

City of Lake Worth Beach, Florida



**ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2021**

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

Prepared by
City of Lake Worth Beach Finance Department



TABLE OF CONTENTS

INTRODUCTORY SECTION (UNAUDITED):

Letter of Transmittal	i-v
GFOA Certificate of Achievement	vi
List of Principal Officials	vii
Organizational Chart	viii

FINANCIAL SECTION:

Independent Auditor's Report	1-2
Management's Discussion and Analysis (Unaudited)	3-14
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Position	15-16
Statement of Activities	17
Fund Financial Statements:	
Balance Sheet – Governmental Funds	18
Reconciliation of the Balance Sheet of Governmental Funds to Net Position	19
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	20
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	21
Statement of Net Position – Proprietary Funds	22-24
Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds	25
Statement of Cash Flows – Proprietary Funds	26-27
Statement of Net Position – Fiduciary Funds	28
Statement of Changes in Net Position – Fiduciary Funds	29
Notes to Basic Financial Statements	30-73

Required Supplementary Information (Unaudited):

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund	74-75
Notes to the Required Supplementary Information	76
General Employees’ Retirement System – Schedule of Changes in Net Position Liability and Related Ratios	77
Police Officers’ Relief and Retirement System – Schedule of Changes in Net Pension Liability and Related Ratios	78
Firefighters’ Pension Trust – Schedule of Changes in Net Position Liability and Related Ratios	79
General Employees’ Retirement System – Schedule of Contributions	80
Police Officers’ Relief and Retirement System – Schedule of Contributions	81
Firefighters’ Pension Trust – Schedule of Contributions	82
Pension Trust Funds – Schedule of Investment Returns	83
Schedule of Changes in Total OPEB Liability and Related Ratios	84
Combining and Individual Fund Financial Statements and Schedules:	
Combining Balance Sheet – Nonmajor Governmental Funds	85
Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits) – Nonmajor Governmental Funds	86
Combining Balance Sheet – Nonmajor Special Revenue Funds	87
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds	88
Combining Balance Sheet – Nonmajor Capital Projects Funds	89
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Capital Projects Funds	90
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual:	
Beach Fund	91
Building Permit Fund	92
Golf Fund	93

Parking Improvement Fund	94
Code Remediation Fund	95
Grants Fund	96
Tree Beautification Fund	97
Utility Conservation Fund	98
Simpkin Trust Fund	99
Library Trust Fund	100
Neighborhood Road Program	101
Law Enforcement and Firefighters Education Fund	102
Law Enforcement Confiscated Property Fund	103
Government Obligation Bond 2018	104
Park of Commerce Fund	105
Discretionary Sales Tax Fund	106
Capital Projects Fund	107
Combining Statement of Net Position – Nonmajor Enterprise Funds	108
Combining Statement of Revenues, Expenses and Changes in Net Position – Nonmajor Enterprise Funds	109
Combining Statement of Cash Flows – Nonmajor Enterprise Funds	110-111
Combining Statement of Net Position – Internal Service Funds	112
Combining Statement of Revenues, Expenses and Changes in Net Position – Internal Service Funds	113
Combining Statement of Cash Flows – Internal Service Funds	114-115
Combining Statement of Net Position – Pension Trust Funds	116
Combining Statement of Changes in Net Position – Pension Trust Funds	117
Combining Balance Sheet – Discretely Presented Component Unit	118
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Discretely Presented Component Unit	119

STATISTICAL SECTION (UNAUDITED):

Table of Contents:

Net Position by Component	120-121
Changes in Net Position	122-125
Fund Balances of Governmental Funds	126-127
Changes in Fund Balances of Governmental Funds	128-129
Net Assessed Value and Estimated Actual Value of Taxable Property	130
Property Tax Rates – Direct and Overlapping Governments	131
Property Tax Levies and Collections	132
Principal Property Taxpayers	133
Special Assessment Collections	134
Ratio of Outstanding Debt by Type	135
Ratios of General Bonded Debt Outstanding	136
Computation of Legal Debt Limit	137
Direct and Overlapping Governmental Activities Debt	138
Pledged Revenue Coverage	139-141
Demographic and Economic Statistics	142
Principal Employers	143
Full-Time Equivalent City Government Employees by Function	144
Operating Indicators by Function/Program	145-146
Capital Asset Statistics by Function/Program	147



INTRODUCTORY SECTION



May 13, 2022

The Honorable Mayor,
Members of the City Commission and
Citizens of the City of Lake Worth Beach, Florida

We are pleased to submit the Annual Comprehensive Financial Report (ACFR) of the City of Lake Worth Beach, Florida (the "City"), for the fiscal year ended September 30, 2021. State law requires that all general-purpose local governments annually publish a complete set of financial statements within nine months of the close of each fiscal year. The financial statements are presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards and government auditing standards by an independent auditing firm. We believe that this report complies with these requirements and continues to present the City's strong tradition of full financial disclosure. This philosophy is reflected by the informative financial analysis provided by the City's Finance Department and statistical tables included herein.

The ACFR's role is to assist in making economic, social, and political decisions and to assist in assessing accountability to the citizenry by:

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

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

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

RSM US LLP, our independent auditors, has issued an unmodified opinion on the City of Lake Worth Beach's financial statements for the fiscal year ended September 30, 2021. The independent auditor's report is located at the front of the financial section of this report.

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

PROFILE

The City was incorporated as a municipality under the laws of the State of Florida in 1913. The City borders West Palm Beach on its northern boundary and the exclusive Town of Palm Beach to the northeast at the Intracoastal Waterway and the Atlantic Ocean. This location provides significant benefits in terms of the quality of life for its residents.

The City operates under a Commission-Manager form of government and provides general municipal services such as public safety, recreation, public works, and others as well as certain enterprise activities such as electric, water, sewer, stormwater, and waste removal service.

The City is primarily a residential community of approximately 7 square miles with a population of approximately 43,000. The median age has declined over the past two decades from 50 years to 37 years. Tourism, retail, and construction are the main industries supporting the local economy. The quarter-mile, municipally-owned beach complex features original 1920's architecture which has an ocean fishing pier, ocean front shops and restaurants, makes this area a popular attraction for residents and tourists alike.

Lake Worth Beach is a dynamic, multi-cultural city with a strong social and environmental consciousness. People are drawn to the City by its independent character, acceptance of different cultures and lifestyles, many historic structures, hip downtown, and distinctive residential neighborhoods. The City has a rich history and is protective of its historic architectural fabric. Over 1,000 historic buildings contribute to the human scale and charm of the downtown and residential areas.

The City is the geographic and artistic center of Palm Beach County. The downtown is considered the artistic soul of Lake Worth Beach with a historic theater and a museum, live music clubs, coffee houses, art galleries, antique malls, retail stores, and many restaurants.

REPORTING ENTITY

This report includes all of the funds of the City. In addition to general government activities, the Community Redevelopment Agency (CRA) is included as a discretely presented component unit.

ACCOUNTING AND INTERNAL CONTROL

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

BUDGETARY CONTROLS

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

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

LOCAL ECONOMY

The City obtains a significant portion of its General Fund annual financial resources from ad valorem property taxes. Lake Worth also operates electric, water and sewer utilities and solid waste collection and stormwater enterprises.

In 2007 the City reached its highest taxable value equaling \$2,957,971,000. However, as the result of the recession, in 2012 the City's assessable tax value decreased to \$1,047,017,000. Although values have increased since the recession, the City remains below the values realized in 2007. As of 2021, the City's taxable value equals \$2,337,696,000. When compared to values in adjacent City, there is investment potential.

Because of the City's demographics, attracting new business continues to be difficult. The City's poverty rate is approximately 24%. The City has adopted strategies to attract investment by removing disincentives to investment while also building stability through best practices and innovative approaches related to City rules and regulations. Additionally, because tax values remain low, the City's tax revenues are insufficient to materially expand City services.

As of the City's fiscal year end, September 30, 2021, the city's unemployment rate decreased to 4.8% from 7.2% mainly due to the COVID-19 impact during fiscal year 2020. This is slightly higher than the State of Florida's rate of 3.6% and the national rate of 3.9%. The City of Lake Worth Beach's primary employing industries are service occupations, office workers, management, professional and government.

Property taxes have increased over the prior year due to an increase in the assessed value of residential property. Property tax revenues in 2021 provided resources of approximately \$11.6 million or 30% of the General Fund budgeted expenditures of approximately \$38.6 million.

The City's future financial challenges come primarily in the area of constrained property taxes, funding pension obligations and health insurance. However, the City has negotiated a Cash Option Plan, reducing future pension obligations, and is evaluating other potential mitigation strategies with the health insurance.

The City's utility operations have made significant progress in addressing the challenges regarding reliability, maintaining competitive billing rates, and meeting capital infrastructure and maintenance needs. While these infrastructure "hardening" programs are developed, broader decisions regarding planning, testing, and monitoring the City's electrical transmission grid and groundwater inflow to the wastewater system are being refined.

LONG RANGE FINANCIAL PLANNING

Management constantly examines the strategic goals and objectives of the City of Lake Worth Beach and implements policies that will assist in taking advantage of the opportunities. The City utilizes long term financial planning to identify future financial challenges and opportunities through financial forecasting and analysis, then, devises strategies based on the information to achieve financial sustainability.

In prior years, the City did not have the tools to track and project revenues, expenditures, and utility rates for electric, water, sewer, and stormwater beyond a five-year period. To overcome this challenge, the City has processed all of the major funds through an integrated financial system using multiple real time scenarios to model the best mix of working capital, appropriate levels of capital projects, adequate fund reserves, more accurate utility rates for residents and cash flow levels over a ten-year projection period. This integrated financial modelling provides both short-term and long-term information to aid in a better decision-making process.

The City's electric utility provides electricity to its customers using a variety of electric production resources. Among them are the City's entitlements in various Florida Municipal Power Agency (FMPA) projects, the City's own solar farm build atop a closed City landfill, the City's power plant, and a contract with Orlando Utilities Commission for supplemental energy and capacity effective 1/1/2019 with a term of up to seven years. City's entitlements and/or contracts with FMPA include participation in the St. Lucie Project, Stanton I and II Projects, and two FMPA Municipal Solar Projects. Participation in the St. Lucie and Stanton Projects date to the 1980s. Purchase agreements for solar energy from the FMPA Municipal Solar Projects were executed in 2019, have a term of 20 years and are expected to begin delivering energy to the City in 2023. Combined with the announced retirement of the Stanton 1 unit which is fueled by a combination of coal and natural gas, the City's electric utility projects that it will achieve the status of having greater than 50% of its energy supply sourced from carbon-free resources and one of the lowest carbon footprints in the state of Florida by 2025.

The City's electric utility is currently undertaking upgrades of its electric transmission and distribution systems under its System Hardening and Reliability Improvement Program (SHRIP). The program includes a continuation of its efforts to upgrade components of its transmission system to include a second interconnection to Florida Power & Light's electric transmission system, conversions of 4 kV electric distribution systems to 26 kV, replacing aged components with newer versions designed to withstand Category 5 storm wind loads, adding new technology to more rapidly identify outages and restore service, adding field switching and sectionalizing capability to isolate areas of outages and minimize the number of customers impacted by outages, etc.

The City also conducts a cost-of-service study of the electric utility, as well as cash flow modeling as a part of the annual budgeting process, that will help ensure that the financial stability of the City's electric utility operations is maintained.

The City's other enterprise utilities which include water, sewer and stormwater activities are also being analyzed for additional infrastructure improvements including groundwater infiltration and treatment in the wastewater system.

In the coming fiscal years, the City plans to utilize funds available through the American Rescue Plan Act (ARPA). The ARPA provides funding to states and local governments and \$19.3 million is allocated to the City of Lake Worth Beach. Eligible uses of funds include response to the public health emergency or its negative economic impacts, response to workers performing essential work during the pandemic by providing premium pay to eligible workers, the provision of government services to the extent of the reduction in revenue due to the pandemic, and to make necessary investments in water, sewer, or broadband infrastructure.

RELEVANT FINANCIAL POLICIES

The City operates under a set of Comprehensive Financial Policies that provide a framework for all financial and budgetary decisions and transactions. The City has implemented all Governmental Accounting Board Standards that are applicable as of the end of the current fiscal year.

MAJOR INITIATIVES

The City of Lake Worth Beach placed major emphasis on creating the conditions for private investment in the municipality. The City's Comprehensive Plan has been updated. Significant infrastructure investments in the Lake Worth Park of Commerce are underway and the Neighborhood Road Improvement program is ahead of schedule. Additionally, the Water Utilities Department commenced the final phase of its major upgrades throughout the City in the replacement of pipes and fire hydrants. As the City invests in itself, developers and residents are also investing. The City's electric utility is continuing to upgrades of its' electric transmission and distribution systems under its System Hardening and Reliability Improvement Program (SHRIP).

Comprehensive Plan

The City of Lake Worth Beach received an official Notice of In Compliance regarding the City's Evaluation Appraisal Report (EAR) based on amendments to its Comprehensive Plan and Future Land Use Map. The Florida Department of Economic Opportunity (DEO) issued the compliance letter on May 31, 2019, with an effective date of June 1, 2019. Following eighteen (18) months of effort, the City now has a completely re-vamped and progressive road map for its future development. The Comprehensive Plan provides clear, concise, and consistent goals and objectives to guide the City's activities across all departments. City staff has already seen an uptick in interest in investment in the City as a result of adopted changes.

Lake Worth Park of Commerce

After 2 years of coordination, physical infrastructure upgrades in the Lake Worth Park of Commerce commenced in February 2018. Upgrades include water, drainage, sewer, electric, roadways, and sidewalks. By leveraging grant dollars awarded from the U.S. Economic Development Administration (\$1.4 million) with Capital Improvement Program monies from various departments, the City is able to maximize existing allocated dollars. The award is tied to the creation of 300 jobs within the Park. Additionally, the City has received a legislative appropriation from the State of Florida for \$1.5 million for FY 19/20 and an award of \$3 million in Local Agency Program funding from the Florida Department of Transportation in December 2019. It is important to note that the majority of ad valorem taxes generated from Park of Commerce are not subject to Save Our Homes legislation.

Neighborhood Road Program

In November 2016, Lake Worth residents authorized the City to issue general obligation bonds to improve local roadways in an amount not to exceed \$40 million. Every neighborhood road was analyzed/ranked on a Pavement Condition Index and a four-year action plan was developed. All roads in Program Year 1, Year 2 and Year 3 were completed as of December 2020. The final Year 4 projects have been completed with the exception of 1 project currently under contract in the Lake Osborn area of District 1. For a City of less than seven square miles, a \$40 million investment in roads represents a major commitment to itself.

Working Capital and Capital Project Funding

The City of Lake Worth Beach issued two bonds in late summer and early fall of 2020; an Ad Valorem Bond providing \$10,458,000 in project proceeds and a Combined Utility Bond providing \$51,959,240 in project proceeds. These two-bond series provided combined funding for City capital projects totaling \$62,417,240.

In addition to providing funding for capital projects, the City took advantage of the historically low interest rate environment by paying off, or refunding, two Bank of America bank notes totaling \$49,413,803 as part of the City's Combined Utility Bond. As part of paying off these bank notes, the City also extended the repayment term, thereby reducing the annual debt service associated with these borrowing and as a consequence, providing increased budgetary and rate flexibility for the City's utilities.

