exceed the useful life of the underlying asset or in any case no longer than ten years from the dated date of such obligations. The Finance Department shall be responsible for developing procedures for use by City Departments interested in participating in lease-purchase programs, and for setting repayment terms and amortization schedules, in consultation with participating departments.

City of Pembroke Pines, Florida
Property Assessed Value, Outstanding Debt, Legal Debt Limit,
Debt Management Policies & Covenants
September 30, 2023
(continued)

D. Limitations on General Fund Loan Guarantees and Credit Support. As part of the City's financing activities, General Fund resources may be used to provide credit support or loan guarantees for public or private developments that meet high-priority City needs. Before such General Fund commitments are made, specific policy goals and objectives that determine the nature and type of projects qualifying for such support, and specific limitations to be placed on the maximum amount of General Fund resources pledged to such projects, shall be developed. The City Manager and Finance Director shall be responsible for coordinating the development of such policies and goals, which shall not take effect until the City Commission approves. General Fund loan guarantees shall be subject to the overall debt limitations set forth in B, above.

Recognizing the limited capacity of the City's General Fund to support both ongoing operating programs and secure long-term debt obligations, the use of the General Fund to secure such obligations must first be approved by the Finance Director and the City Manager. Key factors that will be considered in determining whether or not the General Fund should be used to secure a particular debt obligation will include one or more of the following:

1. Demonstration of underlying self-support, thus limiting potential General Fund financial exposure.
2. Use of General Fund support as a transition to a fully stand-alone credit structure, whereby interim use of General Fund credit support reduces borrowing costs and provides a credit history.
3. General Fund support is determined by the City Commission to be in the City's overall best interest.
4. General Fund support is justified to achieve a specific public benefit for the residents of the City as recommended by the City Manager and approved by the City Commission.

E. Target Limitations on the Issuance of Revenue-Secured Debt Obligations. The City shall seek to finance the capital needs of its revenue-producing enterprise activities through the issuance of revenue-secured debt obligations. Prior to issuing revenue-secured debt obligations, City Departments, in consultation with the Finance Director, will develop financial plans and projections showing the feasibility of the planned financing, the required rates and charges needed to support the planned financing, and the impact of the planned financing on ratepayers, property owners, City Departments, and other affected parties. The amount of revenue-secured debt obligations issued will be limited by the feasibility of the overall financing plan as determined by the Finance Director in consultation with the Financial Advisor.

Revenue-secured debt obligations must first be reviewed and approved by the Finance Director before being issued.

City of Pembroke Pines, Florida
Property Assessed Value, Outstanding Debt, Legal Debt Limit,
Debt Management Policies & Covenants
September 30, 2023
(continued)

The **Derivative Debt Management Policy** establishes guidelines for the use and management of all interest rate exchange agreements incurred in connection with the incurrence of debt obligations.

Covenants:

The City is also governed by the covenants of individual revenue bonds if the City plans to issue additional parity bonds. The covenants are as follows:

Capital Improvement Revenue Refunding Bonds, Series 2010

Additional bonds and additional parity franchise revenue bonds payable from the pledged revenues may be issued only for acquisitions or construction of additions, extensions or improvements to the Project, or for refunding of bonds, and only if the pledged revenues for the preceding fiscal year equal at least 125% of the maximum bond debt service requirement on all existing and proposed parity bonds.

Consolidated Utility System Revenue Bonds, Series 2010

Additional Parity Obligations shall be issued after the amount of the Net Revenues derived for any consecutive twelve (12) months out of the preceding twenty-four (24) months preceding the date of issuance of the proposed Additional Parity Obligations (the "Test Period") adjusted as provided in Resolution No. 3287, is equal to and not less than one hundred twenty percent (120%) of the Maximum Bond Service Requirement becoming due in any Bond Year thereafter on all existing and proposed Additional Parity Obligations.

***Taxable Communications Services Tax Revenue Bonds, Series 2013, and
Taxable Communications Services Tax Revenue Bonds, Series 2014***

Additional parity bonds payable from the pledged revenues may be issued only if the pledged Revenues for the most recent full fiscal year equal at least 120% of the maximum bond debt service requirement on all existing and proposed parity bonds.

Public Improvement Revenue Bonds, Series 2014

Additional parity bonds payable from the pledged revenues may be issued for acquisition or construction of capital improvements in the City, or for refunding of bonds, and only if the pledged revenues for the most recent full fiscal year equal at least 125% of the maximum bond debt service requirement on all existing and proposed parity bonds.

City of Pembroke Pines, Florida
Property Assessed Value, Outstanding Debt, Legal Debt Limit,
Debt Management Policies & Covenants
September 30, 2023
(continued)

Capital Improvement Revenue Refunding Bonds, Series 2017

Additional parity franchise revenue bonds payable from the pledged revenues may be issued only if the pledged revenues for such preceding fiscal year equal at least 125% of the maximum bond debt service requirement on all existing and proposed parity franchise revenue bonds.

***Capital Improvement Revenue Bonds, Series 2019A, and
Taxable Capital Improvement Revenue Bonds, Series 2019B***

Additional debt from Non-Ad Valorem revenues may be issued only if the average of actual Non-Ad Valorem revenues for the prior two fiscal years cover the maximum annual debt service on the bonds and such debt by at least 1.50x.

City of Pembroke Pines, Florida
Debt Service Coverage - Electric Public Service Tax

Public Improvement Revenue Bonds, Series 1998; Public Improvement Revenue Bonds, Series 2001;
 Public Improvement Revenue Bonds, Series 2004A; Public Improvement Revenue Bonds, Series 2004B;
 Public Improvement Revenue Refunding Bonds, Series 2006; Public Improvement Revenue Refunding Bonds, Series 2014;
 and Public Improvement Revenue Refunding Bonds, Series 2016

Debt Service Requirements (1)

Fiscal Year	Pledged Revenues	% Change	2001	2004A	2004B	2006	2014	2016	Total	Coverage
			Public Improvement Revenue Bonds	Public Improvement Revenue Bonds	Public Improvement Revenue Bonds	Public Improvement Revenue Refunding Bonds	Public Improvement Revenue Refunding Bonds	Public Improvement Revenue Refunding Bonds		
	(2)			(4)	(4)	(5)	(3)	(3)		
2014	\$ 10,461,326	9.1%	\$ 960,210	\$ 1,391,610	\$ 1,113,879	\$ 2,348,050	\$ -	\$ -	\$ 5,813,749	1.80
2015	10,617,674	1.5%	-	550,463	428,610	3,294,550	692,867	-	4,966,490	2.14
2016	10,772,091	1.5%	-	-	-	3,296,675	2,122,056	-	5,418,731	1.99
2017	11,002,694	2.1%	-	-	-	-	2,193,381	110,017	2,303,399	4.78
2018	11,452,361	4.1%	-	-	-	-	2,178,356	2,980,644	5,159,000	2.22
2019	11,574,231	1.1%	-	-	-	-	2,176,606	3,021,949	5,198,555	2.23
2020	11,745,620	1.5%	-	-	-	-	2,182,106	3,027,331	5,209,437	2.25
2021	11,849,134	0.9%	-	-	-	-	2,180,706	3,021,895	5,202,601	2.28
2022	12,371,348	4.4%	-	-	-	-	2,171,931	3,023,957	5,195,888	2.38
2023	14,399,714	16.4%	-	-	-	-	2,182,431	3,019,999	5,202,430	2.77

Coverage of Estimated Combined Maximum Annual Debt Service:

Electric Public Service Tax - Most Recent Fiscal Year	\$ 14,399,714
Combined Maximum Annual Debt Service (6)	5,202,431
Coverage (7)	2.77

- (1) Exclude paying agent fees.
- (2) Pledged revenues consist of the Electric Franchise Fees on an even parity for all issues.
- (3) No statistics are available prior to the year of bond issuance.
- (4) Refunded by the Public Improvement Revenue Refunding Bonds, Series 2014
- (5) Refunded by the Public Improvement Revenue Refunding Bonds, Series 2016 (PIRR 2016)
- (6) The greatest amount of aggregate Bond Service Requirements for the then current or any future Fiscal Year.
- (7) The pledged revenues for the most recent fiscal year must equal at least 125% of the maximum debt service requirement on all existing and proposed parity bonds.

City of Pembroke Pines, Florida
Debt Service Coverage - Electric Franchise Fees

Capital Improvement Revenue Refunding Bonds, Series 2006; Capital Improvement Revenue Bonds (Phase II of Forman Senior Housing Project), Series 2007;
Variable Rate Capital Improvement Revenue Refunding Bonds (Susan B. Anthony Center), Series 2008; Capital Improvement Revenue Refunding Bonds, Series 2010;
Variable Rate Capital Improvement Revenue Refunding Bonds (Susan B. Anthony Center), Series 2016;
and Variable Rate Capital Improvement Revenue Refunding Bonds, Series 2017

Debt Service Requirements (1)										
Fiscal Year	Pledged Revenues	% Change	2006 Capital Improvement Revenue Refunding Bonds	2007 Capital Improvement Revenue Refunding Bonds	2008 Variable Rate Capital Imp. Revenue Refunding Bonds	2010 Capital Improvement Revenue Refunding Bonds	2016 Variable Rate Capital Imp. Revenue Refunding Bonds	2017 Capital Improvement Revenue Refunding Bonds	Total	Coverage
	(2)		(4) (7)	(4) (7)	(5) (6)	(3)	(3)	(3)		
2014	\$ 8,529,691	8.6%	\$ 3,373,013	\$ 1,716,963	\$ 311,435	\$ 704,418	\$ -	\$ -	\$ 6,105,829	1.40
2015	8,577,201	0.6%	3,370,675	1,717,263	313,423	702,021	-	-	6,103,382	1.41
2016	8,292,391	-3.3%	3,361,088	1,716,563	324,880	703,538	-	-	6,106,069	1.36
2017	8,507,143	2.6%	3,369,963	1,714,013	-	703,784	330,110	-	6,117,869	1.39
2018	8,419,672	-1.0%	-	-	-	707,676	335,388	4,640,311	5,683,375	1.48
2019	8,431,652	0.1%	-	-	-	705,234	333,628	4,570,038	5,608,900	1.50
2020	8,360,987	-0.8%	-	-	-	706,284	339,034	4,554,288	5,599,605	1.49
2021	8,621,770	3.1%	-	-	-	706,141	345,283	4,565,988	5,617,411	1.53
2022	10,066,524	16.8%	-	-	-	708,345	351,365	4,542,963	5,602,672	1.80
2023	11,430,104	13.5%	-	-	-	708,938	359,265	4,529,213	5,597,416	2.04

Coverage of Estimated Combined Maximum Annual Debt Service:

Electric Franchise Fees - Most Recent Fiscal Year	\$ 11,430,104
Combined Maximum Annual Debt Service (5)	5,754,063
Maximum Debt Service Coverage (8)	1.99

- (1) Exclude paying agent fees and variable rate bond fees.
- (2) Pledged revenues consist of the Electric Franchise Fees on an even parity for all issues.
- (3) No statistics are available prior to the year of bond issuance.
- (4) A portion of this bond issue advance refunded a portion of the Capital Improvement Revenue Bonds, Series 1999.
- (5) The greatest amount of aggregate Bond Service Requirements for the then current or any future Fiscal Year.
The 2008 Variable Rate Capital Improvement Revenue Refunding Bonds' maximum annual debt service is based on the seven year term (from September 30, 2016) Direct Purch fixed rate in effect which is 1.66%.
- (6) Refunded by the Variable Rate Capital Improvement Revenue Refunding Bonds, Series 2016
- (7) Refunded to the Capital Improvement Revenue Bonds, Series 2017.
- (8) The pledged revenues for the most recent fiscal year must equal at least 125% of the maximum debt service requirement on all existing and proposed parity bonds.

City of Pembroke Pines, Florida
Debt Service Coverage - Communications Services Tax and Water Public Service Tax

Taxable Communications Services Tax Revenue Bonds, Series 2003A; Taxable Communications Services Tax Revenue Bonds, Series 2004;
 Taxable Communications Services Tax Revenue Bonds, Series 2013; and Taxable Communications Service Tax Revenue Bonds, Series 2014.

Debt Service Requirements (1)

Fiscal Year	Communication Services Tax	Public Service Tax Water	Total Pledged Revenues	% Change	2003A	2004	2013	2014	Total	Coverage
					Taxable Communications Services Tax Revenue Bonds					
			(2)		(3)	(5)	(4)	(4)		
2014	\$ 6,350,145	\$ 1,961,101	\$ 8,311,246	-12.7%	\$ 1,951,168	\$ 3,423,431	\$ 812,633	\$ -	\$ 6,187,232	1.34
2015	6,197,471	2,008,862	8,206,333	-1.3%	-	1,319,025	2,858,155	821,676	4,998,856	1.64
2016	5,545,281	1,980,528	7,525,809	-8.3%	-	-	2,857,591	3,087,204	5,944,795	1.27
2017	5,254,642	2,054,780	7,309,422	-2.9%	-	-	2,851,210	3,174,313	6,025,523	1.21
2018	5,131,400	2,483,104	7,614,504	4.2%	-	-	2,845,404	3,167,482	6,012,886	1.27
2019	4,583,688	2,577,221	7,160,909	-6.0%	-	-	2,841,173	3,160,801	6,001,974	1.19
2020	4,357,078	2,587,371	6,944,449	-3.0%	-	-	2,840,187	3,160,213	6,000,400	1.16
2021	4,388,336	2,676,024	7,064,360	1.7%	-	-	2,837,531	3,156,675	5,994,206	1.18
2022	4,584,481	2,755,752	7,340,233	3.9%	-	-	2,832,555	3,150,650	5,983,205	1.23
2023	4,801,426	2,837,087	7,638,513	4.1%	-	-	2,830,701	3,148,094	5,978,795	1.28

Coverage of Estimated Combined Maximum Annual Debt Service:

Communications Services Tax and Water Public Service Tax - Most Recent Fiscal Year	\$ 7,638,513
Combined Maximum Annual Debt Service (6)	5,978,795
Maximum Debt Service Coverage (7)	1.28

- (1) Exclude paying agent fees.
- (2) Pledged revenues consist of Communications Services Tax and Water Public Service Tax on an even parity for both issues. Water Public Service Tax is subject to release when Communications Services Tax revenues is greater than or equal to 1.30 times the Maximum Bond Service Requirement on all Bonds then Outstanding for the two Fiscal Years immediate preceding such release. As of 9/30/2021, Communications Services Tax revenues was 0.73 times the Maximum Bond Service Requirement on all Bonds then Outstanding, and was less than the 1.30 required coverage ratio.
- (3) Refunded by the Taxable Communications Services Tax Revenue Bonds, Series 2013.
- (4) No statistics are available prior to the year of bond issuance.
- (5) Refunded by the Taxable Communications Services Tax Revenue Bonds, Series 2014.
- (6) The greatest amount of aggregate Bond Service Requirements for the then current or any future Fiscal Year.
- (7) To issue additional parity bonds, the pledged revenues for the most recent fiscal year must equal at least 120% of the maximum debt service requirement on all existing and proposed parity bonds.

City of Pembroke Pines, Florida
Debt Service Coverage - Net Revenues of the Consolidated Utility System

Consolidated Utility System Revenue Bonds, Series 2010

Debt Service Requirement and Reserve
for Renewal, Replacement, and
Improvement (RR&I) Requirement

Fiscal Year	Pledged Revenues	% Change	Debt Service Requirement	Reserve for Renewal, Replacement, and Improvement (RR&I) Requirement	Total Requirement	Debt Service Coverage	Debt Service and RR&I Coverage
(2)	(1)		(3)				
2014	\$ 13,755,051	39.2%	\$ 1,090,841	\$ 2,318,491	\$ 3,409,332	12.61	4.03
2015	9,230,437	-32.9%	1,050,262	2,465,344	3,515,606	8.79	2.63
2016	13,061,017	41.5%	1,049,539	2,315,586	3,365,125	12.44	3.88
2017	15,928,695	22.0%	1,048,790	2,611,893	3,660,683	15.19	4.35
2018	14,544,878	-8.7%	1,048,015	3,091,083	4,139,098	13.88	3.51
2019	20,340,717	39.8%	1,047,214	3,074,873	4,122,087	19.42	4.93
2020	6,826,536	-66.4%	1,046,382	3,290,841	4,337,223	6.52	1.57
2021	9,160,398	34.2%	1,055,687	2,968,729	4,024,416	8.68	2.28
2022	13,499,631	47.4%	1,055,153	2,950,202	4,005,355	12.79	3.37
2023	8,787,136	-34.9%	1,043,703	3,487,962	4,531,665	8.42	1.94

Coverage of Estimated Combined Maximum Annual Debt Service:

Net Revenues of the Consolidated Utility System - Most Recent Fiscal Year	\$ 8,787,136
Maximum Annual Debt Service (3)	1,054,601
Maximum Debt Service Coverage (4)	8.33

- (1)** Pledged revenues consist of net revenues of the Consolidated Utility System.
(Refer to Note 9. LONG TERM DEBT under Consolidated Utility System Revenue Bonds, Series 2010 for details)
- (2)** No statistics are available prior to the year of bond issuance.
- (3)** The greatest amount of aggregate Bond Service Requirements for the then current or any future Fiscal Year.
- (4)** To issue additional parity bonds, the pledged revenues for the most recent fiscal year must equal at least 120% of the maximum debt service requirement on all existing and proposed parity bonds.

City of Pembroke Pines, Florida
Debt Service Coverage - Anti-Dilution Test
Capital Improvement Revenue Bonds, Series 2019A, and
Taxable Capital Improvement Revenue Bonds, Series 2019B

LEGALLY AVAILABLE NON-AD VALOREM REVENUES	Fiscal Year Ended September 30 (1)		
	<u>2021</u>	<u>2022</u>	<u>2023</u>
Taxes:			
Public Service Tax-Electric	\$ 11,849,134	\$ 12,371,348	\$ 14,399,714
Public Service Tax-Water	2,676,025	2,755,752	2,837,087
Communication services tax	4,388,335	4,584,481	4,801,426
Local business tax - City	3,433,475	3,177,790	3,282,418
Intergovernmental Revenues:			
Local government 1/2 cent sales tax	12,088,112	13,980,016	14,296,322
Revenue sharing trust funds	5,124,264	6,646,683	7,211,251
Permits, Fees, and Licenses:			
Franchise fees-Electric	8,621,770	10,066,524	11,430,104
Franchise fees-Other	5,360,965	4,361,143	3,509,113
Building Permits (4)	537,062	496,738	847,421
Charter School revenues (2)	5,954,458	6,311,717	5,715,802
Charges for services:			
General Government	19,523,738	20,719,801	22,331,106
Public Safety	6,588,041	7,553,413	10,551,851
Culture/Recreation	4,334,133	7,194,365	7,972,511
Miscellaneous Revenues:			
Interest Income	173,658	(1,904,398)	7,817,841
Rental revenues (3)	5,919,097	6,762,977	6,020,002
Total Sources of Legally Available Non-Ad Valorem Revenues	<u>\$ 96,572,267</u>	<u>\$ 105,078,350</u>	<u>\$ 123,023,969</u>

Anti-Dilution Test

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>Average</u>
Total Non-Ad Valorem Revenues	\$ 96,572,267	\$ 105,078,350	\$ 123,023,969	\$ 100,825,309
Maximum Annual Debt Service				20,952,046
Coverage				4.81
Required per Section 5.01				1.50

(1) Based on audited financial information

(2) Charter School revenues only includes lease payments to the City for the debt service payments based on City's fiscal year.