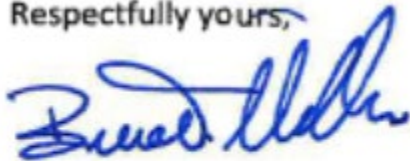
Another significant objective realized with the Ad Valorem borrowing is that the City was able to increase working capital and fund balances in the amount of \$16,135,803. This was accomplished by reimbursing itself for capital projects otherwise paid from reserves. This step increased working capital and fund balance thereby providing the City additional financial flexibility while managing the negative impacts of COVID-19.

AWARDS AND ACKNOWLEDGMENTS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Lake Worth Beach for its annual comprehensive financial report (ACFR) for the fiscal year ended September 30, 2019. The GFOA is currently reviewing the City's ACFR for the fiscal year ending September 30, 2020. A Certificate of Achievement in Financial Reporting is valid for a period of one year only. We believe that the City's ACFR for fiscal year 2020 and 2021 will meet the program's requirements.

The preparation of this report could not have been accomplished without the efforts of the entire Finance Department. I express my appreciation to all members of the department who assisted and contributed to its preparation. Credit must also be given to the City Commission and City Management for their commitment and support to improving the City's financial operations.

Respectfully yours,



Bruce Miller
Finance Director





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Lake Worth Beach
Florida**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

September 30, 2019

Christopher P. Morill

Executive Director/CEO

City of Lake Worth Beach, Florida

**List of Principal Officers
For the Fiscal Year Ended September 30, 2021**

City Commission

The City Commission is comprised of five members who serve overlapping two-year terms and are elected on a nonpartisan basis by residents of the City. The Mayor is elected at-large to serve a two-year term as the presiding officer at City Commission meetings and as the official head of the City of Lake Worth Beach for legislative and ceremonial purposes. The City Commission is responsible for passing ordinances and other policy directives necessary for the operation of the City.

<u>OFFICE HELD</u>	<u>NAME OF OFFICIAL</u>
Mayor	Betty Resch
Vice Mayor/Commissioner - District 3	Kim Stokes
Commissioner – District 1	Sarah Malega
Commissioner – District 2	Christopher McVoy
Commissioner – District 4	Reinaldo Diaz

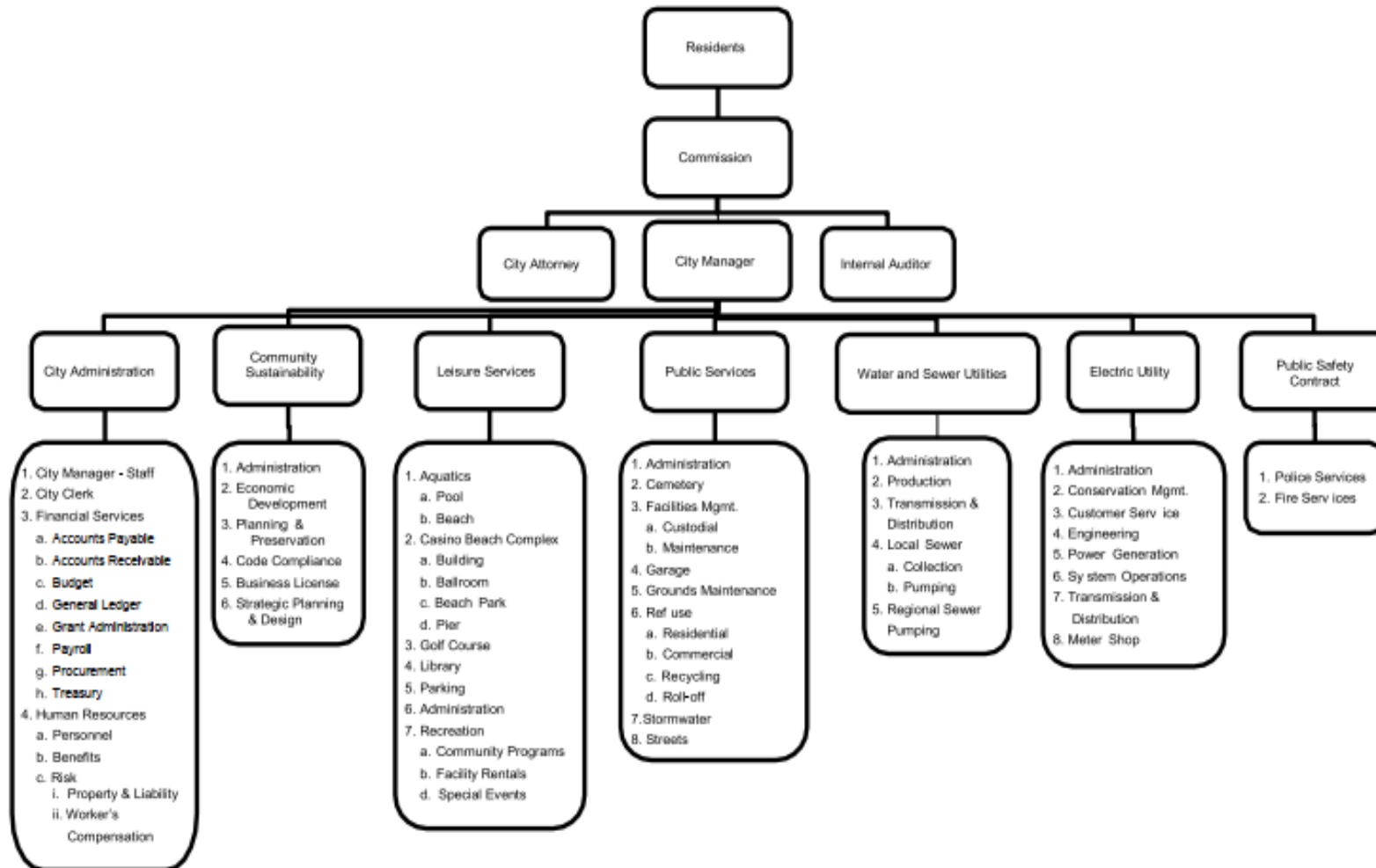
Management Team:

City Manager	Carmen Y. Davis
Assistant City Manager	Juan Ruiz
City Attorney	Christy L. Goddeau
City Clerk	Melissa Coyne
Community Sustainability Director	William Waters
Financial Services Director	Bruce Miller
Information Technology Director	Nelly Peralta
Human Resources Director	Loren Slaydon
Public Services Director	Jamie Brown
Water & Sewer Utility Director	Brian Shields
Electric Utility Director	Edward Liberty
Internal Auditor	William Brown
Leisure Services Director	Lauren Bennett

Community Redevelopment Agency: Executive Director	Joan Oliva
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City of Lake Worth Beach, Florida

Organizational Chart
For the Fiscal Year Ended September 30, 2021



FINANCIAL SECTION

Independent Auditor's Report

RSM US LLP

The Honorable Mayor and Members of the City Commission
City of Lake Worth Beach, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Lake Worth Beach, Florida (the City) as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Pension Trust Funds for the General Employees' Retirement System, Police Officers' Relief and Retirement System and the Firefighters' Pension Trust, which together represent 73%, 79% and 50% of the assets, net position/fund balance and additions/revenues, respectively of the aggregate remaining fund information.

The statements for the entities in the listing above were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as they relate to the amounts included for the entities listed above, are based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Lake Worth Beach, Florida as of September 30, 2021, 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.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining and individual fund financial statements and schedules, the introductory section and the statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the report of the other auditors, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated May 13, 2022 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering City's internal control over financial reporting and compliance.

RSM US LLP

Fort Lauderdale, Florida
May 13, 2022



**City of Lake Worth Beach, Florida
Management's Discussion and Analysis (Unaudited)**

For the Fiscal Year Ended September 30, 2021

As management of the City of Lake Worth Beach (the "City"), we offer readers of these financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2021. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i-v of this report.

The information contained within this Management's Discussion and Analysis (MD&A) is only a component of the entire financial statement report. Readers should take time to read and evaluate all sections of the report, including the Notes to Financial Statements and the Required Supplementary Information that is provided in addition to this MD&A.

Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by approximately \$191,100,000 (net position).
- The City's total net position increased by approximately 14,300,000 or 8% in comparison to the prior year. The increase was a result of an increase in governmental activities and business-type activities of approximately \$8,370,000 and \$5,970,000, respectively. The City's net position increase as a result of this year's operations.
- At the end of the current fiscal year, fund balance for the General Fund was approximately \$11,693,000 or 30.3% of total General Fund expenditures. Of this balance, approximately \$1,626,000 has been restricted to the City's future capital projects, \$9,000 has been assigned to fund future capital projects, \$1,000 is classified as nonspendable and \$10,056,000 is classified as unassigned.
- The City's business-type activities reported total net position of approximately \$159,700,000, which is a \$6.0 million or 4% increase in comparison to the prior year net position. Approximately \$50,970,000 or 32% is unrestricted and may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total debt, before premiums, increased by approximately \$37.9 million or 29.7%. This increase was due to the issuance of a \$88.9 million Consolidated utility revenue bonds, Series 2020 off by the repayment of prior year's utility bond and note payable totaling approximately \$49 million and related current year principal.

Overview of the Financial Statements

This financial section of the annual comprehensive financial report consists of the following: independent auditor's report, management's discussion, and analysis (this section), the basic financial statements, required supplementary information and a section that presents combining and individual fund statements and schedules. The basic financial statements include the following two kinds of statements that present different views of the City:

**City of Lake Worth Beach, Florida
Management's Discussion and Analysis (Unaudited)**

For the Fiscal Year Ended September 30, 2021

Government-Wide Financial Statements

The government-wide financial statements of the City provide a broad overview of the City's finances and report information about the City using accounting methods similar to those used by private sector companies.

The Statement of Net Position includes all of the City's assets, deferred outflows, liabilities, and deferred inflows and provides information about the nature and amounts of investments in resources (assets) and the obligations to City creditors (liabilities). The assets, deferred outflows, liabilities, and deferred inflows are presented in a classified format, which distinguishes between current and long-term assets and liabilities. Net position, the difference between assets and deferred outflows; and liabilities and deferred inflows, provide the basis for computing rate of return, evaluating the capital structure of the City and assessing the liquidity and financial flexibility of the City. 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 measures the success of the City's operations over the past year and can be used to determine whether the City has successfully recovered all of its costs through its services provided, as well as its profitability and credit worthiness. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods.

The government-wide statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). Governmental activities include general government, public safety, physical environment, transportation, culture, and recreation. Business-type activities include water and electric utilities, local and regional sewer, stormwater utility, refuse collection and disposal systems.

Fund Financial Statements

Governmental Funds – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, these funds 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. As a result of this difference in focus, a reconciliation is provided between the fund and government-wide statements in order to better understand the long-term impact of short-term financing decisions.

The City maintains individual governmental funds. Information is presented separately for the General Fund, the American Rescue Plan Act Fund, and the Neighborhood Road Program Fund, as these are considered to be major funds. Data for the other governmental funds are aggregated into a single presentation. Individual fund data for these other nonmajor funds is provided in the form of combining statements.

Proprietary Funds – The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for the operation of providing water service, electric utility service, local and regional sewer service, stormwater utility, refuse collection and disposal. The City uses internal service funds to account for the financing of insurance, garage, information technology services and employee benefits provided to other funds of the City on a cost-reimbursement basis. Because these services primarily support business-type rather than governmental, they have been included within business-type activities in the government-wide statements.

**City of Lake Worth Beach, Florida
Management's Discussion and Analysis (Unaudited)**

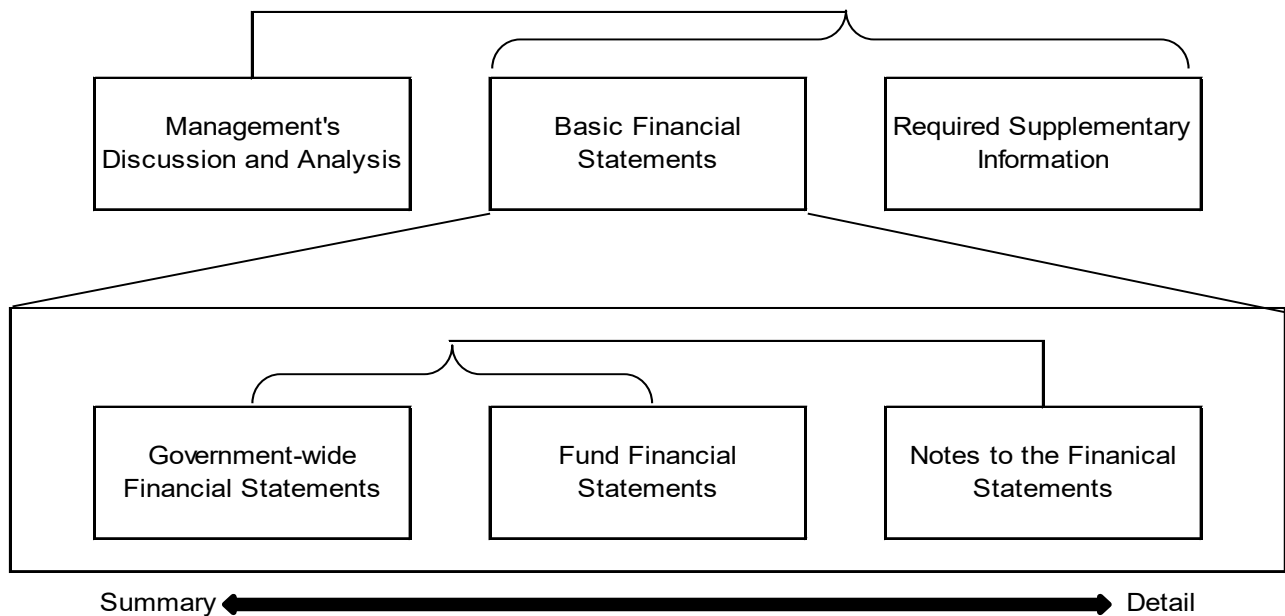
For the Fiscal Year Ended September 30, 2021

Proprietary funds provide the same type of information as the government-wide business-type statements, only in more detail. The water, electric and local and regional sewer funds are major funds and are presented separately. Data for the other enterprise funds are aggregated into a single presentation. Separate information is provided for each of the City's nonmajor enterprise funds in combining schedules.

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

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that explains and supports the information in the financial statements. The required supplementary section presents certain information concerning the City's progress in funding its obligation to provide pension benefits and other post-employment benefits to its employees. The figure below shows how the required parts of this annual report are arranged and relate to one another.

**Required Components of the
City's Annual Comprehensive Financial Report**



Government-Wide Financial Analysis

Our analysis of the government-wide financial statements of the City begins on the next page. One of the most important questions asked about the City's finances is, "Is the City as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the City's activities in a way that will help answer this question. These two statements report the net position of the City and changes in them. You can think of the City's net position – the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources, – as one way to measure the financial health or financial position. Over time, increases or

**City of Lake Worth Beach, Florida
Management's Discussion and Analysis (Unaudited)**

For the Fiscal Year Ended September 30, 2021

decreases in the City's net position is one indicator of whether its financial health is improving or deteriorating. However, you will need to consider other non-financial factors such as changes in economic conditions, regulations and new or changed government legislation.

There are six basic transactions that will affect the comparability of the Statement of Net Position summary presentation as reflected below:

1. **Net results of activities** could impact (increase/decrease) current assets and unrestricted net position.
2. **Borrowing for capital** will increase noncurrent assets and long-term debt.
3. **Spending borrowed proceeds on new capital assets** will reduce noncurrent assets and increase capital assets.
4. **Spending of nonborrowed current assets on new capital assets** will reduce current assets and increase capital assets and will reduce unrestricted net position and increase net investment in capital assets.
5. **Principal payment on debt** will reduce current assets and reduce long-term debt and reduce unrestricted net position and increase net investment in capital assets.
6. **Reduction of capital assets through depreciation** will reduce capital assets and net investment in capital assets.

Summary Statement of Net Position

The following schedule presents a Summary Statement of Net Position of the City as of September 30, 2021, and 2020:

**Summary Statement of Net Position
September 30, 2021 and 2020**

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Current and other assets	\$ 51,957,302	\$ 49,186,504	\$ 157,483,359	\$ 112,989,519	\$ 209,440,661	\$ 162,176,023
Capital assets	87,314,357	84,258,118	174,957,698	166,887,386	262,272,055	251,145,504
Total assets	139,271,659	133,444,622	332,441,057	279,876,905	471,712,716	413,321,527
Deferred outflows of resources	9,713,344	9,379,402	3,925,210	4,899,476	13,638,554	14,278,878
Long-term liabilities outstanding	101,388,165	107,107,541	161,393,757	107,983,233	262,781,922	215,090,774
Other liabilities	13,470,120	12,279,265	13,702,705	22,394,408	27,172,825	34,673,673
Total liabilities	114,858,285	119,386,806	175,096,462	130,377,641	289,954,747	249,764,447
Deferred inflows of resources	2,766,766	447,600	1,527,924	626,838	4,294,690	1,074,438
Net position:						
Net investment in capital assets	38,748,868	38,366,100	100,838,508	95,049,432	139,587,376	133,415,532
Restricted	20,955,066	12,750,283	7,932,254	8,670,291	28,887,320	21,420,574
Unrestricted (deficit)	(28,343,982)	(28,126,765)	50,971,119	50,052,179	22,627,137	21,925,414
Total net position	\$ 31,359,952	\$ 22,989,618	\$ 159,741,881	\$ 153,771,902	\$ 191,101,833	\$ 176,761,520

**City of Lake Worth Beach, Florida
Management's Discussion and Analysis (Unaudited)**

For the Fiscal Year Ended September 30, 2021

The overall position of the City increased in fiscal year 2021. Assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$191.1 million. The total net position of the City increased by \$14.3 million or approximately 8% from \$176.8 million in 2020 to \$191.1 million in 2021.

The increase of \$47.3 million in the City's current and other assets is due primarily to an increase in cash and investments of approximately \$44.6 million. The increase in cash and investments is due primarily to unspent proceeds from \$88.9 million Consolidated utility revenue bonds, series 2020 issued in November 2020 combined with \$9.6 million received from the American Rescue Plan in August that has not been spent at year end.

The increase in long-term liabilities of approximately \$47.7 million is due to an increase in bonds and state revolving loans. The increase in bonds is due primarily to the issuance of \$88.9 million Consolidated utility revenue bonds, Series 2020 offset by current year principal payments for the applicable debt and refunding of the then outstanding utility bonds, Series 2013 and Siemen's project note payable in the amount of approximately \$29 million and \$20 million, respectively. The increase in state revolving loans is primarily due to new water distribution projects of approximately \$3 million funded by the Drinking Water State Revolving Fund Loan Program.

The increase in deferred inflows of resources is due primarily to an increase in the net difference between projected and actual earnings on pension investments.

The largest portion of the City's net position, \$140.0 million or 73% reflects its investment in capital assets (for example: land, land improvements, buildings and structures, infrastructure, machinery, and equipment, vehicles, and construction in progress) less any related debt used to acquire these assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Restricted net position in the amount of \$28.9 million or 15% is reported separately to show legal constraints from covenants and enabling legislation. Restricted net position increased by \$7.5 million primarily due to an increase of approximately \$5.5 million in the renewal and replacement of fund required by the Consolidated utility revenues bonds, Series 2020

Summary of Changes in Net Position

The following information is presented to assist the reader in understanding the different types of normal impacts that can affect revenue:

Economic condition can reflect a declining, stable, or growing environment and has an impact on property, non-ad valorem assessments, sales, or other tax revenue as well as consumer spending habits for building permits, user fees, and consumption.

The City Commission has the authority to set increases or decreases in the City's rates such as electric, water, sewer, permitting, impact fees, user fees and certain taxes.

Changing patterns in intergovernmental and grant revenue (both recurring and nonrecurring) can change and impact the annual comparisons.

**City of Lake Worth Beach, Florida
Management's Discussion and Analysis (Unaudited)**

For the Fiscal Year Ended September 30, 2021

Market impacts on investment income may cause investment revenue to fluctuate from year to year.

Introduction of new programs can have an impact on property, non-ad valorem assessments, sales, or other tax revenue as well as consumer spending habits for building permits, user fees, and consumption.

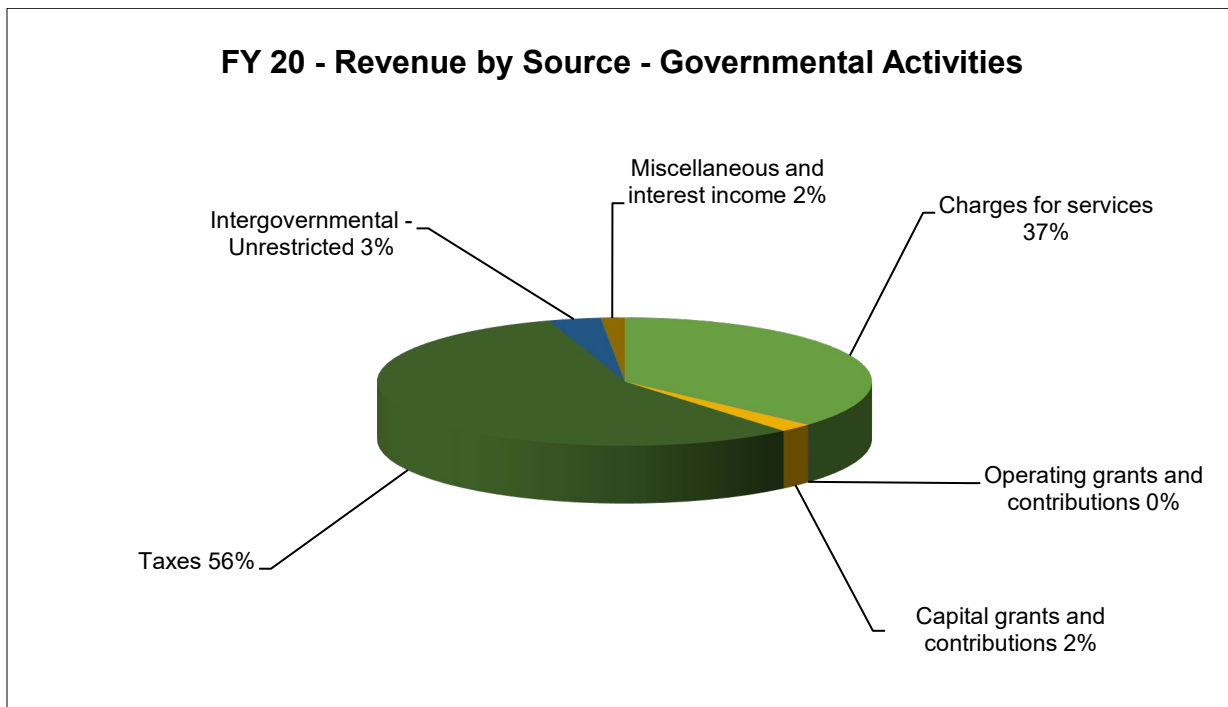
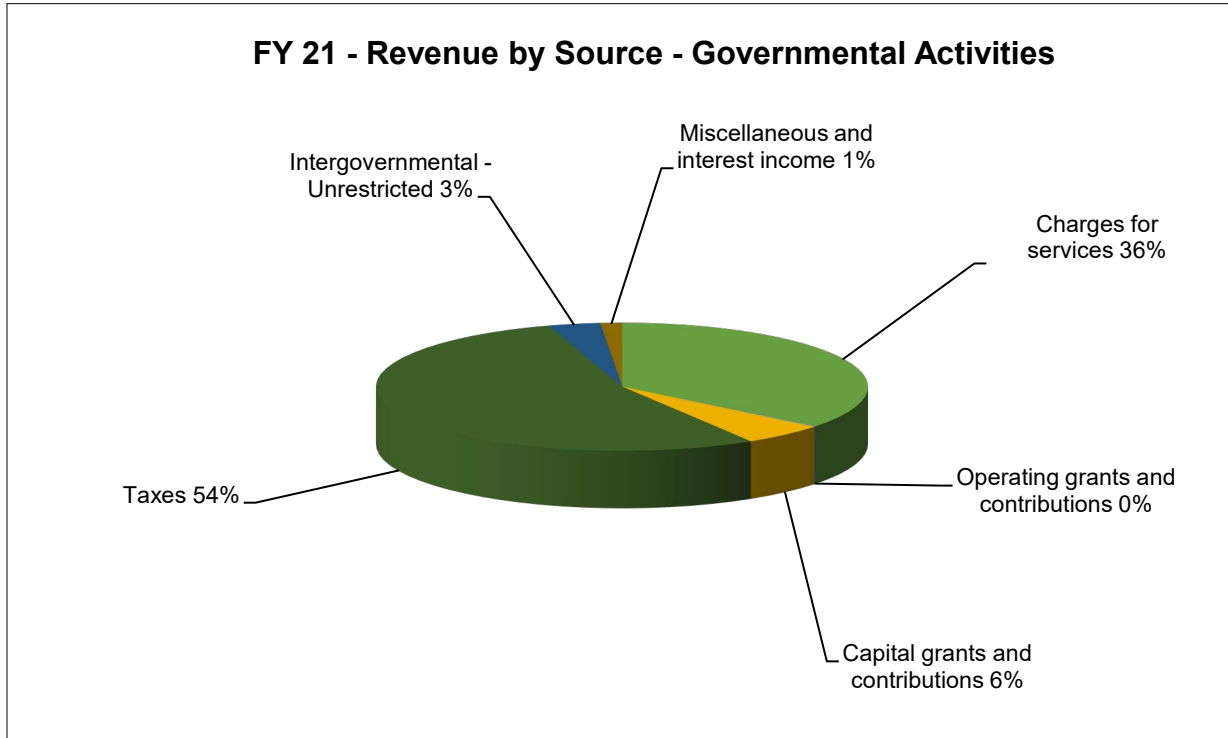
The following schedule presents a summary of the City's operations for fiscal year 2021, with comparative information for fiscal year 2020:

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenue:						
Program revenue:						
Charges for services	\$ 18,277,113	\$ 16,392,064	\$ 101,293,354	\$ 96,153,533	\$ 119,570,467	\$ 112,545,597
Operating grants and contributions	68,415	48,206	-	-	68,415	48,206
Capital grants and contributions	2,823,576	982,181	832,469	1,196,278	3,656,045	2,178,459
General Revenues:						
Taxes	27,665,281	25,101,361	-	-	27,665,281	25,101,361
Intergovernmental – unrestricted	1,764,666	1,534,497	-	-	1,764,666	1,534,497
Investment income	28,179	485,389	11,746	505,611	39,925	991,000
Miscellaneous	701,974	218,393	1,027,152	410,438	1,729,126	628,831
Total revenues	51,329,204	44,762,091	103,164,721	98,265,860	154,493,925	143,027,951
Expenses:						
General government	4,227,216	4,402,551	-	-	4,227,216	4,402,551
Public safety	21,210,213	22,422,289	-	-	21,210,213	22,422,289
Physical environment	2,391,933	3,282,429	-	-	2,391,933	3,282,429
Transportation	5,489,348	5,372,627	-	-	5,489,348	5,372,627
Culture and recreation	7,836,192	6,491,360	-	-	7,836,192	6,491,360
Interest and fiscal charges	1,803,968	1,450,715	-	-	1,803,968	1,450,715
Electric utility	-	-	54,964,184	52,993,465	54,964,184	52,993,465
Water utility	-	-	15,987,210	15,805,291	15,987,210	15,805,291
Local sewer	-	-	9,902,290	10,047,624	9,902,290	10,047,624
Regional sewer	-	-	8,651,434	7,963,192	8,651,434	7,963,192
Stormwater utility	-	-	1,722,339	1,838,722	1,722,339	1,838,722
Refuse collection and disposal	-	-	5,967,285	6,579,918	5,967,285	6,579,918
Total expenses	42,958,870	43,421,971	97,194,742	95,228,212	140,153,612	138,650,183
Increase (decrease) in net position before transfers	8,370,334	1,340,120	5,969,979	3,037,648	14,340,313	4,377,768
Transfers	-	352,000	-	(352,000)	-	-
Change in net position	8,370,334	1,692,120	5,969,979	2,685,648	14,340,313	4,377,768
Net position, beginning	22,989,618	21,611,225	153,771,902	150,819,112	176,761,520	172,430,337
Restatement - Increase (decrease)	-	(313,727)	-	267,142	-	(46,585)
Net position, beginning (as restated)	22,989,618	21,297,498	153,771,902	151,086,254	176,761,520	172,383,752
Net position, ending	\$ 31,359,952	\$ 22,989,618	\$ 159,741,881	\$ 153,771,902	\$ 191,101,833	\$ 176,761,520

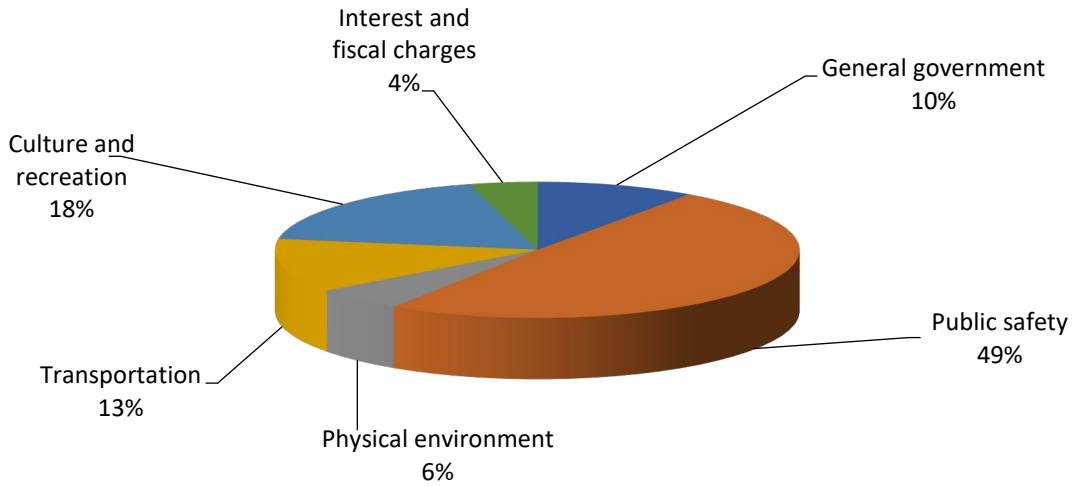
City of Lake Worth Beach, Florida
Management's Discussion and Analysis (Unaudited)