(3) Rental revenues excludes housing rental.

(4) Net of contracted services fees

City of Pembroke Pines, Florida
Schedule of Debt Service on Outstanding Bonds as of September 30, 2023

										Business-type Activities	Combined Activities
Type of Bonds	Capital Improv Charter Sch Bonds Series 2019A & B	Refunding Capital Improv Series 1999	Refunding Firefighters Pension Series 2003A	Refunding Police Officers & General Employees Pension Series 2004	Refunding Senior Housing Tower I & II 2004A & 2004B	Refunding 2005 GO Bonds and Partial 2007 GO Bonds	Refunding Susan B. Anthony Center 2005 Bonds	Various Capital Projects & Advance Refunding Cap Imprv, Series 2006 & 2007	Consolidated Utility System Project		
	<u>62,620,000</u>	<u>\$8,545,700</u>	<u>\$35,300,000</u>	<u>\$41,540,000</u>	<u>\$29,040,000</u>	<u>\$76,045,000</u>	<u>\$7,636,000</u>	<u>\$45,960,000</u>	<u>\$12,300,000</u>		
Revenue	Charter School	Capital Improv. Refunding	Taxable Comm. Services Tax Refunding	Taxable Comm. Services Tax Refunding	Public Improv. Refunding		Variable Rate Cap Improv. Refunding	Capital Improv. Refunding	Consolidated Utility System		
General Obligation						General Obligation	(1)				
Fiscal Y/E											Debt Service/ Principal
Sep 30	Series 2019	Series 2010	Series 2013	Series 2014	Series 2014	Series 2015	Series 2016	Series 2017	Series 2010		
2024	\$ 4,249,405	\$ 707,946	\$ 2,823,222	\$ 3,149,364	\$ 2,175,306	\$ 5,896,438	\$ 433,377	\$ 4,532,838	\$ 1,054,029	\$ 25,021,925	
2025	4,257,905	827,893	2,824,932	3,139,714	2,172,681	5,894,438	505,208	4,420,963	1,053,438	25,097,172	
2026	4,261,905	827,124	2,820,253	3,139,234	2,171,681	5,894,438	508,178	4,418,463	1,052,827	25,094,103	
2027	5,636,025	829,084	2,818,689	3,132,980	2,172,056	5,895,238	510,607	4,412,338	-	25,407,017	
2028	5,684,400	-	2,815,086	3,131,112	2,184,731	5,894,738	514,455	2,325,588	-	22,550,110	
2029	5,679,650	-	2,809,436	3,128,151	2,174,953	5,894,988	517,684	2,320,463	-	22,525,325	
2030	5,686,650	-	2,802,421	3,128,602	2,176,625	5,896,388	521,274	2,345,162	-	22,557,122	
2031	5,694,400	-	2,799,073	3,117,365	2,165,000	5,896,188	525,188	2,340,988	-	22,538,202	
2032	6,302,400	-	2,793,378	3,119,833	2,159,875	5,894,938	529,385	2,338,800	-	23,138,609	
2033	6,310,150	-	2,789,905	3,116,183	2,155,375	5,892,688	533,828	1,195,932	-	21,994,061	
2034	6,315,650	-	2,788,075	3,106,414	2,165,850	5,893,938	538,477	1,185,375	-	21,993,779	
2035	6,298,400	-	-	-	2,154,850	5,892,938	542,313	1,189,250	-	16,077,751	
2036	6,273,800	-	-	-	-	5,894,188	547,298	1,185,500	-	13,900,786	
2037	6,273,250	-	-	-	-	-	552,374	1,189,000	-	8,014,624	
2038	6,307,600	-	-	-	-	-	557,502	-	-	6,865,102	
2039	-	-	-	-	-	-	561,663	-	-	561,663	
Total debt service	\$ 85,231,590	\$ 3,192,047	\$ 30,884,470	\$ 34,408,952	\$ 26,028,983	\$ 76,631,544	\$ 8,398,811	\$ 35,400,660	\$ 3,160,294	\$ 303,337,351	
Principal outstanding FY 2023	\$ 61,140,000	\$ 2,934,100	\$ 23,085,000	\$ 27,210,000	\$ 20,315,000	\$ 56,245,000	\$ 6,275,000	\$ 28,800,000	\$ 3,000,365	\$ 229,004,465	

(1) Based on the 3.87% five year term through September 30, 2028. Direct Purchase fixed rate in effect at the financial statement date (September 30, 2023) per GASB Statement No. 38, paragraph 10.

City of Pembroke Pines, Florida
School Enrollment

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
College/University: (1)										
Broward College										
Pines Center -Academic Village (5)	2,530	2,640	1,402	1,200	1,067	1,001	93	46	-	-
South Campus / Pembroke Pines	14,482	14,542	11,287	10,831	10,750	9,768	10,394	16,547	11,123	11,120
Total College/University Enrollment	<u>17,012</u>	<u>17,182</u>	<u>12,689</u>	<u>12,031</u>	<u>11,817</u>	<u>10,769</u>	<u>10,487</u>	<u>16,593</u>	<u>11,123</u>	<u>11,120</u>
High Schools: (2)										
Pembroke Pines Charter High School	1,692	1,999	2,015	2,043	2,048	2,098	2,101	2,100	2,109	2,106
Flanagan	2,844	2,835	2,759	2,575	2,542	2,482	2,541	2,531	2,554	2,361
Somerset Academy Charter High School	1,101	1,021	948	886	1,049	1,204	1,438	1,464	1,561	1,533
West Broward High School	2,702	2,721	2,742	2,810	2,743	2,677	2,609	2,601	2,573	2,542
Somerset Conservatory	120	125	143	132	164	186	392	391	350	384
Total High School Enrollment	<u>8,459</u>	<u>8,701</u>	<u>8,607</u>	<u>8,446</u>	<u>8,546</u>	<u>8,647</u>	<u>9,081</u>	<u>9,087</u>	<u>9,147</u>	<u>8,926</u>
Middle Schools: (2)										
Pines Middle School	1,293	1,130	1,035	938	891	859	740	701	618	638
Silver Trail Middle	1,426	1,466	1,491	1,528	1,497	1,532	1,472	1,403	1,291	1,267
Walter C. Young	1,090	1,099	1,111	1,154	1,134	1,116	1,036	1,029	908	858
Somerset Academy Charter Middle School	834	817	745	746	904	1,026	1,142	1,016	1,082	1,068
Pembroke Pines Charter Middle School (West/Central)	1,582	1,298	1,305	1,304	1,288	1,326	1,329	1,335	1,333	1,331
Franklin Academy A&B	376	430	408	451	495	420	438	427	452	433
Broward Charter School of Science & Technology	39	49	96	84	87	98	106	124	119	133
Total Middle School Enrollment	<u>6,640</u>	<u>6,289</u>	<u>6,191</u>	<u>6,205</u>	<u>6,296</u>	<u>6,377</u>	<u>6,263</u>	<u>6,035</u>	<u>5,803</u>	<u>5,728</u>
Elementary Schools: (2)										
Pembroke Pines	560	559	569	581	588	623	572	578	603	610
Pembroke Lakes	568	596	662	689	733	762	708	691	666	651
Pines Lakes	582	577	569	576	536	553	521	561	488	462
Pasadena Lakes	566	543	532	531	534	532	495	471	479	483
Palm Cove	779	711	672	672	632	510	430	471	435	432
Chapel Trail	743	777	829	829	814	833	857	842	768	662
Silver Palms	612	595	655	621	630	579	511	512	467	463
Panther Run	550	568	547	574	560	505	433	413	379	376
Lakeside	676	754	791	769	760	704	653	647	646	596
Somerset Academy Charter Elementary	919	940	945	928	927	1,013	983	973	981	993
Pembroke Pines Charter Elem (East/West/Central)	1,908	1,921	1,909	1,900	1,889	1,914	1,896	1,885	1,891	1,897
Pembroke Pines/FSU Charter Elementary	679	690	672	679	674	694	700	699	698	698
Franklin Academy A	892	943	743	746	882	766	766	899	940	920
Kidz Choice Charter (4)	101	154	174	214	187	-	-	-	-	-
Charter School of Excellence @ Davie 2 (3)	26	36	27	-	-	-	-	-	-	-
Atlantic Montessori Charter School	132	123	123	135	140	127	127	112	98	87
Broward Charter School of Science & Technology	69	81	182	178	234	222	199	206	209	208
Renaissance Charter School at Pines	-	799	835	779	842	953	812	690	908	842
Total Elementary School Enrollment	<u>10,362</u>	<u>11,367</u>	<u>11,436</u>	<u>11,401</u>	<u>11,562</u>	<u>11,290</u>	<u>10,663</u>	<u>10,650</u>	<u>10,656</u>	<u>10,380</u>
Total All Schools	<u>42,473</u>	<u>43,539</u>	<u>38,923</u>	<u>38,083</u>	<u>38,221</u>	<u>37,083</u>	<u>36,494</u>	<u>42,365</u>	<u>36,729</u>	<u>36,154</u>

(1) Broward College - Registrar's Office and FIU Dean of Partnership Center.

(2) Broward County School Board 2013-2022 1st Day Enrollment Count.

(3) Effective FY2017, Charter School of Excellence at Davie 2 is combined with Charter School of Excellence at Davie located in Hollywood, FL.

(4) Effective FY2019, Kidz Choice is a Private School now called Cambridge International Academy

(5) Effective Spring 2022, no classes is offered at Pines Center

City of Pembroke Pines, Florida
Property Value and Construction (1)
Last Ten Fiscal Years

<u>Year</u>	<u>Total Permits Issued</u>	<u>Miscellaneous</u>		<u>Residential</u>		<u>Commercial</u>		<u>Total Value of Construction</u>	<u>Gross Assessed Value (3)</u>
		<u>Permits Issued (2)</u>	<u>Valuation</u>	<u>Number of Units</u>	<u>Valuation</u>	<u>Number of Units</u>	<u>Valuation</u>		
2014	10,536	10,123	\$ 291,394,500	288	\$ 16,034,771	125	\$ 12,769,448	\$ 320,198,718	\$ 13,145,675,871
2015	6,524	6,439	61,378,888	77	37,513,118	8	576,143,798	675,035,804	14,806,865,492
2016	7,264	7,110	114,938,007	134	21,478,982	20	103,170,457	239,587,447	16,053,238,879
2017	8,439	8,157	38,724,193	262	87,600,661	20	191,951,039	318,275,894	17,578,628,055
2018	11,306	11,015	119,728,157	270	114,184,101	21	72,069,999	305,982,258	18,793,239,672
2019	9,518	9,429	181,225,989	73	11,566,937	16	54,249,012	247,041,938	19,824,761,886
2020	7,975	7,910	141,213,682	58	5,547,050	7	11,365,470	158,126,202	21,175,209,482
2021	11,597	11,585	242,164,450	-	-	12	21,224,386	263,388,836	21,820,008,281
2022	8,852	8,736	288,988,217	20	216,683,131	96	19,909,411	236,592,542	22,941,229,131
2023	9,731	9,547	225,948,547	7,727	166,281,024	2,004	160,015,056	326,296,079	26,464,598,161

(1) Source: City of Pembroke Pines Building Department.

(2) Miscellaneous permits include remodeling, partitioning, and interior completions.

(3) Assessed value certified by Broward County Property Appraiser at 100% of estimated market value ("just value") as required by State Statute.

City of Pembroke Pines, Florida

General Information

Introduction

The City of Pembroke Pines is a multi-cultural, ethnically diverse, and integrated city, located in the Miami-Fort Lauderdale-Pompano Beach, FL Metropolitan Statistical Area, which is the 8th largest in the country with an estimated population of 6.1million. The population of the City is currently estimated at 171,222 which is the second largest city in Broward County (County). During the year, the City has a mean average annual temperature of 75.4 degrees, which allows many residents and visitors to enjoy a relaxed lifestyle geared to the outdoors. The general terrain of this 34.8 -square mile residential city is similar to that of other southwestern County communities. Elevations range from 7 to 8 feet above sea level. Fort Lauderdale and the cruise ship docks at Port Everglades are 45 minutes away northeast, and Miami, 45 minutes south of the City, provides numerous cultural advantages of a larger metropolitan area as well as a major cruise ship port. South of the City is the City of Miramar with its notable Miramar Park of Commerce, to the northwest are the upscale communities of Southwest Ranches and Weston, and northeast is the Town of Davie, home of Nova Southeastern University, the Bergeron Rodeo Grounds, and the exotic Flamingo Gardens. The City also borders Cooper City on the north and the oceanfront city of Hollywood on the east. The City maintains its own top-rated police and fire and rescue departments, provides two sites containing a total of five senior housing apartment buildings, provides other senior-related services, and maintains its own Water Treatment Plant.

Airports

The City has the benefit of being served by a number of airlines, as the Fort Lauderdale-Hollywood International Airport is only a 40-minute drive northeast, and the Miami International Airport, located south of Pembroke Pines, is a little over a 45-minute drive. Palm Beach International Airport can also be reached by a one-and-a-half-hour drive north of the City. The Opa-Locka Airport, a full Fixed-Base Operator (FBO) service executive airport located in North Miami-Dade County is about a 30-minute drive south of the City. Other full-service FBOs include the Boca Raton Airport which is about a one-hour drive northeast of the City, and the City of Fort Lauderdale Executive Airport which is about a 45-minute drive northeast. The North Perry Airport, originally opened in the City by the U. S. Navy in 1943 as a World War II training field, is a general aviation facility open to non-commercial, non-jet aircraft. Facilities include a charter service, aircraft rentals, repair, and fuel for small aircraft, as well as a flight school.

Road and Highway Systems

Road and highway facilities are excellent in the City. Pines Boulevard is the main east-west corridor that connects into the Atlantic Ocean beaches at the east end and into the Everglades at the west end. The City has a complete and adequate network of approximately 460 miles of paved and signalized roadways, in addition to bike paths and sidewalks that meet the latest national standards. The Florida Turnpike passes through the eastern section of the City and provides transportation to the north-central part of the State and as far south as the entrance to the Florida Keys. Interstate 95, which is about 5 miles east of the community, provides alternative north-south transportation to the City and other areas of the southeastern section of Florida. Interstate 75, a north-south controlled-access highway located in the geographic center of the City, provides north-south transportation from Miami to Tampa via the Alligator Alley which crosses the Florida peninsula connecting the Atlantic Ocean's east coast with the Gulf of Mexico's west coast. US 27, a major highway that winds through the central portion of Florida to the state capital in Tallahassee, passes through the western edges of the City.

City of Pembroke Pines, Florida

General Information

Recreation and Cultural Arts

Pembroke Pines offers a wide range of recreational programs and activities for our residents. These include youth soccer leagues and camps throughout the year. The City also operates four neighborhood pools and one competitive Olympic-size pool. Programs offered at these facilities include swimming lessons, water safety instructions, leisure swim time, and other specialized aquatic classes. Pembroke Lakes Golf and Tennis Center offers a wide range of programs for all ages and skill levels. Some of these programs consist of leagues, clinics, tournaments, summer tennis camps, junior tennis after-school programs, special needs programming, total fitness conditioning classes, and introductory clinics for beginners in our summer camps. The City also provides residents with a challenging and well-maintained golf course that meets the standards recommended by the United States Golf Association and conducts year-round clinics for juniors with the purpose of exposing young people to golf. Recreational programs and activities are held for special populations, including people with disabilities, and consist of summer winter, and spring break camps, field trips, socials, participation in Special Olympics, and the county-wide Challenger Baseball and the Miracle League programs. Our Community centers offer a variety of classes and activities. Classes offered include ballet, tap, jazz, gymnastics, yoga, Zumba, baton, and karate. The community centers are available to rent for weddings, parties, and meeting places for non-profit civic organizations and homeowners' associations. The City provides Community Engaging Events to our residents and includes events such as Kids Konnection, Pines Day, Fourth of July, Booville, and Snowfest.

Pembroke Pines has a robust Cultural Arts Program that promotes diverse arts and cultural activities and events for its residents. The Frank Art Gallery showcases multi-disciplinary inclusive exhibitions and a variety of Arts Education programs. Studio 18 Art Complex attracts beginning and emerging artists to become part of an arts community that offers workshops, lectures, cultural programming, and exhibitions. The River of Grass is home to PPTOPA (Pembroke Pines Theatre of the Performing Arts) which was named "Best Community Theatre in the United States" by Broadway World Magazine and holds annual events such as our Storybook Festival, a summer film festival, and the Symphony of the Americas. Pines Art & Cultural Center provides weekly art, piano, acapella, violin and , and Musical Theatre classes as well as summer and spring break camps and workshops. In addition to our Cultural Facilities, we hold annual events such as Art and Music Fest in the Pines , the Annual Art Competition, Spring into Art & Music Children's Event, and Storywalk in the Pines. Ongoing cultural and educational programming includes Got Culture, the Frank Contemporaries, Coffee & Create, Teen Art Club and Professional Development Arts Workshops.. Public Art flourishes with works around our City. The Gateway Sculpture in front of the Charles F. Dodge City Center, large-scale murals on the façade of The Frank Art Gallery, The Charter High School Academic Village swimming pool and Pines Art & Cultural Center. the 9/11 Memorial dedicated to the Fallen and our First Responders, and the Traffic Box wraps that have been installed on various corners throughout the City.

Medical Facilities

Healthcare services for the City residents are provided through Memorial Hospital West (located at the northeast corner of Pines Boulevard and Flamingo Road), Memorial Hospital Pembroke (located on the southeast corner of University Drive and Sheridan Street), the Memorial Urgent Care Center (located on the eastern side of Douglas Road, between Pines Boulevard and Pembroke Road), and Memorial Hospital Miramar (located on 172nd Avenue in adjacent Miramar) which serves the western portion of the City. These facilities are all a part of the Memorial Health Care System and offer state-of-the-art diagnostics.

Fifteen minutes north of the City off Interstate 75 is an upscale facility of the world-famous Cleveland Clinic Hospital.

City of Pembroke Pines, Florida

General Information

Memorial Manor is the County's first public, skilled nursing facility. The 120-bed nursing home, located adjacent to the Memorial Urgent Care Center on Douglas Road, provides long-term nursing home care and short-term rehabilitative care.