For the Fiscal Year Ended September 30, 2021

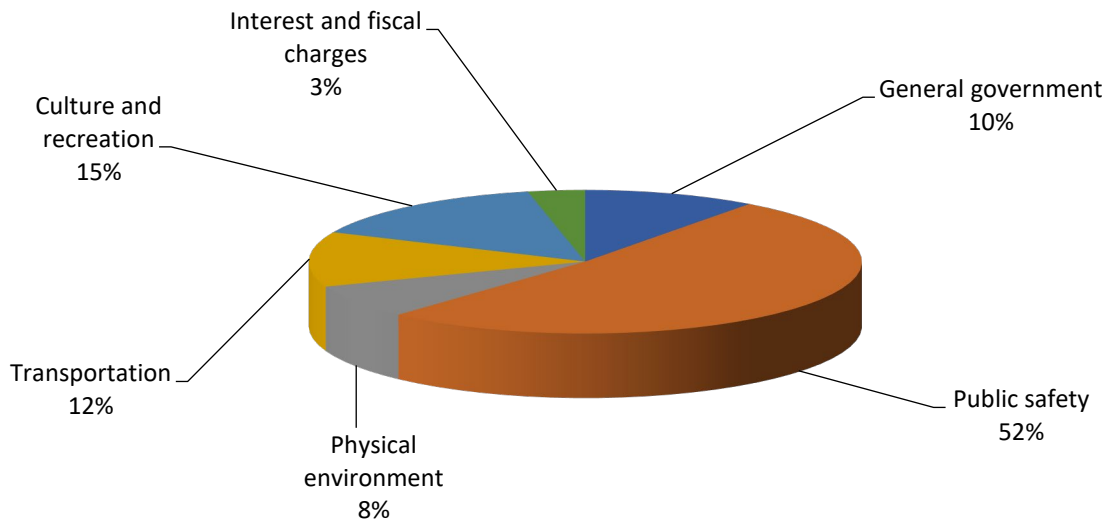
Summary Statement of Changes in Net Position



FY 21 Expenses by Program - Governmental Activities



FY 20 Expenses by Program - Governmental Activities



**City of Lake Worth Beach, Florida
Management's Discussion and Analysis (Unaudited)**

For the Fiscal Year Ended September 30, 2021

The City's governmental activities net position increased from \$23.0 million in 2020 to \$31.4 million in 2021. Total revenues from governmental activities increased by \$6.6 million from fiscal year 2020. The increase is due primarily to a \$1.2 million or 9.0% increase in property tax revenues which is from a 7.4% increase in the City's total taxable assessed value, a \$1.9 million increase in charges for services and a \$2.6 million increase in capital grants and contributions. Charges for services increased primarily due to an estimated \$1.0 million increase in indirect charge backs from the enterprise funds and a \$0.8 million increase in parking meters revenues from services that were canceled in fiscal year 2020 due to the COVID-19 pandemic and resumed in fiscal year 2021. Capital grants and contributions increased primarily due to federal awards reimbursements from the U.S. Economic Development Administration and State of Florida Department of Transportation for the infrastructure updates in the Lake Worth Park of Commerce. Expenses during fiscal year 2021 remained consistent to fiscal year 2020 with a decrease \$0.5 million or 1.1%.

The City's business-type activities net position increased from \$153.8 million in fiscal year 2020 to \$159.7 million in fiscal year 2021. The \$6.0 million increase is primarily due to an increase from current year operations in the Electric Fund, the Regional Sewer Fund and the Refuse Collection and Disposal Fund in the amount of \$3.2 million, \$1.2 million and \$1.1 million, respectively. Current year operations increased primarily due an estimated \$3.0 million reduction of net pension liability and a year-end accrual adjustment of approximately \$2.8 million for unbilled receivables.

Financial Analysis of the City's Funds

Governmental Funds

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

At September 30, 2021, the City's governmental funds reported combined fund balances of approximately \$43.5 million, an increase of approximately \$2.4 million in comparison to the prior year. Approximately 59% or \$25.6 million is restricted. The remainder of the fund balance is either non-spendable, committed, assigned or unassigned.

General Fund – The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance in the General Fund was approximately \$10.1 million compared to approximately \$11.9 million in 2020. The unassigned fund balance represents approximately 86.0% of the overall fund balance at September 30, 2021. The General Fund recognized approximately \$39.4 million of revenue during the year, offset by approximately \$38.6 million of expenditures. Property taxes increased to approximately \$11.6 million from approximately \$10.6 million in the prior year, which along with utility taxes, charges for services and intergovernmental revenues, are the largest sources of revenue. Public safety expenditures increased by approximately \$1.0 million to approximately \$22.9 million, still representing the largest portion (59.3%) of expenditures. Both the Police and Fire Rescue services are contracted out to the Palm Beach County Sheriff's Office and the Palm Beach Fire Rescue District, respectively. These expenditures are driven by the interlocal agreements with each governmental entity and associated pension costs for former police and fire employees.

American Rescue Plan Act Fund –The American Rescue Plan Act (ARPA) Fund is used to account for funds received from the federal government to facilitate the recovery from the economic impact and health effects of the COVID-19 pandemic. In fiscal year 2021, the City received 50% of its ARPA allocation or \$9.6 million currently classified as unearned revenues until spent on eligible expenditures.

**City of Lake Worth Beach, Florida
Management's Discussion and Analysis (Unaudited)**

For the Fiscal Year Ended September 30, 2021

Neighborhood Road Improvement Fund – The Neighborhood Road Improvement Fund is used to account for all of the cost involved in operating the Neighborhood Road program. The program is the City's largest capital improvement project to date and will dramatically improve transportation throughout the City's residential areas. It is being funded through a general obligation bond not to exceed \$40 million. In 2018, the City issued General Obligation Bond Series 2018 in the amount of \$17,295,000. This was the second and final tranche of the \$40 million bond authorization. The program spent \$3.5 million in fiscal year 2021.

Proprietary Funds

The City's Proprietary Funds include the City's Enterprise Funds – Electric, Water, Local Sewer, Regional Sewer, Stormwater Utility and the Refuse Collection and Disposal Fund. An Enterprise Fund is used to account for activities for which a fee is charged to external users for goods and services. These funds provide the same type of information found in the government-wide financial statements, but in more detail.

- Unrestricted net position of the Electric Fund, Water Fund, Local Sewer Fund, Regional Sewer Fund, Stormwater Utility Fund and the Refuse Collection and Disposal Fund at the end of the current fiscal year totaled approximately (\$1,306,000), \$3,857,000, \$1,465,000, \$31,405,000, \$2,845,000 and \$6,049,000, respectively.
- The operating income for the Electric Fund, Water Fund, Local Sewer Fund, Regional Sewer Fund, Stormwater Utility Fund and the Refuse Collection and Disposal Fund at the end of the current fiscal year totaled approximately \$5,429,000, \$1,578,000, \$160,000, \$881,000, \$292,000 and \$1,0210,000, respectively.
- The operating income for enterprise funds is primarily due to an estimated \$3.0 million reduction of net pension liability which decreased operating expenses and a year-end accrual adjustment of approximately \$2.8 million for unbilled receivables which increased operating revenues.

General Fund Budgetary Highlights

The General Fund required some interdepartmental changes to the original budget. The difference between the adopted budget and the final budget for the General Fund was not significant and in keeping with the financial strategy adopted in the City's Business Plan for the 2021 fiscal year. General Fund revenue was greater than budgeted and expenditures were greater than budgeted. This year's operations resulted in a \$0.2 million decrease to fund balance after all financial policies had been implemented.

General Fund revenue was more than budgeted by approximately \$1.3 million or 3.3%. This variance is due primarily to a favorable variance in taxes revenue, general government revenue, intergovernmental revenue, and miscellaneous revenue of approximately \$0.5 million, \$0.3 million, \$0.4 million and \$0.7 million, respectively.

General Fund expenditures were more than budgeted by approximately \$0.6 million or 1.6% due primarily to \$0.7 million in debt service.

**City of Lake Worth Beach, Florida
Management's Discussion and Analysis (Unaudited)**

For the Fiscal Year Ended September 30, 2021

Capital Assets and Debt Administration

Capital Assets

As of September 30, 2021, the City's investment in capital assets for its governmental and business-type activities amounts to approximately \$262.3 million invested in a variety of capital assets, which represents a net increase (additions, deductions and depreciation) of approximately \$11.1 million or 4.4%. Construction-in-progress increased approximately \$10.5 million to a total of approximately \$36.6 million. The increase in capital assets is mainly attributable to various infrastructure projects throughout the City. The following schedule summarizes the City's capital assets as of September 30, 2021:

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land	\$ 8,753,243	\$ 8,753,243	\$ 2,572,138	\$ 2,572,138	\$ 11,325,381	\$ 11,325,381
Construction in progress	6,284,526	210,443	30,327,212	25,940,576	36,611,738	26,151,019
Land improvements	7,024,436	7,024,436	468,972	468,972	7,493,408	7,493,408
Buildings and structures	52,366,229	52,366,229	99,193,485	99,193,485	151,559,714	151,559,714
Infrastructure	91,038,068	89,744,726	183,548,667	172,334,453	274,586,735	262,079,179
Machinery and equipment	4,854,934	4,693,267	34,092,711	33,847,168	38,947,645	38,540,435
Vehicles	1,345,164	1,406,817	12,836,139	13,674,339	14,181,303	15,081,156
Total capital assets	171,666,600	164,199,161	363,039,324	348,031,131	534,705,924	512,230,292
Accumulated depreciation	84,352,243	79,941,043	188,081,626	181,143,745	272,433,869	261,084,788
Net capital assets	\$ 87,314,357	\$ 84,258,118	\$ 174,957,698	\$ 166,887,386	\$ 262,272,055	\$ 251,145,504

Major capital assets expenditures during the current fiscal year include the following:

- District 1, 2, 3 and 4 Roadway Projects – \$4,387,000
- Park of Commerce Phase 1B and 2 – \$3,676,000
- Street Resurfacing – \$672,000
- Neighborhood Road Program – \$3,524,000
- System Hardening and Reliability Improvement Program (SHRIP) – \$6,531,000
- 2-inch Watermain Project – \$1,175,000
- Lake Osborne Watermain – \$986,000
- Lift stations – \$809,000

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

Debt Administration

As of September 30, 2021, the City had debt outstanding of approximately \$181.2 million. Of this amount, approximately \$51.2 million and \$99.4 million are secured by specific governmental fund and enterprise fund revenue sources, respectively. The debt position of the City is summarized below and is explained further in Note 8 Long-Term Debt.

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Notes payable	\$ -	\$ 843,864	\$ -	\$ 18,705,463	\$ -	\$ 19,549,327
Revenue bonds	51,181,367	51,206,367	99,378,633	44,203,633	150,560,000	95,410,000
State revolving fund loans	-	-	14,926,319	12,601,124	14,926,319	12,601,124
	51,181,367	52,050,231	114,304,952	75,510,220	165,486,319	127,560,451
Bond premium	1,872,621	1,830,051	13,869,974	741,790	15,742,595	15,700,025
Total	\$ 53,053,988	\$ 53,880,282	\$ 128,174,926	\$ 76,252,010	\$ 181,228,914	\$ 143,260,476

**City of Lake Worth Beach, Florida
Management's Discussion and Analysis (Unaudited)**

For the Fiscal Year Ended September 30, 2021

The City's long-term debt increased by approximately \$51.1 million or 39.2% primarily due to the net effect of increased borrowings from \$88.9 million Consolidated utility revenue bonds, series 2020 issued in November 2020, offset by current year principal payments for the applicable debt and refunding of the then outstanding utility bonds, Series 2013 and Siemen's project note payable in the amount of approximately \$29 million and \$20 million, respectively.

Economic Factors and Next Year's Budget

The City considered the following economic factors in developing its 2021-2022 fiscal year budget:

- The State of Florida, by constitution, does not have a state personal income tax and, therefore, the State operates primarily using sales, gasoline, and corporate income taxes. Local governments (cities, counties, and school boards) primarily rely on property taxes supplemented by a limited array of other permitted taxes (sales, gasoline, and utilities) and fees (franchise and occupational license) for their governmental activities. During the past year these revenues increased and for fiscal year 2022, they are estimated to continue this trend.
- The General Fund budget for 2022 of approximately \$40.3 million is approximately \$2.1 million more than the fiscal year 2021 budget. The adopted budget reflected a level service budget with excess revenues strengthening fund balance and working capital.
- The fiscal year 2022 budget maintains and improves service levels wherever possible, with the restraint of gradual increases in revenues. The City of Lake Worth Beach, Florida continues to look for efficiencies and improved productivity in the reorganization of its departments and infrastructure planning of capital assets.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the City of Lake Worth Beach, Finance Department, 7 North Dixie Highway, Lake Worth, FL 33460.

City of Lake Worth Beach, Florida



City of Lake Worth Beach, Florida

Statement of Net Position
September 30, 2021

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	
Assets				
Cash and cash equivalents	\$ 28,889,293	\$ 13,271,193	\$ 42,160,486	\$ 2,464,679
Investments	18,508,020	27,688,947	46,196,967	1,180,373
Accounts receivable, net	2,183,405	14,434,557	16,617,962	829
Accrued interest receivable	4,060	4,858	8,918	-
Due from other governments	-	1,492,552	1,492,552	-
Internal balances	(2,450,578)	2,450,579	1	-
Inventories	11,298	6,525,123	6,536,421	-
Land held for resale	111,589	-	111,589	10,047,519
Prepaid items	25,405	-	25,405	14,330
Restricted assets:				
Cash and cash equivalents	4,674,810	55,534,390	60,209,200	-
Investments	-	5,487,875	5,487,875	-
Deposits	-	1,316,174	1,316,174	-
Investment in joint venture	-	29,277,111	29,277,111	-
Capital assets:				
Nondepreciable	15,037,769	32,899,350	47,937,119	2,624,317
Depreciable, net	72,276,588	142,058,348	214,334,936	5,416,276
Total assets	139,271,659	332,441,057	471,712,716	21,748,323
Deferred outflows of resources:				
Deferred outflows relating to pensions	9,560,115	3,719,751	13,279,866	-
Deferred outflows relating to OPEB	153,229	205,459	358,688	-
Total deferred outflows of resources	9,713,344	3,925,210	13,638,554	-
Liabilities				
Accounts and contracts payable	\$ 643,403	\$ 3,509,533	\$ 4,152,936	\$ 22,273
Accrued liabilities	382,043	7,995,468	8,377,511	28,027
Accrued interest payable	337,334	61,386	398,720	-
Unearned revenue	10,619,726	-	10,619,726	94,400
Liabilities payable from restricted assets	-	893,623	893,623	-
Due within one year:				
Notes payable	-	680,191	680,191	478,872
Bonds payable	1,426,296	523,705	1,950,001	-
Compensated absences	61,318	38,799	100,117	-
Due in more than a year:				
Notes payable	-	14,246,129	14,246,129	2,784,378
Bonds payable	51,627,692	112,724,901	164,352,593	-
Compensated absences	799,886	717,660	1,517,546	-
Insurance claims payable	-	3,507,918	3,507,918	-
Total OPEB liability	781,560	1,121,631	1,903,191	-
Deposits payable	-	6,973,799	6,973,799	-
Net pension liability	48,179,027	22,101,719	70,280,746	-
Total liabilities	114,858,285	175,096,462	289,954,747	3,407,950

See notes to financial statements.