Educational Facilities

The City of Pembroke Pines is a true pioneer in charter school education. The City currently owns and operates three charter elementary schools, one charter lab elementary school operated in collaboration with Florida State University (FSU), two charter middle schools, and one charter high school that serve approximately 6032 students. Of this total, the FSU Elementary charter school serves 698 students; the East, West, and Central campus elementary schools serve 1,897 students; the West and Central Campus middle schools serve 1,331 students; and the high school campus which was expanded to include a middle school has 2,106 students. These facilities offer smaller class sizes and complement the already existing public education system provided through the Broward County School District. In addition to the City's municipally run charter schools, within the City are sixteen elementary schools, seven middle schools, and five other high schools. This includes three major charter school systems: Renaissance Charter Schools, Franklin Academy, and Somerset Academy. Two community schools, Broward Community School, and Walter C. Young Community School, offer adult education classes. The City also municipally operates two early development centers for pre-kindergarten children.

In addition, within the City are post-secondary as well as post-graduate institutions. Broward College has two campuses in the City - the South Campus located just east of University Drive on Pines Boulevard, and the Pines Center/Academic Village Campus located on Sheridan Street west of Interstate 75. The campus of the Venezuelan-administered Jose Maria Vargas University is a 24,530-square-foot facility providing educational programs at the certificate, undergraduate, and graduate levels. Keiser University also operates its Pembroke Pines branch campus with a 78,000-square-foot facility offering various associate, undergraduate, and graduate programs. Barry University also maintains a branch campus in the Pines Professional Center in the western portion of the City. Two schools in the adjacent City of Miramar are DeVry University which offers a variety of Certificate Programs, Associate, Bachelor, and Master's Degrees; and a branch of Strayer University, a for-profit school that is accredited by four organizations and caters to working individuals. In 2021, Galen College of Nursing has opened a new state-of-the-art 45,000 square foot campus in Pembroke Pines offering bachelor of science and associate degree in Nursing.

The City is served by three County-operated libraries – the Southwest Regional Library located at the Academic Village, the South Regional Library located at the Broward College South Campus, and the Pembroke Pines Library located at the Walter C. Young Resource Center.

Communications

All principal television networks are received within the City with broadcast stations in Boynton Beach, Fort Lauderdale, Hollywood, Miami, Miramar, Palm Beach Gardens, and West Palm Beach. Cable television is provided to the entire City by Comcast and BellSouth Entertainment, Inc. The City has its own informational cable channel that televises all City Commission (Commission) meetings and provides information such as upcoming events and public service information.

City information can also be accessed through the Internet site, www.ppines.com. On the website, information including Commission meeting dates, trash and recycling schedules, a calendar of events, budget information, and annual and monthly financial statements are available.

City of Pembroke Pines, Florida

General Information

Commercial

The City contains a large and diversified number of retail establishments, including the expansive Pembroke Lakes Mall with its major department stores, including Dillard's, JCPenney, and Macy's plus approximately 159 more stores and restaurants. A stunning addition to the City's retail base is the Shops at Pembroke Gardens, located at Interstate 75 and Pines Boulevard. This complex contains approximately 77 upscale stores and restaurants and is centrally located to serve the residents of the City and neighboring municipalities.

The dynamics of the growth of commercial and residential activities in the City and its surrounding area has resulted in at least seven hotels offering a variety of hospitality suites. Within the City is the Grand Palms Golf and Country Club Resort at Pines Boulevard just west of Interstate I-75 offering upscale lodgings, as well as the Hampton Inn Hotel just east of Interstate I-75 and Sheridan and the adjacent newly-built all-suite Holiday Inn Express Hotel & Suites. Just to the south, east of Interstate I-75 at Miramar Parkway in adjacent Miramar, is the Courtyard by Marriott, the Residence Inn by Marriott, the Hilton Garden Inn, and the Wingate by Wyndham.

Awards and Acknowledgments

Throughout the years, the City of Pembroke Pines has received numerous awards and accolades. Below is a list and brief description of some of these noteworthy achievements in the last 10 years:

- ◇ **2014 - Florida Municipal Achievement Award for the "Environmental Stewardship" category – the cities "Re-Engage, Recycle and Reinvigorate Our Environment."**
- ◇ **2014 – Mayor Frank Ortis received the "HOME Rule HERO" Award from the Florida League of Cities (FLOC).**
- ◇ **2014 – *Money Magazine's* Best Places to Live in America – Ranked # 32 out of the top 50 – only City in Florida to make the list.**
- ◇ **2014 – Charter Middle School West Campus received the "Florida Standards School of Excellence Award" from Public Consulting Group and the Florida Department of Education Office of School Choice.**
- ◇ **2014 – Jill Slaughter, Curator of Special Project, was named the "Best Curator in Broward/Palm Beach" by New Times.**
- ◇ **2014 – *Wallet Hub's* ranking as #1 -Best City for Hispanic Entrepreneurship; #13 Best Place to Retire; and #44 Best Places for families. The largest 150 cities were ranked.**
- ◇ **2015 – *Money Magazine's* Best Places to Live in America.**
- ◇ **2015 – The City was named "2014 Best City of Hispanic Entrepreneurs."**
- ◇ **2015 – The City received a \$50,000 "Our Town" grant from National Endowment for the Arts.**
- ◇ **2015 – The City was recognized by the Florida League of Cities for our "Re-engage, Recycle, and Reinvigorate Our Environment" program.**
- ◇ **2015 – The City received the "Environmental Stewardship Award" from the Florida League of Cities.**
- ◇ **2015 – The City received Bronze Medals in Goal III- Smart Serving for Students and Goal I: Start Early, Start Smart for the "Let's Move! Cities, Towns and Countries" initiative by the National League of Cities**
- ◇ **2015 – The City received a \$500,000.00 Grant for the construction on the Civic Center Cultural Complex from the Florida Cultural Affairs Division.**
- ◇ **2015 – The City received a \$462,350 Broward County Tourist Development Tax Capital Challenge Grant for Civic Center**
- ◇ **2015 - Mayor Frank Ortis received the "Home Rule Hero Award" from the Florida League of Cities.**
- ◇ **2015 – The City was recognized as the "2015 State Surgeon General Healthy Weight Community Champion" in Broward County by the Florida Department of Health.**
- ◇ **2015 – The City was named 2014 Tree City USA from Arbor Day Foundation.**

City of Pembroke Pines, Florida

General Information

- ◇ 2016 – Blue Ribbon School designation, awarded to Pembroke Pines Charter Elementary School by the U.S Department of Education.
- ◇ 2016 – The City received \$500,000 “Cultural Facilities” grant for construction of the Frank Art Gallery from Florida Division of Cultural Affairs.
- ◇ 2016 – The City received \$14,368 “General Program Support” grant to support multi-disciplinary arts and engagement activities at the Frank Art Gallery from Florida Division of Cultural Affairs.
- ◇ 2016 – The City received \$30,010 in matching grant funds to support “The Feed Your Soul/Nourish Your Neighbor” project from the Community Foundation of Broward.
- ◇ 2016 – The City was named 2016 Tree City USA by Arbor Day Foundation.
- ◇ 2016 – The City was named “#4 in the Nation for Hispanic Entrepreneurs” by Wallethub.com.
- ◇ 2016 – The City was named “2016 Beacon Award Honoree” by Children’s Harbor.
- ◇ 2016 – The Charter High School was ranked 27th in Florida for the 2017 Beat High Schools Ranking.
- ◇ 2016 – The Technology Services Department won “Excellence in Construction 2016.”
- ◇ 2017 – The City was named 2017 Tree City USA by Arbor Day Foundation.
- ◇ 2017 – The City was named “#3 in the Nation for Hispanic Entrepreneurs” by Wallethub.com.
- ◇ 2017 – The City received the “Outstanding Achievement Large City 2017 City Livability Award” in support of the Creative Placemaking at the Charles F. Dodge City Center.
- ◇ 2017 – The City was named “#5 Best Place to Raise a Family in Florida” by SmartAsset.com
- ◇ 2018 – Mayor Frank Ortis received a “Certificate of Appreciation” from the Honor Flight of South Florida.
- ◇ 2018 – The City was certified as a “Wildlife Habitat Community” by the National Wildlife Federation.
- ◇ 2018 – The City ranked “#29 Safest City in America” by the Wallet Hub Survey.
- ◇ 2018 – The City ranked “#6 Best City for Hispanic Entrepreneurs” by the Wallet Hub Survey.
- ◇ 2018 – The City ranked “#35 Best Place to Raise a Family” by the Wallet Hub Survey.
- ◇ 2018 – Mayor Frank Ortis received the “Home Rule Hero Award” from the Florida League of Cities.
- ◇ 2019 – The City was named “2019 Tree City USA” by Arbor Day Foundation.
- ◇ 2019 – The City was recognized for its “Platinum Level Sponsorship” by the American Cancer Society “Relay for Life”.
- ◇ 2019 – The City ranked “#12 Best City to Retire”, “#10 Best City to Relocate”, and #2 Best City for Hispanic Entrepreneurs” by the Wallet Hub Survey.
- ◇ 2019 – The City ranked “#32 Best Suburb to Raise a Family in the Miami area” by Nuche.com.
- ◇ 2019 – The City was presented with the “Diamond Award” for the commitment to excellence in Education by KAPOW.
- ◇ 2019 – Mayor Frank Ortis received a “Certificate of Appreciation” for his continued efforts in the fight to cure breast cancer from the Church of God, Pembroke Pines.
- ◇ 2019 – Mayor Frank Ortis was presented with a “Home Rule Hero Certificate” for being a champion in the defense and protection of municipal Home Rule by the FLC.
- ◇ 2020 – Mayor Frank Ortis was recognized by the Florida League of Cities with the 2020 Home Rule Hero Award for his tireless efforts throughout the legislative session.
- ◇ 2020 – The City of Pembroke Pines was recognized by FISP (Florida Initiative for Suicide Prevention) for sponsoring the 15th Annual FISP Gala on February 21, 2020.
- ◇ 2020- City of Pembroke Pines received the 2020 Partner Award from KAPOW.
- ◇ 2020- City of Pembroke Pines was named 2020 Tree City USA by the Arbor Day Foundation.