City of Lake Worth Beach, Florida

Statement of Net Position (Continued)
September 30, 2020

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	
Deferred inflows of resources:				
Deferred inflows relating to pensions	2,711,839	1,131,441	3,843,280	-
Deferred inflows relating to OPEB	54,927	73,650	128,577	-
Deferred charge on refunding	-	322,833	322,833	-
Total deferred inflow of resources	2,766,766	1,527,924	4,294,690	-
Net position:				
Net investment in capital assets	38,748,868	100,838,508	139,587,376	4,777,343
Restricted for:				
Debt service	165,278	1,133,381	1,298,659	-
Working capital	-	1,316,174	1,316,174	-
Renewal and replacement	-	5,482,699	5,482,699	-
Grants	393,731	-	393,731	-
Capital projects	10,435,148	-	10,435,148	-
Public safety	9,331,147	-	9,331,147	-
Community redevelopment	-	-	-	13,563,030
Parking improvements	69,336	-	69,336	-
Tree preservation	19,606	-	19,606	-
Energy conservation	178,123	-	178,123	-
Culture and recreation	362,697	-	362,697	-
Unrestricted (deficit)	(28,343,982)	50,971,119	22,627,137	-
Total net position	\$ 31,359,952	\$ 159,741,881	\$ 191,101,833	\$ 18,340,373

See notes to financial statements.

City of Lake Worth Beach, Florida

Statement of Activities
For the Fiscal Year Ended September 30, 2021

	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component Unit
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-Type Activities	Total	
Primary government:								
Governmental activities:								
General government	\$ 4,227,216	\$ 11,317,341	\$ -	\$ 2,679,433	\$ 9,769,558	\$ -	\$ 9,769,558	\$ -
Public safety	21,210,213	1,806,106	59,548	-	(19,344,559)	-	(19,344,559)	-
Physical environment	2,391,933	26,725	-	-	(2,365,208)	-	(2,365,208)	-
Transportation	5,489,348	2,721,033	-	-	(2,768,315)	-	(2,768,315)	-
Culture and recreation	7,836,192	2,405,908	8,867	144,143	(5,277,274)	-	(5,277,274)	-
Interest and fiscal charges	1,803,968	-	-	-	(1,803,968)	-	(1,803,968)	-
Total governmental activities	42,958,870	18,277,113	68,415	2,823,576	(21,789,766)	-	(21,789,766)	-
Business-type activities:								
Electric	54,964,184	57,265,178	-	-	-	2,300,994	2,300,994	-
Water	15,987,210	15,612,994	-	302,373	-	(71,843)	(71,843)	-
Local sewer	9,902,290	9,991,750	-	167,095	-	256,555	256,555	-
Regional sewer	8,651,434	9,532,063	-	363,001	-	1,243,630	1,243,630	-
Stormwater utility	1,722,339	1,936,696	-	-	-	214,357	214,357	-
Refuse collection and disposal	5,967,285	6,954,673	-	-	-	987,388	987,388	-
Total business-type activities	97,194,742	101,293,354	-	832,469	-	4,931,081	4,931,081	-
Total primary government	\$ 140,153,612	\$ 119,570,467	\$ 68,415	\$ 3,656,045	(21,789,766)	4,931,081	(16,858,685)	-
Component unit:								
Lake Worth CRA	\$ 2,563,550	\$ -	\$ -	\$ -				(2,563,550)
General revenue:								
Taxes:								
Property and other taxes					14,234,595	-	14,234,595	3,814,619
Franchise fees based on gross receipts					156,700	-	156,700	-
Utility services taxes					5,802,645	-	5,802,645	-
Gas taxes					891,977	-	891,977	-
State and other shared revenues					6,579,364	-	6,579,364	-
Intergovernmental – unrestricted					1,764,666	-	1,764,666	-
Investment income – unrestricted					28,179	11,746	39,925	1,131
Miscellaneous					701,974	1,027,152	1,729,126	77,694
Total general revenues					30,160,100	1,038,898	31,198,998	3,893,444
Change in net position					8,370,334	5,969,979	14,340,313	1,329,894
Net Position beginning of year					22,989,618	153,771,902	176,761,520	17,010,479
Net Position end of year					\$ 31,359,952	\$ 159,741,881	\$ 191,101,833	\$ 18,340,373

See notes to financial statements.

City of Lake Worth Beach, Florida

Balance Sheet – Governmental Funds
September 30, 2021

	General	American Rescue Plan Act Fund	Neighborhood Road Program Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets					
Cash and cash equivalents	\$ 5,893,804	\$ 9,647,944	\$ 438,807	\$ 12,908,738	\$ 28,889,293
Investments	3,271,593	-	-	15,236,427	18,508,020
Accounts receivable, net	1,417,851	-	-	765,554	2,183,405
Accrued interest receivable	-	-	-	4,060	4,060
Inventories	-	-	-	11,298	11,298
Land held for resale	-	-	-	111,589	111,589
Prepaid items	1,116	-	-	24,289	25,405
Due from other funds	827,875	-	-	-	827,875
Restricted cash:					
Cash and cash equivalents	1,626,000	-	2,623,810	425,000	4,674,810
Total assets	\$ 13,038,239	\$ 9,647,944	\$ 3,062,617	\$ 29,486,955	\$ 55,235,755
Liabilities					
Accounts and contracts payable	\$ 153,677	\$ -	\$ 93,271	\$ 396,455	\$ 643,403
Accrued liabilities	280,230	-	-	101,813	382,043
Due to other funds	590	-	-	116,985	117,575
Unearned revenue	911,031	9,647,944	-	60,751	10,619,726
Total liabilities	1,345,528	9,647,944	93,271	676,004	11,762,747
Fund balances:					
Nonspendable:					
Prepaid items	1,116	-	-	24,289	25,405
Inventories	-	-	-	11,298	11,298
Land held for resale	-	-	-	111,589	111,589
Restricted for:					
Debt service	-	-	-	165,278	165,278
Public safety	-	-	-	9,331,147	9,331,147
Grants	-	-	-	393,731	393,731
Capital projects	1,626,000	-	2,969,346	10,514,612	15,109,958
Parking improvements	-	-	-	69,336	69,336
Tree preservation	-	-	-	19,606	19,606
Energy conservation	-	-	-	178,123	178,123
Culture and recreation	-	-	-	362,697	362,697
Assigned to:					
Capital projects	-	-	-	7,629,245	7,629,245
Housing initiative	9,267	-	-	-	9,267
Unassigned (deficit)	10,056,328	-	-	-	10,056,328
Total fund balances	11,692,711	-	2,969,346	28,810,951	43,473,008
Total liabilities and fund balances	\$ 13,038,239	\$ 9,647,944	\$ 3,062,617	\$ 29,486,955	\$ 55,235,755

See notes to financial statements.

City of Lake Worth Beach, Florida

**Reconciliation of the Balance Sheet of Governmental Funds
to Statement of Net Position
September 30, 2021**

Total fund balance – governmental funds		\$ 43,473,008	
Amounts reported for governmental activities in the statement of net position are different because:			
Capital assets used in governmental activities, net of depreciation, are not financial resources and, therefore, are not reported in the fund.			87,314,357
Accrued interest payable not reported in the governmental funds.			(337,334)
Long-term liabilities are not due and payable in the current period and, therefore are not reported in the government funds. These liabilities are comprised of the following:			
Revenue bonds payable, including premiums	\$ (53,053,988)		
Net pension liability	(48,179,027)		
Total OPEB liability	(781,560)		
Compensated absences	(861,204)		
		<u>(102,875,779)</u>	
Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings and contributions subsequent to the measurement date for the postretirement benefits (pension and OPEB) are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position.			
Deferred outflows relating to pensions	9,560,115		
Deferred inflows relating to pensions	(2,711,839)		
Deferred outflows relating to OPEB	153,229		
Deferred inflows relating to OPEB	(54,927)		
		<u>6,946,578</u>	
Internal service funds are used by management to charge the costs risk management, IT services, City garage operations and employee benefits to individual funds. The assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the internal service funds are included in business-type activities in the statement of net position.			
	4,329,710		
Less due to business-type activities for “Look Back” allocation	(7,490,588)		
		<u>(3,160,878)</u>	
Net position of governmental activities		<u><u>\$ 31,359,952</u></u>	

See notes to financial statements.

City of Lake Worth Beach, Florida

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended September 30, 2021

	General	American Rescue Plan Act Fund	Neighborhood Road Program Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:					
Property taxes	\$ 11,598,587	\$ -	\$ -	\$ 2,334,299	\$ 13,932,886
Utility and other taxes	5,409,650	-	-	532,181	5,941,831
Licenses and permits	1,072,155	-	-	1,555,716	2,627,871
Fines and forfeitures	513,888	-	-	984,744	1,498,632
Charges for services	14,488,565	-	-	4,989,477	19,478,042
Intergovernmental	5,532,535	-	-	6,047,708	11,580,243
Investment income	9,085	-	12,034	2,425	23,544
Rents and royalties	19,598	-	-	-	19,598
Miscellaneous	727,419	-	-	427,479	1,154,898
Total revenues	39,371,482	-	12,034	16,874,029	56,257,545
Expenditures:					
Current:					
General government	8,458,854	-	-	87,896	8,546,750
Public safety	22,899,156	-	-	1,516,025	24,415,181
Physical environment	2,211,880	-	-	-	2,211,880
Transportation	1,407,093	-	-	772,376	2,179,469
Culture and recreation	2,455,557	-	-	3,967,678	6,423,235
Capital outlay	79,784	-	3,523,937	3,925,371	7,529,092
Debt service:					
Principal	863,864	-	-	765,000	1,628,864
Interest	264,276	-	-	1,559,497	1,823,773
Total expenditures	38,640,464	-	3,523,937	12,593,843	54,758,244
Excess (deficiency) of revenues over expenditures	731,018	-	(3,511,903)	4,280,186	1,499,301
Other financing sources (uses):					
Proceeds from debt issuance	760,000	-	-	-	760,000
Proceeds from bond premiums	125,699	-	-	-	125,699
Transfers in	-	-	-	2,120,000	2,120,000
Transfers out	(1,840,000)	-	-	(280,000)	(2,120,000)
Total other financing sources (uses)	(954,301)	-	-	1,840,000	885,699
Net change in fund balances	(223,283)	-	(3,511,903)	6,120,186	2,385,000
Fund balances – beginning of year	11,915,994	-	6,481,249	22,690,765	41,088,008
Fund balances, end of year	\$ 11,692,711	\$ -	\$ 2,969,346	\$ 28,810,951	\$ 43,473,008

See notes to financial statements.

City of Lake Worth Beach, Florida

**Reconciliation of the Statement of Revenues, Expenditures and Changes
In Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended September 30, 2021**

Net change in fund balances, total governmental funds	\$	2,385,000
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeded capital outlay in the current period:		
Capital outlay	\$ 7,529,092	
Depreciation expense	<u>(4,472,853)</u>	3,056,239
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 the governmental funds:		
Change in accrued interest payable	19,805	
Principal payment on notes payable	843,864	
Principal payment revenue bonds	785,000	
Amortization of bond premium	83,129	
Change in compensated absences	8,971	
Change in net total OPEB liability	321,754	
Change in net pension liability	<u>3,929,235</u>	5,991,758
Issuance of debt		
Bonds payable	(760,000)	
Bond premium	(125,699)	(885,699)
Certain changes in the statement activities related to pension assets and liabilities are not reported in the net change in the governmental funds:		
Change in deferred outflows relating to pensions	411,096	
Change in deferred inflows relating to pensions	(2,264,239)	
Change in deferred outflows relating to OPEB	(77,155)	
Change in deferred inflows relating to OPEB	<u>(54,927)</u>	(1,985,225)
Internal service funds are used by management to change the cost of certain activities, such as insurance, to individual funds. The net revenue (expense) of internal service funds are reported with governmental activities:		
Internal service fund change in net position	(257,314)	
Current year "Look Back" allocation to Enterprise Funds	<u>65,575</u>	(191,739)
Change in net position of governmental activities		<u><u>\$ 8,370,334</u></u>

See notes to financial statements.

City of Lake Worth Beach, Florida

Statement of Net Position – Proprietary Funds
September 30, 2021

	Business-Type Activities – Enterprise Funds						
	Major				Nonmajor	Total	Internal
	Electric	Water	Local Sewer	Regional Sewer	Enterprise Funds	Enterprise Funds	Service Funds
Assets							
Current assets:							
Cash and cash equivalents	\$ 5,366,192	\$ 2,254,756	\$ 876,725	\$ 1,638,855	\$ 1,953,374	\$ 12,089,902	\$ 1,181,291
Investments	530,899	5,213,623	1,108,896	812,536	10,722,983	18,388,937	9,300,010
Accounts receivable, net	10,036,535	2,124,804	1,321,222	525,377	496,861	14,504,799	1,422,310
Accrued interest receivable	-	1,975	159	1,148	80	3,362	1,496
Inventories	6,286,066	212,190	-	-	-	6,498,256	26,867
Total current assets	\$ 22,219,692	\$ 9,807,348	\$ 3,307,002	\$ 2,977,916	\$ 13,173,298	\$ 51,485,256	\$ 11,931,974
Noncurrent assets:							
Restricted assets:							
Cash and cash equivalents	\$ 41,465,669	\$ 6,573,433	\$ 2,723,217	\$ 25,071	\$ 2,897,000	\$ 53,684,390	\$ 1,850,000
Investments	-	3,688,010	501,538	1,298,327	-	5,487,875	-
Deposits	1,316,174	-	-	-	-	1,316,174	-
Investment in joint venture	-	-	-	29,277,111	-	29,277,111	-
Capital assets:							
Land	1,527,194	307,148	5,750	-	732,046	2,572,138	-
Construction in progress	21,888,796	4,569,004	896,685	728,972	2,096,810	30,180,267	146,945
Land improvements	216,163	-	6,570	4,602	241,637	468,972	-
Buildings and structures	40,597,626	52,448,604	5,829,936	20,325	296,994	99,193,485	-
Infrastructure	51,361,976	68,461,842	30,519,569	26,344,841	6,860,440	183,548,668	-
Machinery and equipment	25,398,055	4,816,545	906,995	293,898	681,292	32,096,785	1,995,926
Vehicles	2,729,962	477,531	1,535,209	77,418	4,123,504	8,943,624	3,892,515
Accumulated depreciation	(87,335,298)	(43,352,006)	(25,675,968)	(20,168,929)	(6,346,387)	(182,878,588)	(5,203,039)
Total noncurrent assets	99,166,317	97,990,111	17,249,501	37,901,636	11,583,336	263,890,901	2,682,347
Total assets	\$ 121,386,009	\$ 107,797,459	\$ 20,556,503	\$ 40,879,552	\$ 24,756,634	\$ 315,376,157	\$ 14,614,321

(Continued)

City of Lake Worth Beach, Florida

Statement of Net Position – Proprietary Funds (Continued)
September 30, 2021

	Business-Type Activities – Enterprise Funds							Internal Service Funds
	Major				Nonmajor Enterprise Funds	Total Enterprise Funds		
	Electric	Water	Local Sewer	Regional Sewer				
Deferred outflows of resources:								
Deferred outflows relating to pensions	\$ 2,079,942	\$ 649,292	\$ 315,843	\$ 66,814	\$ 607,860	\$ 3,719,751	\$ -	
Deferred outflows relating to OPEB	108,585	39,506	12,426	913	44,030	205,460	-	
Total deferred outflows of resources	\$ 2,188,527	\$ 688,798	\$ 328,269	\$ 67,727	\$ 651,890	\$ 3,925,211	\$ -	
Liabilities:								
Current liabilities:								
Accounts and contracts payable	\$ 2,102,617	\$ 696,749	\$ 88,151	\$ 50,287	\$ 308,741	\$ 3,246,545	\$ 262,398	
Accrued liabilities	3,266,793	135,354	213,325	415,461	70,275	4,101,208	3,894,260	
Accrued interest payable	-	61,386	-	-	-	61,386	-	
Due to other funds	-	-	-	-	-	-	710,890	
Compensated absences	15,408	6,855	4,990	-	8,307	35,560	3,239	
Notes payable	-	680,191	-	-	-	680,191	-	
Revenue bonds payable	43,571	153,577	67,939	-	176,468	441,555	82,150	
Payable from restricted assets:								
Accounts and contracts payable	587,255	186,049	9,332	27,237	83,750	893,623	-	
Total current liabilities	6,015,644	1,920,161	383,737	492,985	647,541	9,460,068	4,952,937	
Noncurrent liabilities:								
Insurance claims payable	-	-	-	-	-	-	3,507,918	
Compensated absences	402,151	119,624	48,088	-	91,891	661,754	55,906	
Total OPEB liability	587,120	216,592	72,541	6,519	238,859	1,121,631	-	
Notes payable	-	14,246,129	-	-	-	14,246,129	-	
Revenue bonds payable	73,084,070	30,584,843	3,031,618	-	4,256,520	110,957,051	1,767,850	
Net pension liability	12,799,025	3,419,426	1,586,686	452,900	3,843,682	22,101,719	-	
Payable from restricted assets:								
Deposits payable	5,612,606	1,361,193	-	-	-	6,973,799	-	
Total noncurrent liabilities	92,484,972	49,947,807	4,738,933	459,419	8,430,952	156,062,083	5,331,674	
Total liabilities	\$ 98,500,616	\$ 51,867,968	\$ 5,122,670	\$ 952,404	\$ 9,078,493	\$ 165,522,151	\$ 10,284,611	

(Continued)

City of Lake Worth Beach, Florida

Statement of Net Position – Proprietary Funds (Continued)
September 30, 2021

	Business-Type Activities – Enterprise Funds							Internal Service Funds
	Major				Nonmajor	Total Enterprise Funds		
	Electric	Water	Local Sewer	Regional Sewer	Enterprise Funds			
Deferred inflows of resources:								
Deferred inflows relating to pensions	\$ 717,091	\$ 143,001	\$ 70,318	\$ 22,058	\$ 178,973	\$ 1,131,441	\$ -	
Deferred inflows relating to OPEB	35,897	14,657	6,971	1,149	14,976	73,650	-	
Deferred charge on refunding	161,417	161,416	-	-	-	322,833	-	
Total deferred inflows of resources	914,405	319,074	77,289	23,207	193,949	1,527,924	-	
Net position:								
Net investment in capital assets	24,106,221	47,920,376	13,639,075	7,273,890	7,066,599	100,006,161	832,347	
Restricted for:								
Debt service	43,571	833,768	79,574	-	176,468	1,133,381	-	
Working capital	1,316,174	-	-	-	-	1,316,174	-	
Renewal and replacement	-	3,688,010	501,538	1,293,151	-	5,482,699	-	
Unrestricted (deficit)	(1,306,451)	3,857,061	1,464,626	31,404,627	8,893,015	44,312,878	3,497,363	
Total net position	\$ 24,159,515	\$ 56,299,215	\$ 15,684,813	\$ 39,971,668	\$ 16,136,082	152,251,293	\$ 4,329,710	

Explanation of difference between proprietary funds statement of net position
and the government-wide statement of net position:

Total net position	\$ 152,251,293
Adjustment to report the cumulative internal balance for the net effect of the activity between the internal service funds and the enterprise funds over time	<u>7,490,588</u>
Net position – business-type activities	<u><u>\$ 159,741,881</u></u>

See notes to financial statements.

City of Lake Worth Beach, Florida

Statement of Revenues, Expenses and Changes in Net Position – Proprietary Funds
For the Fiscal Year Ended September 30, 2021

	Business-Type Activities – Enterprise Funds						
	Major			Regional Sewer	Nonmajor	Total Enterprise Funds	Internal Service Funds
	Electric	Water	Local Sewer		Enterprise Funds		
Operating revenues:							
Charges for services	\$ 57,265,178	\$ 15,612,994	\$ 9,991,750	\$ 9,532,063	\$ 8,891,369	\$ 101,293,354	\$ 15,619,966
Total operating revenues	57,265,178	15,612,994	9,991,750	9,532,063	8,891,369	101,293,354	15,619,966
Operating expenses:							
Cost of services	42,123,599	7,651,825	7,295,809	7,320,911	5,543,843	69,935,987	15,678,465
General and administrative	7,848,305	3,105,214	1,808,649	897,565	1,164,659	14,824,392	-
Depreciation	1,864,562	3,276,390	727,677	432,883	880,217	7,181,729	609,996
Total operating expenses	51,836,466	14,033,429	9,832,135	8,651,359	7,588,719	91,942,108	16,288,461
Operating income (loss)	5,428,712	1,579,565	159,615	880,704	1,302,650	9,351,246	(668,495)
Non-operating revenues (expenses):							
Investment income	3,996	922	332	1,487	5,009	11,746	1,184
Interest and fiscal charges	(3,098,315)	(1,952,150)	(54,234)	-	(82,360)	(5,187,059)	(49,588)
Other	825,300	51,800	38,670	-	111,382	1,027,152	226,257
Total non-operating revenues (expenses)	(2,269,019)	(1,899,428)	(15,232)	1,487	34,031	(4,148,161)	177,853
Income before capital contributions	3,159,693	(319,863)	144,383	882,191	1,336,681	5,203,085	(490,642)
Capital contributions	-	302,373	167,095	363,001	-	832,469	233,328
Change in net position	3,159,693	(17,490)	311,478	1,245,192	1,336,681	6,035,554	(257,314)
Net position – beginning of year	20,999,822	56,316,705	15,373,335	38,726,476	14,799,401	146,215,739	4,587,024
Net position – end of year	\$ 24,159,515	\$ 56,299,215	\$ 15,684,813	\$ 39,971,668	\$ 16,136,082	\$ 152,251,293	\$ 4,329,710

Explanation of difference between proprietary funds statement of revenues, expenses and changes in net position and the government-wide statement of activities:

Change in net position – proprietary funds financial statements	\$ 6,035,554
Adjustment for the net effect of the current year activity between the internal service funds and the enterprise funds	<u>(65,575)</u>
Change in net position – business-type activities	<u>\$ 5,969,979</u>

See notes to financial statements.

City of Lake Worth Beach, Florida

Statement of Cash Flows – Proprietary Funds
For the Fiscal Year Ended September 30, 2021

	Business-Type Activities – Enterprise Funds						
	Major				Nonmajor	Total Enterprise Funds	Internal Service Funds
	Electric	Water	Local Sewer	Regional Sewer	Enterprise Funds		
Cash flows from operating activities:							
Receipts from customers	\$ 55,991,650	\$ 15,204,927	\$ 10,040,662	\$ 10,484,984	\$ 8,796,317	\$ 100,518,540	\$ -
Receipts from interfund service charges	-	-	-	-	-	-	15,699,806
Payments to suppliers	(34,399,151)	(4,985,585)	(6,468,594)	(7,785,252)	(3,102,722)	(56,741,304)	(18,932,482)
Payments to employees	(7,961,749)	(2,856,119)	(1,249,543)	(191,516)	(2,129,313)	(14,388,240)	(1,295,401)
Payments for interfund services provided	(8,456,011)	(3,666,227)	(1,612,215)	(658,170)	(1,661,753)	(16,054,376)	-
Net cash provided by (used in) operating activities	5,174,739	3,696,996	710,310	1,850,046	1,902,529	13,334,620	(4,528,077)
Cash flows from non-capital financing activities:							
Payments received from other funds	-	-	-	-	-	-	710,890
Other receipts	825,300	51,800	38,670	-	111,382	1,027,152	226,257
Net cash provided by non-capital financing activities	825,300	51,800	38,670	-	111,382	1,027,152	937,147
Cash flows from capital and related financing activities:							
Acquisitions and construction of capital assets, net	(8,686,329)	(4,444,912)	(351,714)	(748,824)	(1,404,856)	(15,636,635)	(225,403)
Proceeds from issuance of debt	72,847,719	30,594,278	1,354,154	-	-	104,796,151	-
Proceeds of capital grants, cash transactions	-	302,373	167,095	363,001	-	832,469	233,328
Principal paid on revenue bonds and notes	(29,017,254)	(23,403,940)	-	-	-	(52,421,194)	-
Interest and other fiscal charges	(3,095,622)	(1,758,598)	(71,496)	-	(106,518)	(5,032,234)	(49,588)
Net cash provided by (used in) capital and related financing activities	32,048,514	1,289,201	1,098,039	(385,823)	(1,511,374)	32,538,557	(41,663)
Cash flows from investing activities:							
Purchase of investments	-	(200,000)	(100,000)	(75,000)	(140,000)	(515,000)	(130,000)
Sale of investments	300,000	-	-	-	-	300,000	-
Investment in joint venture	-	-	-	(1,096,572)	-	(1,096,572)	-
Interest and gains or losses on investments	8,303,692	202,663	100,444	77,600	143,189	8,827,588	132,330
Net cash provided by (used in) investing activities	8,603,692	2,663	444	(1,093,972)	3,189	7,516,016	2,330
Net change in cash and cash equivalents	46,652,245	5,040,660	1,847,463	370,251	505,726	54,416,345	(3,630,263)
Cash and cash equivalents, beginning	179,615	3,787,529	1,752,479	1,293,675	4,344,648	11,357,946	6,661,554
Cash and cash equivalents, ending	\$ 46,831,860	\$ 8,828,189	\$ 3,599,942	\$ 1,663,926	\$ 4,850,374	\$ 65,774,291	\$ 3,031,291

(Continued)

City of Lake Worth Beach, Florida

Statement of Cash Flows – Proprietary Funds (Continued)
For the Fiscal Year Ended September 30, 2021

	Business-Type Activities – Enterprise Funds						
	Major				Nonmajor	Total Enterprise Funds	Internal Service Funds
	Electric	Water	Local Sewer	Regional Sewer	Enterprise Funds		
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:							
Operating income (loss)	\$ 5,428,712	\$ 1,579,565	\$ 159,615	\$ 880,704	\$ 1,302,650	\$ 9,351,246	\$ (668,495)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:							
Depreciation	1,864,562	3,276,390	727,677	432,883	880,217	7,181,729	609,996
Provision for uncollectible accounts	-	-	-	-	-	-	-
Decrease (increase) in assets and deferred outflows:							
Accounts receivable	(1,300,442)	(478,107)	48,912	952,921	(95,052)	(871,768)	9,598
Due from other governments	-	-	-	-	-	-	70,242
Prepaid items	(1,066,826)	(9,082)	-	-	-	(1,075,908)	76,433
Inventories	59,666	-	-	-	-	59,666	-
Deferred outflows relating to pensions	139,183	42,909	19,408	3,120	37,811	242,431	-
Deferred outflows relating to OPEB	6,584	2,688	1,279	211	2,747	13,509	-
Increase (decrease) in liabilities and deferred inflows:							
Accounts and contracts payable	(1,062,829)	(334,560)	(217,477)	(797,049)	147,653	(2,264,262)	(95,783)
Accrued liabilities	2,565,647	(17,103)	176,803	410,252	9,470	3,145,069	(4,695,271)
Compensated absences	15,747	20,214	(359)	-	14,725	50,327	7,228
Insurance claims payable	-	-	-	-	-	-	157,975
Customer deposits payable	26,911	70,040	-	-	-	96,951	-
Net OPEB liability	35,569	14,524	6,907	1,138	14,839	72,977	-
Net pension liability	(1,863,342)	(574,451)	(259,821)	(41,779)	(506,207)	(3,245,600)	-
Deferred inflows relating to pensions	289,700	89,312	40,395	6,496	78,700	504,603	-
Deferred inflows relating to OPEB	35,897	14,657	6,971	1,149	14,976	73,650	-
Total adjustments	(253,973)	2,117,431	550,695	969,342	599,879	3,983,374	(3,859,582)
Net cash provided by (used in) operating activities	\$ 5,174,739	\$ 3,696,996	\$ 710,310	\$ 1,850,046	\$ 1,902,529	\$ 13,334,620	\$ (4,528,077)
Supplemental disclosure of noncash investing and non-capital financing activities:							
Due from other governments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,492,552
Unrealized losses on investments	\$ (123)	\$ (1,214)	\$ (269)	\$ (117)	\$ (2,419)	\$ (4,142)	\$ (1,432)

See notes to financial statements.

City of Lake Worth Beach, Florida

Statement of Net Position
Fiduciary Funds
September 30, 2021

	Pension Trust Funds
Assets	
Cash and cash equivalents	\$ 5,451,882
Investments at fair value:	
U.S. government and agency funds	21,033,485
Corporate bonds	13,301,838
Common stocks	119,175,342
Real estate	20,831,573
Mutual funds	4,547,158
Accrued interest, dividends and contributions receivable	498,555
Prepaid items	9,246
Total assets	184,849,079
Liabilities	
Accounts payable	679,235
Total liabilities	679,235
Deferred inflows of resources:	
Advanced contributions from employer	577,367
Net position restricted for pension benefits	\$ 183,592,477

See notes to financial statements.