City of Pembroke Pines, Florida

General Information

- ◇ 2020 - The Pembroke Pines Charter High School was ranked #10 Charter High School in Florida by Niche, an online school analysis website.
- ◇ 2020 - Mayor Frank Ortis was recognized at the 42nd Foundation Day in celebration of Dale View & Dr. Kalam Smriti International.
- ◇ 2020 - Wallethub.com listed the City of Pembroke Pines as the 20th Happiest City in America on 3/9/2020.
- ◇ 2020 - The Finance Department received the DISTINGUISHED BUDGET AWARD from the GOVERNMENT FINANCE OFFICERS ASSOCIATION ("GFOA") on 10/1/2020.
- ◇ 2021 - Mayor Frank Ortis was recognized by the Florida League of Cities with the 2021 Home Rule Hero Award for his tireless efforts throughout the legislative session.
- ◇ 2021 - City of Pembroke Pines received the 2021 Partner Award from KAPOW.
- ◇ 2021 - City of Pembroke Pines was named 2021 Tree City USA by the Arbor Day Foundation.
- ◇ 2021 - Wallethub.com listed the City of Pembroke Pines as the #1 Place to Raise a Family in June 2021.
- ◇ 2021 - MoveBuddha listed the City of Pembroke Pines as the top 3 Most Popular Large Cities to move to in the State of Florida in July 2021.
- ◇ 2021 - Mayor Frank C. Ortis was honored when the Century Village Secret Garden Board dedicated a walkway in his name. The Secret Garden is a half-acre Butterfly Garden, Botanical Garden, Urban Food Garden, and Bird Sanctuary that was credited over the last 14 years by senior citizen volunteers in Century Village and is a two-time winner of the City of Pembroke Pines Natalie Belmonte Great Yards Award. Feb 2021
- ◇ 2021 - A Tribute was presented by State Representative Robin Bartleman (District 104) at a City Commission Meeting to thank the many employees of the City of Pembroke Pines, staff, and volunteers of Feeding South Florida for their tireless dedication in ensuring that residents did not live with hunger throughout the pandemic. – August 2021
- ◇ 2021 - The Pembroke Pines Charter Middle School West Campus Modern Movement Club recently participated in the LEAD4CHANGE challenge and received \$500 to continue to make a difference in the community through dance. October 2021
- ◇ 2021 - According to realtor.com, the City of Pembroke Pines ranked #8 in the top 11 Best Family-Friendly Suburbs for 2021.
- ◇ 2021 - The Florida League of Cities presented Mayor Frank C. Ortis with the John Land Years of Service Awards in recognition of 25 Years of Elected Service.
- ◇ 2021 - American Cancer Society "Relay for Life" recognized the City for its Ruby Platinum Level Sponsorship.
- ◇ 2022 - FLC Celebrating its 100th Anniversary, recognized Mayor Otis with a 2022 Home Rule Hero Award for his hard work and advocacy effects during the 2022 Legislative Session.
- ◇ 2022 - Mayor Ortis was inducted into the 38th Annual Dr. Nan S. Hutchison Broward Senior Hall of Fame by the Area Agency on Aging of Broward County.
- ◇ 2022 - For the 30th Consecutive Year, the City of Pembroke Pines has been named a Tree City USA by the Arbor Day Foundation.
- ◇ 2022 - The Pembroke Pines Charter High School Robotics Team won 1st place in the Mayor Wayne M. Messam Aviation Expo.
- ◇ 2022 - The Pembroke Pines FSU Elementary School celebrated its 20th-year Anniversary.
- ◇ Certificate of Recognition to the Mayor Ortis/City of Pembroke Pines for the Title Sponsorship @ the Florida MIA 4th Annual "As We Honor Her" Spring Gala.
- ◇ 2022 - Mayor Ortis received an honorary Celebrity Belt during the Celebrity Boxing Event @ City Center
- ◇ 2022 - Mayor Ortis was appointed as Chair for the FLC Trustee Florida Municipal Insurance Trust Committee
- ◇ 2022 - Mayor Ortis was appointed as Chair of the FLC Trustee Florida Municipal Construction Insurance Trust Committee
- ◇ 2022 - Mayor Ortis is on the FLC Florida Municipal Loan Council Trustee Committee

City of Pembroke Pines, Florida

General Information

- ◇ **2022 - Mayor Ortis was appointed as Chair for the Broward County MPO Executive and BOD Committees**
- ◇ **2022 - Mayor Ortis was appointed to the United State Conference of Mayor's Advisory Board**
- ◇ **2022 - Mayor Ortis is appointed to the Florida League of Cities Legislative Policy Committee, Advocacy Committee, and Fast Action Strike Team (FAST)**
- ◇ **2023 - FLC recognized Mayor Otis with a 2023 Home Rule Hero Award for his hard work and advocacy effects during the 2022 Legislative Session.**
- ◇ **2023 - For the 31st Consecutive Year, the City of Pembroke Pines has been named a "Tree City USA" by the Arbor Day Foundation.**
- ◇ **2023 - The Pembroke Pines Charter School's celebrated their 25th year Anniversary, 1998-2023**
- ◇ **2023 - The City of Pembroke Pines Fire Department celebrated it's 50-year Anniversary, 1973-2023**
- ◇ **2023 - Mayor Ortis was given a certificate of Appreciation from the Ancient Order of Hibernians for recognizing March 2023 as Irish American Heritage Month.**
- ◇ **2023 - Wallet Hub listed that the City of Pembroke Pines as the 3rd Best City for Hispanic Entrepreneurs in 2023**
- ◇ **2023 - American Cancer Society "relay for Life" recognized the Mayor's Gang and the City of Pembroke Pines for there Platinum Level Sponsorship.**
- ◇ **2023 - Mayor Ortis received a plaque from the FLC Trustee Florida Municipal Insurance Trust Committee in appreciation for his dedication and commitment during his 2022-2023 appointment as Chair.**
- ◇ **2023 - Mayor Ortis was appointed to the FLC: 2023 Nominating Committee, 2023 Legislative Policy Committee, 2023 Advocacy Committee, 2023 Federal Action Strike Team**
- ◇ **2023 - The City's Finance Department received the Government Finance Officers Association (GFOA) Certificate of Achievement Award for Excellence in Financial Reporting for the 20th consecutive year for the Annual Comprehensive Financial Report for the Fiscal Year ending September 30, 2022.**
- ◇ **2023 - The Fire Department presented the Phoenix Award to Diana Kule-Thomas for performing resuscitative efforts and for her life savings actions on April 17, 2023.**
- ◇ **2023 - The Pembroke Pines Charter Middle School Boys' Golf Team won the 2023 Broward County Middle School Athletic Association (MSAA) Boys' Golf Team Championship.**



IV. COMPLIANCE SECTION

City of Pembroke Pines, Florida
Schedule of Expenditures of Federal Awards, State Financial Assistance and Local Awards
Fiscal Year Ended September 30, 2023