City of Lake worth Beach, Florida

**Statement of Changes in Net Position
Fiduciary Funds
For the Fiscal Year Ended September 30, 2021**

	Pension Trust Funds
<hr/>	
Additions:	
Contributions:	
Employer	\$ 12,054,683
Chapter 175	38,308
Plan members	1,339,051
State	563,299
	<hr/>
Total contributions	13,995,341
	<hr/>
Investment income:	
Interest and dividends	4,652,597
Net change in fair value of investments	24,532,287
Other income	5,759
	<hr/>
Total investment income	29,190,643
	<hr/>
Less investment expenses	(639,401)
	<hr/>
Net investment income	28,551,242
	<hr/>
Total additions	42,546,583
	<hr/>
Deductions:	
Pension benefits	19,324,169
Administrative expenses	313,947
	<hr/>
Total deductions	19,638,116
	<hr/>
Change in net position	22,908,467
	<hr/>
Net position, beginning of year	160,684,010
	<hr/>
Net position, end of year	\$ 183,592,477
	<hr/> <hr/>

See notes to financial statements.

City of Lake Worth Beach, Florida



Manatees are vulnerable mammals that are endangered. They are a slow-moving species that feed in shallow waters. They are often found in the same areas as manatees, such as Florida Bay and the St. Johns River. Manatees are often found in the same areas as manatees, such as Florida Bay and the St. Johns River. Manatees are often found in the same areas as manatees, such as Florida Bay and the St. Johns River.

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City of Lake Worth Beach, Florida

Notes to the Basic Financial Statements

Note 1. Summary of Significant Accounting Policies

The City of Lake Worth Beach, Florida (the City), was incorporated as a municipality in 1913 under Chapter 6713, Laws of Florida. It is located in Palm Beach County and is bordered by the City of West Palm Beach to the north, the Intracoastal Waterway and Atlantic Ocean to the east, the City of Lantana to the south and various municipalities and unincorporated county areas to the west. The City operates under a Commission-Manager form of government and provides a full range of municipal services, including police and fire protection, public works activities, park and recreation activities, and general administrative services. The City also operates six enterprise activities: electric, water, local sewer, regional sewer, stormwater utility and refuse collection and disposal.

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

A. Financial Reporting Entity

The financial statements were prepared in accordance with governmental accounting standards, which establish standards for defining and reporting on the reporting entity. The definition of the financial reporting entity is based on the concept that elected officials are accountable to their constituents for their actions. One of the objectives of financial reporting is to provide users of financial statements with a basis for assessing the accountability of the elected officials. The City's reporting entity consists of the primary government, organizations for which the primary government is financially accountable and other organizations for and which the nature and significance of their relationship with the primary government are such that exclusion would cause the City's financial statements to be misleading or incomplete.

In defining the City for financial reporting purposes, management has considered all potential component units. Component units are legally separate entities for which the primary government is financially accountable which should be included in the City's financial statements because of the nature and significance of their relationship with the primary government.

The decision to include a potential component unit in the City's reporting entity is based on the criteria stated in GASB Statement No 14 – *The Financial Reporting Entity* and GASB Statement No 39 – *Determining Whether Certain Organizations Are Component Units*, as amended by GASB Statement No. 61 – *The Financial Reporting Entity: Omnibus*, which includes the ability to appoint a voting majority of an organization's governing body and: (1) the ability of the City to impose its will on that organization, or (2) the potential for the organization to provide specific financial benefits to, or (3) impose specific financial burden.

Based upon the application of the criteria in GASB Statements Nos. 14 and 39, as amended by GASB Statement No. 61, the financial statements of the City's Component Unit, the Community Redevelopment Agency (CRA), have been included in the City's reporting entity as a discretely presented component unit. The CRA is a legally separate entity governed by a board comprised of seven citizens of the City appointed by the City Commission. It does not provide services entirely or almost entirely to the primary government or otherwise, exclusively, or almost exclusively, benefits the City and therefore is presented as a discrete component unit. The discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separated from the government.

City of Lake Worth Beach, Florida

Notes to the Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

B. Discretely Presented Component Unit

As required by generally accepted accounting principles, the financial statements in this report present the City, the primary government, and its component unit: The Community Redevelopment Agency (CRA). Although a legally separate entity, the CRA is included as a component unit in the City's financial statements because of the significance of their operational or financial relationships with the City which creates the potential of financial benefit/burden to the primary government.

The CRA was established under the authority of Florida Statute Chapter 163, Part III in 1989 to promote and guide the physical and economic redevelopment of targeted areas within the City. The CRA's board, appointed by the City Commission as required by State Statute has full administrative responsibility. Separate financial statements for the CRA are available. The financial statements and statutorily required report can be obtained by contacting the Lake Worth Community Redevelopment Agency office at 29 South J Street, Unit 1, Lake Worth, FL 33460.

C. 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. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the City's various utility functions 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. 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.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Internally dedicated resources are reported as general revenues rather than as program revenues. 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 major individual enterprise funds are reported as separate columns in the fund financial statements. All remaining nonmajor governmental funds and nonmajor enterprise funds are aggregated and reported as nonmajor funds.

D. 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 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.

Note 1. Summary of Significant Accounting Policies (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, OPEB and pensions, are recorded only when payment is due. Acquisitions of general capital assets are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources. Property taxes, charges for services, franchise fees and other taxes, 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. Revenues for expenditure driven grants are recognized when the qualifying expenditures are incurred, and all eligibility requirements have been met. All other revenue items are considered to be measurable and available only when cash is received by the City.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the fund's principal ongoing operations. The principal operating revenues of the City's enterprise and internal service funds are charges to customers for sales and services. Operating revenues for the enterprise funds include water, electric and sewer service fees; as well as user fees related to the stormwater utility system and solid waste removal. For the internal service funds, operating revenues include charges to other departments for insurance services and information technology costs and other services. Operating expenses for the enterprise and internal service funds include costs of services, administrative fees, insurance payments and depreciation. All revenues and expenses not meeting this definition are considered non-operating items.

Major Governmental Funds:

General Fund – The General Fund is the general operating fund of the City. All general tax revenue and other receipts that are not allocated by law or contractual agreement in another fund are accounted for in this fund. The general operating expenditures, fixed charges and capital improvement costs that are not paid through other funds are paid from the General Fund.

Neighborhood Road Program Fund – The Neighborhood Road Program Fund is a capital projects fund that was established to account for the roadway improvements within the City. This program is being funded by proceeds received from general obligation bonds of \$40 million.

American Rescue Plan Act Fund – The American Rescue Plan Act Fund is a special revenue fund that was established to account for funds received from the federal government to facilitate the recovery from the economic impact and health effects of the COVID-19 pandemic.

Major Enterprise Funds:

The enterprise funds are used to account for operations that are financed and operated in a manner similar to a commercial enterprise, where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or where the governing body has decided that periodic determination of the revenue earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. The City's major enterprise funds accounts for the operations of providing electric, water and local and regional sewer services.

City of Lake Worth Beach, Florida

Notes to the Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Electric – The Electric Fund is used to account for the provision of electric service to residents of the service area. All activities to provide such service are accounted for in this fund, including administration, generation, transmission, distribution, and customer service.

Water – The Water Fund is used to account for the provision of water service to residents of the service area. All activities to provide such service are accounted for in this fund, including administration, generation, transmission, distribution, and customer service.

Local Sewer – The Local Sewer Fund is used to account for the provision of sewer service to customers of the local service areas. All activities to provide such service are accounted for in this fund, including administration, collection, pumping, treatment, disposal, and customer service. This fund has been determined by management to be a major fund.

Regional Sewer – The Regional Sewer Fund is used to account for the provision of sewer service to customers of the regional service areas. All activities to provide such service are accounted for in this fund, including administration, collection, pumping, treatment, disposal, and customer service.

Additionally, the City reports the following fund types:

Nonmajor Special Revenue Funds:

These funds are used to account for the proceeds of specific revenue sources, other than expendable trusts or major capital projects that are legally restricted to expenditures for specified purposes. These funds include the Beach, Building Permit, Golf, Parking Improvement, Code Remediation, Grants, Tree Beautification, Utility Conservation, Simpkin Trust, Library Trust, Law Enforcement and Firefighters Education and Law Enforcement Confiscated Property.

Nonmajor Debt Service Fund:

This fund is used to account for the financial resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

Nonmajor Capital Project Funds:

These funds are used to account for the financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary or trust funds. The funds include the Park of Commerce Fund, Discretionary Sales Tax Fund, and the Capital Projects Fund.

Nonmajor Enterprise Funds:

These funds are used to account for the operations that are financed and operated in a manner similar to private business enterprises. It is the intent of the City Commission that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the periodic determination of net income is appropriate for accountability purposes. These funds include the Stormwater Utility Fund and the Refuse Collection and Disposal Fund.

Internal Service Funds:

The Internal Service Funds account for the goods or services provided by one department to other departments of the City on a cost-reimbursement basis. These funds include the Information Technology, Insurance, City Garage and Employee Benefits.

City of Lake Worth Beach, Florida

Notes to the Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Pension Trust Funds:

The Pension Trust Funds are accounted for in essentially the same manner as proprietary funds, using the same measurement focus and basis of accounting. The City has the following pension trust funds: General Employees' Retirement System; Police Officers' Relief and Retirement System and the Firefighters' Pension Trust.

E. Interfund Receivables and Payables

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (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 (i.e., amounts owed for goods/services rendered to a particular fund by another fund in the reporting entity) are reported as "due to/from other funds" (current portion). 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 a fund balance reserve account in the applicable governmental funds to indicate that they are not available for appropriation and are not expendable financial resources.

F. Receivables

Receivables include amounts due from other governments and others for services provided by the City. The City recognizes receivables in its various funds based on the accounting basis required for that fund.

Utility (electric, water, local and regional sewer, stormwater utility and refuse collection and disposal) operating revenue is generally recognized on the basis of cycle billings rendered monthly. The cycle with the meter-reading date closest to September 30 is selected as the cutoff for billing accrual purposes. The City accrues revenue for services delivered for which meters have not been read by September 30 as unbilled revenues.

All trade and other receivables are reported at original amount, net of an allowance for doubtful receivables based on a review of outstanding amounts on a regular basis. Management determines that allowance by specifically identifying uncollectible accounts and a general allowance is calculated based on the City's historic bad-debt experience.

G. Inventories

Inventories consist principally of materials and supplies held for consumption and are recorded at cost using the first-in first-out method. The cost of inventories is reported using the consumption method, whereby inventories are recorded as expenditures/expenses when used. In the governmental funds, reported inventories are included in fund balance as non-spendable resources. Unless if they are acquired with restricted resources in which case, they remain restricted fund balance.

H. Land Held for Resale

The discretely present component unit reports land held resale. Such balances are recorded at lower of cost or net realizable value.

City of Lake Worth Beach, Florida

Notes to the Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

I. Prepaid Items

Prepaid items consist of certain costs which have been paid prior to the end of the fiscal year but represent items which are applicable to future accounting periods. Reported amounts in governmental funds are equally offset by non-spendable amounts of fund balance in the fund financial statements, which indicates that these amounts do not constitute “available spendable resources” and are accounted for on the consumption method.

J. Restricted Assets

Restricted assets in the enterprise funds consist of bond proceeds designated for construction; other monies required to be restricted for debt service, maintenance and improvements under the terms of various bonds, certificates and loans; and assets restricted by customers’ deposits.

K. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., utility lines, roads, bridges, sidewalks and similar items), regardless of their acquisition date, are reported at cost or estimated historical cost in the applicable governmental or business-type activities columns in the government-wide financial statements. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value at the date of acquisition. Capital assets are defined as assets with an initial individual cost of more than \$1,000 and an estimated useful life in excess of one year. Depreciation is charged as an expense against operations using the straight-line method over the following estimated useful lives:

Assets	Years
Land improvements	4-40
Infrastructure	4-20
Buildings and structure	10-40
Machinery and equipment	3-15
Vehicles	5

L. Deferred Outflows and Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has two items that qualify for reporting in this category. The first item is the deferred outflows relating to the pension plans and is discussed in further detail in the pension note. The second item is the deferred outflows relating to other postemployment benefits other than pensions and is discussed in further detail in OPEB note.

Note 1. Summary of Significant Accounting Policies (Continued)

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has three items that qualify for reporting in this category. One is the deferred charge on refunding reported in the proprietary funds and government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter life of the refunded or refunding debt. The second item is deferred inflows relating to the pension plans and is discussed further in pension note. The third item is the deferred inflows relating to other postemployment benefits other than pensions and is discussed in further detail in OPEB note.

M. Compensated Absences

It is the City's policy to permit employees to accumulate, within certain limits, earned but unused vacation time and sick leave, which will be paid to employees upon separation from City service. All vacation and sick leave pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for those amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

N. 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. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line amortization method, which approximates the effective interest method. Bonds are reported net of the applicable bond premiums or discounts.

In the fund financial statements, governmental fund types recognize bond premiums and discounts 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.

O. Self-Insurance

The City is partially self-insured for general and auto liability, property, workers' compensation, and employees' health and dental. The operating funds are charged premiums by the City's Self-Insurance Fund, which is accounted for as an internal service fund. The accrued liability for estimated claims reported in the self-insurance fund represents an estimate of the eventual loss on claims including claims incurred but not yet reported.

P. Pensions

For the purposes of measuring the net pension liability, net pension asset, deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of the pension plans and additions to/deductions from the plans' fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. Investments in real estate are recorded at market using valuation techniques such as the market approach or the income approach for which sufficient and reliable data is available.

City of Lake Worth Beach, Florida

Notes to the Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

The City applies GASB Statement No. 68, Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27, GASB 71, Pension Transition for Contributions Made Subsequent to the Measurement Date, GASB Statement No. 73, Accounting and Financial Reporting for Pensions and Related Assets That Are Not Within the Scope of GASB Statement 68 and GASB 82, Pension Issues-An Amendment of GASB Statements No. 67, No. 68 and No. 7, for the measurement, recognition and disclosure of pension expenditures or expenses, liabilities and assets.

Q. Other Post-Employment Benefits (OPEB)

The City applies GASB Statement No. 75, *Accounting and Financial Reporting for Post-Employment Benefit Plans Other Than Pensions*, for the measurement, recognition, and disclosure of OPEB expenditures or expenses, liabilities, and assets. This plan is not accounted for in a trust fund and is funded on a pay as you go basis.

R. Property Taxes

The City's property tax is levied, becomes a lien on real and personal property located in the City, and is recorded as a receivable on November 1 of each year based upon the assessed value established by the Broward County Property Appraiser as of the prior January 1. The City is permitted by Florida law to levy ad-valorem taxes for real and tangible personal property taxes up to \$10 per \$1,000 of assessed value, except for special benefits and debt service obligations which may be issued with the approval of those taxpayers subject to ad-valorem taxes. Taxes become payable on November 1st each year and are discounted 1% for each month for payment prior to the following March 1st. All unpaid taxes become delinquent on April 1st and are subject to the issuance of Tax Sale Certificates on June 1st.

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

The City levied taxes at a rate of approximately 5.49 mills plus County-levied Fire Municipal Services Taxing Unit rate of 3.46 and debt service of 1.11, for a total of 10.06 on all City parcels.