<u>Federal Agency/Pass-Through Grantor/Program Title</u>	<u>ALN</u>	<u>Grant or Identifying Number</u>	<u>Total Award</u>	<u>Expenditures</u>
U.S. Department of Housing and Urban Development				
Direct Awards:				
Community Development Block Grant (CDBG)-Entitlement Grants Cluster				
Community Development Block Grant 2019	14.218	B19MC120040	\$ 880,770	\$ (1,090)
Community Development Block Grant 2020	14.218	B20MC120040	926,495	517,531
Community Development Block Grant 2021	14.218	B21MC120040	2,132,499	1,111,088
Community Development Block Grant 2020 - COVID-19	14.218	B20MW120040	1,400,676	96,939
Community Development Block Grant 2022	14.218	B22MC120040	1,010,690	745,925
Neighborhood Stabilization Program (NSP2010) - Program income	14.218	B-11-MN-120022	2,330,542	13,233
TOTAL CDBG - Entitlement Grants Cluster				<u>2,483,626</u>
Total U.S. Department of Housing and Urban Development				<u>2,483,626</u>
U.S. Department of Justice				
Direct Awards:				
Public Safety Partnership and Community Policing Grant Law Enforcement Mental Health and Wellness Act	16.710	15JCOPS-21-GG-02129-SLEM	110,000	35,000
Indirect Awards:				
<i>Pass-Through the Office of the Attorney General</i>				
Crime Victim Assistance - Victim of Crime Act Grant (VOCA) 2022	16.575	VOCA-2022-914	24,653	22,720
<i>Pass-Through the Office of the Attorney General</i>				
Edward Byrne Memorial Justice Assistance Grant (JAG) 2019	16.738	2019-DJ-BX-0432	22,352	21,608
<i>Pass-Through the Office of Justice Programs</i>				
Body-Worn Camera Policy and Implementation Program	16.835	15PBJA-21-GG-04471-BWCX	80,000	80,000
Total U.S. Department of Justice				<u>159,328</u>
U.S. Department of Agriculture				
Indirect Awards:				
Child Nutrition Cluster:				
<i>Pass-Through Florida Department of Agriculture and Consumer Services:</i>				
School Breakfast Program	10.553	18098	234,658	234,658
<i>Pass-Through Florida Department of Agriculture and Consumer Services:</i>				
National School Lunch Program	10.555	18098	1,235,576	1,235,576
Supply Chain Assistance Funding	10.555	22020	312,109	312,109
National School Lunch Program-SNPEO	10.555	21018	141,866	141,866
NSLP Non-Cash Assistance (Commodities)	10.555	2040	320,722	320,722
Total Program	10.555			<u>2,010,273</u>
TOTAL Child Nutrition Cluster				<u>2,244,931</u>
Total U.S. Department of Agriculture				<u>2,244,931</u>
U.S. Department of Education				
Indirect Awards:				
Special Education Cluster (IDEA):				
<i>Pass Through the Florida State University</i>				
Special Education - Grants to States (IDEA, Part B)	84.027	371-2633B-3CB01	107,552	107,552
<i>Pass Through the School Board of Broward County</i>				
Special Education - Grants to States (IDEA, Part B)	84.027	060-2633B-3CB01	26,301	26,301
Total Program	84.027			<u>133,853</u>
TOTAL Special Education Cluster (IDEA)				<u>133,853</u>
<i>Pass Through the Broward County School District</i>				
Carl D Perkins Career & Technical Education	84.048	060-1613B-3CS01	6,087	6,087
<i>Pass Through the School Board of Broward County</i>				
K-12 Civic Literacy Reading List-GEER K-12CLB-COVID-19	84.425C	060-1230F-1C001	1,944	1,944
<i>Pass Through the Florida State University</i>				
Elementary and Secondary School Emergency Relief (ESSER)-COVID-19	84.425D	371-1241P-2C001	16,580	16,580
<i>Pass Through the Florida State University</i>				
Elementary and Secondary School Emergency Relief (ESSER)-COVID-19	84.425D	371-1211A-2C001/371-1211K-2C001	272,198	272,198
<i>Pass Through the School Board of Broward County</i>				
Elementary and Secondary School Emergency Relief (ESSER)-COVID-19	84.425D	060-1240C-1C001	9,000	9,000
<i>Pass Through the School Board of Broward County</i>				
Elementary and Secondary School Emergency Relief (ESSER)-COVID-19	84.425D	S425D210052	87,000	87,000
<i>Pass Through the School Board of Broward County</i>				
Elementary and Secondary School Emergency Relief (ESSER)-COVID-19	84.425D	060-1240S-1C001	29,279	29,279
<i>Pass Through the School Board of Broward County</i>				
Elementary and Secondary School Emergency Relief (ESSER)-COVID-19	84.425D	060-1211K-2C001/060-1211A-2C001	8,872,367	8,872,367
<i>Pass Through the Florida State University</i>				
Elementary and Secondary School Emergency Relief (ESSER)-COVID-19	84.425D	371-1281E-2C002	2,647	2,647
<i>Pass Through the Florida State University</i>				
Elementary and Secondary School Emergency Relief (ESSER)-COVID-19	84.425D	S425D210052	33,000	33,000
<i>Pass Through the School Board of Broward County</i>				
Intensive Afterschool and Weekend Academies-ARP-COVID-19	84.425U	371-1211H-2CR01	27,981	27,981
Total Program	84.425			<u>9,351,996</u>
Total U.S. Department of Education				<u>\$ 9,491,936</u>

See Notes to the Schedule of Expenditures of Federal Awards, State Financial Assistance and Local Awards.

City of Pembroke Pines, Florida
Schedule of Expenditures of Federal Awards, State Financial Assistance and Local Awards
Fiscal Year Ended September 30, 2023
(Continued)

Federal Agency/Pass-Through Grantor/Program Title	ALN	Grant or Identifying Number	Total Award	Expenditures
Federal Communication Commission (FCC)				
Indirect Awards:				
<i>Pass-Through Universal Service Administrative Co.</i>				
Emergency Connectivity Fund Program- ARP	32.009	ECF2190024574	\$ 165,825	\$ 165,825
Total Federal Communication Commission (FCC)				165,825
U.S. Department of Homeland Security				
Indirect Awards:				
<i>Pass-Through Florida Division of Emergency Management</i>				
Homeland Security Grant - Urban Area Strategic Initiative (UASI 2021)	97.067	EMW-2021-SS-00056-S01	330,678	182,082
<i>Pass-Through Florida Division of Emergency Management</i>				
Disaster Grant - Public Assistance -Hurricane Irma	97.036	FEMA-4337-DR	3,922,740	130,827
Disaster Grant - Public Assistance -Hurricane Mathew	97.036	FEMA-3377-DR	1,875	1,875
Disaster Grant - Public Assistance -Hurricane Ian	97.036	FEMA-4673-DR	122,775	122,775
Disaster Grant - Public Assistance -Hurricane Ian Sanibel Deployment	97.036	FEMA-4673-DR	6,357	6,357
Disaster Grant - Public Assistance -Hurricane Ian Lee County	97.036	FEMA-4673-DR	437,530	437,530
Disaster Grant - Public Assistance -Hurricane Dorian	97.036	FEMA-4468-DR	34,685	34,685
Disaster Grant - Public Assistance -Surfside	97.036	FEMA-3560-EM-FL	15,349	15,349
Disaster Grant - Public Assistance -Florida COVID-19 Pandemic	97.036	FEMA-4486-DR	913,773	913,773
Total Program	97.036			1,663,171
<i>Pass-Through Florida Division of Emergency Management</i>				
Hazard Mitigation Grant	97.039	H0504	49,500	9,229
Total U.S. Department of Homeland Security				1,854,482
U.S. Department of Health and Human Service Program				
Indirect Awards:				
Aging Cluster:				
<i>Pass-Through the Areawide Council on Aging of Broward County</i>				
Special Program for the Aging				
Older Americans Act- IIIB - 2022	93.044	JA122-10-2022	329,464	61,521
Older Americans Act- IIIB - 2023	93.044	JA123-10-2023	329,464	184,020
Total Program	93.044			245,541
TOTAL Aging Cluster				245,541
<i>Pass-Through the Areawide Council on Aging of Broward County</i>				
National Family Caregiver Support				
Older Americans Act- IIIE - 2022	93.052	JA122-10-2022	88,728	22,668
Older Americans Act- IIIE - 2023	93.052	JA123-10-2023	88,728	73,342
Total Program	93.052			96,010
<i>Pass-Through the Areawide Council on Aging of Broward County</i>				
Low-Income Home Energy Assistance				
Low Income Home Energy Assistance	93.568	JP023-10-2023	24,537	6,329
Low Income Home Energy Assistance	93.568	JP023-10-2024	24,769	11,054
Low Income Home Energy Assistance -ARP	93.568	JPP22-10-2022	34,000	13,867
Total Program	93.568			31,250
CCDF Cluster				
<i>Pass-Through the Early Learning Coalition of Broward County</i>				
Child Care and Development Block Grant-COVID-19	93.575	2101FLCCCS	242,092	242,092
Child Care and Development Block Grant-COVID-19	93.575	N/A	252,272	252,272
Child Care and Development Block Grant-COVID-19	93.575	N/A	199,525	199,525
Child Care and Development Block Grant-COVID-19	93.575	N/A	38,313	38,313
Total Program	93.575			732,202
TOTAL CCDF Cluster				732,202
Total U.S. Department of Health and Human Services				1,105,003
U.S. Department of Transportation				
Indirect Awards:				
<i>Pass-Through University of South Florida</i>				
Highway Planning and Construction 2023	20.205	G2A92	2,269	2,231
TOTAL Highway Planning and Construction Cluster				2,231
Total U.S. Department of Transportation				2,231
U.S. Department of Treasury				
Direct Awards:				
Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A		11,366,276
Total U.S. Department of Treasury				11,366,276
TOTAL EXPENDITURES OF FEDERAL AWARDS				\$ 28,873,638

See Notes to the Schedule of Expenditures of Federal Awards, State Financial Assistance and Local Awards.

City of Pembroke Pines, Florida
Schedule of Expenditures of Federal Awards, State Financial Assistance and Local Awards
Fiscal Year Ended September 30, 2023
(Continued)

<u>State Agency/Pass-Through Grantor/Program Title</u>	<u>State CSFA Number</u>	<u>Grant or Identifying Number</u>	<u>Total Award</u>	<u>Expenditures</u>
Florida Department of Elder Affairs				
<i>Pass-Through Areawide Council on Aging of Broward County, Inc.</i>				
Local Services Program -2022	65.009	JL022-10-2023	\$ 231,155	\$ 162,190
Local Services Program -2023	65.009	JL023-10-2024	216,155	53,864
Total Florida Department of Elder Affairs				<u>216,054</u>
Florida Department of State and Secretary of State				
General Program Support Grant 22-23	45.061	23.c.ps.114.241	150,000	123,444
General Program Support Grant 23-24	45.061	24.c.ps.114.109	100,933	18,871
Total Florida Department of State and Secretary of State				<u>142,315</u>
Florida Housing Finance Agency				
State Housing Initiatives Partnership (S.H.I.P.) - F/Y17-18	40.901	N/A	726,367	81
State Housing Initiatives Partnership (S.H.I.P.) - F/Y18-19	40.901	N/A	213,839	1,056
State Housing Initiatives Partnership (S.H.I.P.) - F/Y19-20	40.901	N/A	281,517	94,458
State Housing Initiatives Partnership (S.H.I.P.) - F/Y20-21	40.901	N/A	1,157	1,157
State Housing Initiatives Partnership (S.H.I.P.) - F/Y21-22	40.901	N/A	1,154,225	553,575
State Housing Initiatives Partnership (S.H.I.P.) - F/Y22-23	40.901	N/A	1,636,232	137,208
State Housing Initiatives Partnership (S.H.I.P.) - F/Y23-24	40.901	N/A	1,965,381	75,800
Total Florida Housing Finance Agency				<u>863,335</u>
Florida Department of Education				
<i>Pass Through the School Board of Broward County</i>				
Safety and Security of School Buildings	N/A	060-93190-3D001		38,573
<i>Pass Through Florida State University</i>				
Safety and Security of School Buildings	N/A	371-93190-2D001		9,730
Safety and Security of School Buildings	N/A	371-93190-3D001		9,448
Total Florida Department of Education				<u>57,751</u>
Florida Executive Office of the Governor				
Disaster Grant - Public Assistance -Hurricane Mathew State Share	N/A	N/A	312	312
Disaster Grant - Public Assistance -Hurricane Dorian State Share	N/A	N/A	5,781	5,781
Disaster Grant - Public Assistance -Hurricane Irma State Share	N/A	N/A	7,268	7,268
Total Florida Executive Office of the Governor				<u>13,361</u>
TOTAL EXPENDITURES OF STATE PROJECTS				<u>\$ 1,292,816</u>

See Notes to the Schedule of Expenditures of Federal Awards, State Financial Assistance and Local Awards.

City of Pembroke Pines, Florida

Schedule of Expenditures of Federal Awards, State Financial Assistance and Local Awards
 Fiscal Year Ended September 30, 2023
 (Continued)

<u>Local Agency/Pass-Through Grantor/Program Title</u>	<u>Grant or Identifying Number</u>	<u>Total Award</u>	<u>Expenditures</u>
<u>Local Awards/Program Title</u>			
<i>Broward County Local Awards</i>			
Broward County Transit Grant	N/A	\$ 602,166	\$ 602,166
OAA Older American Act IIIB-Broward Cash Match - 2022	JA122-10-2022	43,867	8,400
OAA Older American Act IIIB-Broward Cash Match - 2023	JA123-10-2023	43,867	<u>25,373</u>
<i>Total Broward County Local Awards</i>			<u>635,939</u>
<i>Children's Services Council of Broward County</i>			
CSC Maximizing Out-of-School Time (MOST SN) 2023	22-4323	161,587	<u>122,593</u>
<i>Total Children's Services Council of Broward County</i>			<u>122,593</u>
<i>TOTAL EXPENDITURES OF LOCAL AWARDS</i>			<u>\$ 758,532</u>

See Notes to the Schedule of Expenditures of Federal Awards, State Financial Assistance and Local Awards.

City of Pembroke Pines, Florida

Notes to the Schedule of Expenditures of Federal Awards, State Financial Assistance and Local Awards For the Year Ended September 30, 2023

NOTE A. BASIS FOR PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards, State Financial Assistance, and Local Awards (the "Schedule") includes the federal, state, and local grant activity of the City of Pembroke Pines, Florida. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), Audits of States, Local Governments, and Nonprofit Organizations, and Chapter 10.550, *Rules of the Auditor General*. Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City. Therefore, some amounts presented in the Schedule may differ from amounts presented in or used in the preparation of the basic financial statements. No later than sixty days prior to the close of the current fiscal year, the City Manager submits to the City Commission a budget estimate of the expenditures and revenues of all City departments and divisions for the fiscal year commencing the following October 1.

NOTE B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

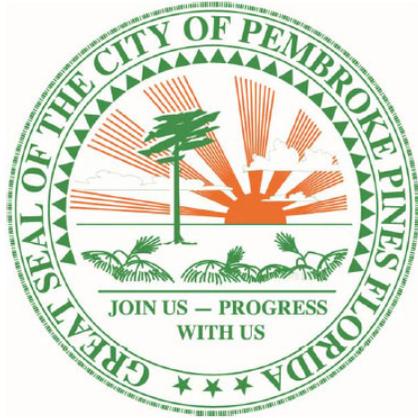
Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and the Florida Single Audit Act, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

NOTE C. INDIRECT COST RATE

For federal awards, the City has elected to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance for certain grants that allow the use of the 10% de minimis indirect cost rate.

NOTE D. CONTINGENCY

The federal, state, and local awards received are subject to audit and adjustment. If any expenditures are disallowed by grantor agency as result of such audit, any claim for reimbursement to the grantor agencies would become a liability of the City. In the opinion of management, all grant expenditures are in compliance with the terms of the grant agreements and applicable federal and state laws and regulations.



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

To the Honorable Mayor, City Commission, and City Manager
City of Pembroke Pines, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Pembroke Pines, 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 Pembroke Pines, Florida's basic financial statements, and have issued our report thereon dated May 23, 2024. Our report includes a reference to other auditors who audited the financial statements of the City's Pension Trust Funds for Firefighters and Police Officers, as described in our report on the City of Pembroke Pines, Florida's financial statements. This report does not include the result of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Pembroke Pines, 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 Pembroke Pines, Florida's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Pembroke Pines, 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 Pembroke Pines, 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 City of Pembroke Pines, Florida's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Pembroke Pines, Florida's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

GLSC & Company, PLLC

Miami, Florida
May 23, 2024



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND
CHAPTER 10.550, RULES OF THE FLORIDA AUDITOR GENERAL**

To the Honorable Mayor, City Commission, and City Manager
City of Pembroke Pines, Florida

Report on Compliance for Each Major Federal Program and Major State Projects

Opinion on Each Major Federal Program and Major State Projects

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

In our opinion, City of Pembroke Pines, 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 and major state projects for the year ended September 30, 2023.

Basis for Opinion on Each Major Federal Program and Major State Projects

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

We are required to be independent of City of Pembroke Pines, 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 and major state projects. Our audit does not provide a legal determination of City of Pembroke Pines, 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 City of Pembroke Pines, Florida's federal programs and state projects.

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 City of Pembroke Pines, 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*, the Uniform Guidance, and Chapter 10.550 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 City of Pembroke Pines, Florida's compliance with the requirements of each major federal program and major state project as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.550, 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 City of Pembroke Pines, 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 City of Pembroke Pines, 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 Pembroke Pines, 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 or state project on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program or state project will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program or state project 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 and Chapter 10.550, *Rules of the Florida Auditor General*. Accordingly, this report is not suitable for any other purpose.

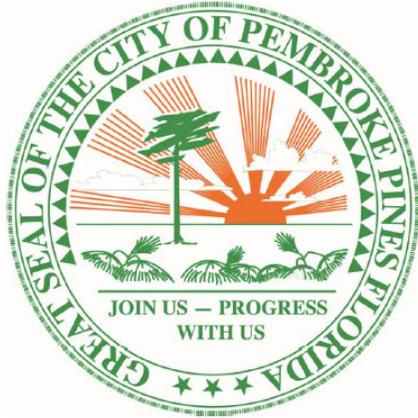
GLSC & Company, PLLC

Miami, Florida
May 23, 2024

GLSC & Company, PLLC.
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**CITY OF PEMBROKE PINES, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2023
(Continued)**

SECTION II – FINANCIAL STATEMENT FINDINGS

None.

SECTION III – FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None.

SECTION IV – SUMMARY OF PRIOR YEAR AUDIT FINDINGS

PRIOR YEAR FINANCIAL STATEMENT FINDING

None.

PRIOR YEAR FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None.



MANAGEMENT LETTER PURSUANT TO THE RULES OF THE AUDITOR GENERAL FOR THE STATE OF FLORIDA

To the Honorable Mayor, City Commission, and City Manager
City of Pembroke Pines, Florida

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Pembroke Pines, Florida (the "City"), as of and for the fiscal year ended September 30, 2023, which collectively comprise the City's basic financial statements and have issued our report thereon dated May 23, 2024. We did not audit the financial statements of the Pension Trust Fund for Firefighters and Police Officers, which represents 71 percent of the total net position, 67 percent of the total additions, and 64 percent of deductions of the fiduciary fund totals. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amount included for the Pension Trust Fund for Firefighters and Police Officers is based solely on the reports of the other auditors.

AUDITORS' RESPONSIBILITY

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

OTHER REPORTING REQUIREMENTS

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditors' Report on Compliance for Each Major Federal Program and Major 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 May 23, 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. The City of Pembroke Pines, Florida was incorporated in accordance with House Bill No. 1413 on June 20, 1960. There are no component units related to the City.

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 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 did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), *Rules of the Auditor General*, we applied financial condition assessment procedures for the City. It is management's responsibility to monitor the City's financial condition, and our financial condition assessment was based in part on representations made by management and review of financial information provided by same. This assessment was performed as of September 30, 2023.

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

ADDITIONAL MATTERS

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

PURPOSE OF THIS LETTER

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

GLSC & Company, PLLC

Miami, Florida
May 23, 2024



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

To Honorable Mayor, City Commission, and City Manager
City of Pembroke Pines, Florida

We have examined City of Pembroke Pines, Florida's (the "City") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2023. Management of the City is responsible for City's compliance with the specified requirements. Our responsibility is to express an opinion on City's compliance with the specified requirements based on our examination.

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

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement.

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

In our opinion, the City complied, in all material respects, with the requirement of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2023.

GLSC & Company, PLLC

Miami, Florida
May 23, 2024