S. Nature and Purpose of 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 purpose for which amounts in those funds can be spent. 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. These amounts cannot be used for any other purpose unless the City Commission removes or changes the specified use by ordinance. Amounts that are restricted to specific purposes either by: (a) constraints placed on the use of resources by creditors, grantors, contributors or laws and regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation are classified as restricted fund balances. Amounts that are constrained by the City's intent to be used for specific purposes but are neither committed nor restricted are classified as assigned fund balances. Assignments are made by the City Manager. The City Commission delegated this responsibility to the City Manager through an ordinance. Non-spendable fund balances include amounts that cannot be spent because they are either: (a) not in spendable form, or (b) legally or contractually required to be maintained intact. 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 Lake Worth Beach, Florida

Notes to the Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (continued)

The City considers restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents/contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the City would first use committed fund balance, followed by assigned fund balance and then unassigned fund balance when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used. Unassigned fund balance represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The general fund should be the only fund that reports a positive unassigned balance. In all other funds, unassigned is limited to negative residual fund balance.

T. Minimum Fund Balance Policy

The City's policy is to maintain an adequate fund balance to provide liquidity in the event of an economic downturn or natural disaster. The City Commission has adopted a financial standard to maintain an adequate level of total unassigned/unrestricted fund balance in the General Fund to provide for necessary cash flow to minimize any short-term borrowings. As of September 30, 2021, this balance was approximately \$10.1 million.

U. Net Position

Net position is the result of assets and deferred outflows of resources less liabilities and deferred inflows of resources. The net position of the government-wide and proprietary funds are categorized as: 1) net investment in capital assets; capital assets, reduced by accumulated depreciation and any outstanding debt incurred to acquire, construct, or improve those assets excluding unexpended bond proceeds, 2) restricted or 3) unrestricted. The first category represents net position related to property, plant, equipment, and infrastructure. The restricted category represents the balance of assets restricted by requirements of revenue bonds and other externally imposed constraints or by legislation in excess of the related liabilities payable from restricted assets. Unrestricted net position consists of the net position not meeting the definition of either of the two other components.

V. 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 reported amounts of assets/deferred outflows and liabilities/deferred inflows and disclosure of contingent assets/deferred outflows and liabilities/deferred inflows at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from estimates.

W. Accounting Standards Adopted

In fiscal year 2021, the City adopted the following statements of financial accounting standards issued by the GASB:

- GASB Statement No. 84, *Fiduciary Activities*
- GASB Statement No. 90, *Majority Equity Interests-An Amendment of GASB Statements No. 14 and No. 61*
- GASB Statement No. 98, *The Annual Comprehensive Financial Report*

City of Lake Worth Beach, Florida

Notes to the Basic Financial Statements

Note 1. Summary of Significant Accounting Policies (continued)

GASB Statement No. 84, *Fiduciary Activities*, improves guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The adoption resulted in no financial impact to the City.

GASB Statement No. 90, *Majority Equity Interests-An Amendment of GASB Statements No. 14 and No. 61*, improves the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and improves the relevance of financial statement information for certain component units. The adoption resulted in no financial impact to the City.

GASB Statement No. 98, *The Annual Comprehensive Financial Report*, establishes the term annual comprehensive financial report and its acronym ACFR. The adoption resulted in no financial impact to the City.

Note 2. Stewardship, Compliance and Accountability

Excess of expenditures over appropriations: The following expenditures exceeded appropriations by the amounts indicated:

General Fund:	
City manager	\$ 47,033
City clerk	104,119
Finance	99,544
Personnel	7,084
Community development	20,155
Cost of services	277,617
Police	315,394
Administration	1,902
Streets, drains and sidewalks	32,130
Debt service	702,871
Other Funds:	
Beach Fund – Interest expense	\$ 170,021
Parking Improvement Fund	12
Simpkin Trust Fund	26
Law Enforcement Confiscated Property	2

The expenditures were funded by appropriated fund balance, where applicable.

Note 3. Deposits and Investments

Deposits: In addition to insurance provided by the Federal Depository Insurance Corporation (FDIC), all deposits are held in banking institutions approved by the State Treasurer of the State of Florida to hold public funds. Under Florida Statutes Chapter 280, Florida Security for Public Deposits Act, the State Treasurer requires all Florida qualified public depositories to deposit with the Treasurer or banking institution eligible collateral. In the event of a failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses. Accordingly, all amounts reported as deposits are insured or collateralized with securities held by the entity or its agent in the entity's name. The City had deposits with financial institutions of \$41,159,472 with a carrying amount of \$40,625,518. The CRA had deposits with financial institutions of \$2,481,354 with a carrying amount of \$2,464,679.

City of Lake Worth Beach, Florida

Notes to the Basic Financial Statements

Note 3. Deposits and Investments (Continued)

Cash and Cash Equivalents: Cash and cash equivalents are defined as deposits with financial institutions and highly liquid investments which are readily convertible to known amounts of cash. Each fund is able to withdraw cash at any time without prior notice or penalty and there is sufficient liquidity to meet the daily cash needs of each fund.

Investments: As required by Florida Statutes, the City has adopted a written investment policy, which, from time to time, is amended by the City. Investments are made in accordance with provisions of the Florida Statutes and the City's policies. The City is authorized to invest in the State Board of Administration funds (Florida Prime), the Florida Public Assets for Liquidity Management (FL PALM), obligations of the U.S. Treasury, its agencies, repurchase agreements collateralized by U.S. Treasury, and U.S. Government Agency-Backed Obligations, and money market mutual funds comprised of U.S. Treasury and/or U.S. Government Agency-Backed Obligations.

The City's pension fund investment policies are determined by the respective Boards of Trustees. Their portfolios may consist of obligations guaranteed by the U.S. government, time or savings accounts, corporate bonds, common or preferred stocks, international equity funds, mutual funds, and certain other investments.

The investment objectives of the Plans are to preserve the purchasing power of each Plan's assets and earn a reasonable rate of return over the long-term while minimizing short-term volatility. To achieve these objectives, the Plans seek to create a conservative, well diversified and balanced portfolio of high-quality equity, fixed income, and money market securities. Unless authorized by law or local ordinance, investments of the assets of the Plans are subject to the limitations of state statutes.

The Pension Plans have investments in a combination of stocks, bonds, government securities and other investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit risk. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risks in the near term would materially affect balances and the amounts reported in the statement of plan net position and the statement of changes in plan net position. The Plans, through their investment advisors, monitor the Plan's investments and the risks associated therewith on a regular basis, which the Plans believe minimizes these risks.

The Plans each issue stand-alone financial statements. Investment disclosures relating to each Plans' interest rate risk, credit risk, custodial credit risk, concentration of credit risk and related fair value measurement disclosures required by GASB are included in the separate stand-alone plan financial statements. Such disclosures are not required to be included in the City's financial statements herein.

City Investments

At year end the City and the Discretely Present Component Unit had the following investments:

City Investments	Fair Value	Investment Maturities (in years)		
		Less than 1	1-5	More than 5
Money Market Mutual Funds	\$ 113,384,414	\$ 113,384,414	\$ -	\$ -
FL PRIME	44,596	44,596	-	-
	<u>\$ 113,429,010</u>	<u>\$ 113,429,010</u>	<u>\$ -</u>	<u>\$ -</u>

City of Lake Worth Beach, Florida

Notes to the Basic Financial Statements

Note 3. Deposits and Investments (Continued)

Discretely Presented Component Unit (DPCU)

Community Redevelopment Agency Investments	Fair Value	Investment Maturities (in years)		
		Less than 1	1-5	More than 5
Money Market Mutual Fund	\$ 181,394	\$ 181,394	\$ -	\$ -
U.S. Agencies	998,979	998,979	-	-
	<u>\$ 1,180,373</u>	<u>\$ 1,180,373</u>	<u>\$ -</u>	<u>\$ -</u>

The DPCU Community Redevelopment Agency does not have a separate deposit and investment policy and it follows the deposit and investment policies of the City as discussed below.

Credit Risk – The City’s investment policy does not address the requirement of ratings by a nationally recognized statistical rating organization (NRSRO), i.e., Standard and Poor’s and Moody’s Investment Services. The City’s investment policy is designed to ensure the prudent management of public funds.

At year end the City and the Discretely Present Component Unit investments had the following ratings:

Investments	City	
	Balance	Ratings
Florida PRIME	\$ 44,596	AAAm
Money Market Funds	109,202,868	Not rated
FL PALM	4,181,546	AAAm
	<u>\$ 113,429,010</u>	

Investments	Community Redevelopment Agency	
	Balance	Ratings
Money Market Fund	\$ 181,394	Not rated
U.S. Agencies	998,979	AA+
	<u>\$ 1,180,373</u>	

Concentration of Credit Risk – The City’s investment policy limits its investments in the Florida PRIME and FL PALM to 25% at any one time. Investments in U.S. Treasuries can be up to 100% while federal agencies are limited to 50% of all City investment balances at any one time. GASB Statement No. 40 requires disclosure when the percentage is 5% or more in any one issuer. Investments guaranteed by the U.S. Government, mutual funds, external investment pools and other pooled investments are exempt from this disclosure.

Interest Rate Risk – The City has an investment policy that limits the maturities on individual investments to no more than ten years.

Custodial Credit Risk – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. To avoid this risk, the City and the DPCU register all securities in their name.

City of Lake Worth Beach, Florida

Notes to the Basic Financial Statements

Note 3. Deposits and Investments (Continued)

Risks and Uncertainties – The City's Pension Plans have investments in a combination of stocks, bonds, government securities and other investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit risk. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risks in the near term would materially affect balances and the amounts reported in the statement of plan net position and the statement of changes in plan net position. The Plans, through their investment advisors, monitor the Plan's investments and the risks associated therewith on a regular basis, which the Plans believe minimizes these risks.

Fair Value Hierarchy – GASB Statement No. 72, *Fair Value Measurement and Application*, establishes a hierarchy disclosure framework which prioritizes and ranks the level of market price observability used in measuring investments at fair value. Various inputs are used in determining the fair value of investments. These inputs are categorized into a fair value hierarchy consisting of three broad levels for financial statement purposes as follows:

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

Level 2: Investments reflect prices that are based on similar observable assets, either directly or indirectly, which may include inputs in markets that are not considered to be active.

Level 3: Investments reflect prices based upon unobservable sources.

The categorization of investments within the hierarchy is based upon the pricing transparency of the instrument and should not be perceived as the particular investment's risk.

The following are descriptions of the valuation methodologies used for assets measured at fair value:

Government securities: Valued using pricing models maximizing the use of observable inputs for similar securities.

Mutual funds: Valued at the daily closing price as reported by the plans. Mutual funds are open-ended mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds are deemed to be actively traded.

Corporate bonds: Valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing the value on yields currently available on comparable securities of issuers with similar credit ratings. When quoted prices are not available for identical or similar bonds, the bond is valued under a discounted cash flows approach that maximizes observable inputs, such as current yield of similar instruments, but includes adjustments for certain risks that may not be observable, such as credit and liquidity risks or a broker quote, if available.

City of Lake Worth Beach, Florida

Notes to the Basic Financial Statements

Note 3. Deposits and Investments (Continued)

Fair values of investments held by the City at year end are classified as follows:

Investments	Balance	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
U.S Treasuries	\$ -	\$ -	\$ -	\$ -
Investments measured at fair value	-	\$ -	\$ -	\$ -
Investments measured at amortized cost:				
Money market funds	109,202,868			
Florida PRIME	44,596			
	<u>109,247,464</u>			
Investments measured at net asset value (NAV)				
FL PALM	4,181,546			
Total investments	<u>\$ 113,429,010</u>			

The Florida Public Assets for Liquidity Management (FL PALM) offers a short-term investment program for Florida Public agency investors. The FL PALM offers a fully liquid, variable rate investment option for participants to invest in shares of fixed-rate, fixed-term investments through the FL PALM Term Portfolio. The investment objective is to provide investors with the highest possible investment yield, while maintaining liquidity and preserving capital. FL PALM is directed by a Board of Trustees, which is made up of experienced school board members, superintendents, public agency officials, and an Advisory Committee of senior finance officers from member Districts and public agencies. The FL PALM investments are measured at the net asset value (NAV) per share, or equivalent. The redemption frequency is daily and unlimited. There are no unfunded commitments as of year-end.

Fair values of investments held by the Discretely Presented Component Units are classified at year end as follows:

Investments	Balance	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
U.S Agencies	\$ 998,979	\$ -	\$ 998,979	\$ -
Total investments measured at fair value	998,979	\$ -	\$ 998,979	\$ -
Investments measured at amortized cost:				
Money market funds	181,394			
Total investments	<u>\$ 1,180,373</u>			

City of Lake Worth Beach, Florida

Notes to the Basic Financial Statements

Note 4. Receivables and Due From Other Governments

Accounts, special assessments, and other receivables, including restricted accounts receivable and the related allowance for doubtful accounts at year end are as follows:

	General Fund	Nonmajor Governmental Funds	Total
Customer accounts	\$ 48,727	\$ 291,520	\$ 340,247
Utility and other taxes	786,953	97,908	884,861
Intergovernmental	778,597	551,089	1,329,686
Other receivables	-	1,045	1,045
Gross receivables	1,614,277	941,562	2,555,839
Less allowance for doubtful accounts	(196,426)	(176,008)	(372,434)
Total	<u>\$ 1,417,851</u>	<u>\$ 765,554</u>	<u>\$ 2,183,405</u>

	Electric Fund	Water Fund	Local Sewer Fund	Regional Sewer Fund	Nonmajor Enterprise Funds	Internal Service Funds	Total
Customer accounts	\$ 11,193,321	\$ 2,583,096	\$ 1,540,967	\$ 476,513	\$ 648,250	\$ 2,914,862	\$ 19,357,009
Utility and other taxes	372,443	-	-	-	-	-	372,443
Other receivables	818,817	12,740	1,233	48,864	-	-	881,654
Gross receivables	12,384,581	2,595,836	1,542,200	525,377	648,250	2,914,862	20,611,106
Less allowance for doubtful accounts	(2,348,046)	(471,032)	(220,978)	-	(151,389)	(1,492,552)	(4,683,997)
Total	<u>\$ 10,036,535</u>	<u>\$ 2,124,804</u>	<u>\$ 1,321,222</u>	<u>\$ 525,377</u>	<u>\$ 496,861</u>	<u>\$ 1,422,310</u>	<u>\$ 15,927,109</u>

	Community Redevelopment Agency Trust	NSP2	CRA Capital Projects	Total
Customer accounts	\$ 829	\$ -	\$ -	\$ 829

For fiscal year 2021, approximately 91% of the City's regional sewer fund revenues and 74% of corresponding receivables are generated from three major customers. The following table summarizes the concentration percentage by customer.

Customer	Revenues	Receivables
City Lake Worth Beach	50%	0%
Town of Lantana	16%	38%
Village of Palm Springs	25%	36%
	<u>91%</u>	<u>74%</u>

City of Lake Worth Beach, Florida

Notes to the Basic Financial Statements

Note 5. Interfund Receivables, Payables, Advances and Transfers

Interfund activity and balances for the City are summarized as follows as of and for the year ended:

Due to/from Other Funds

	<u>Receivable Fund</u>
Major Fund:	
General Fund	\$ 827,875
Component Unit:	
Community Redevelopment Agency Trust	590
	<u>\$ 828,465</u>
	<u>Payable Fund</u>
Major Fund:	
General Fund	\$ 590
Nonmajor governmental funds	116,985
Internal service funds	710,890
	<u>\$ 828,465</u>

The other balances in interfund receivables/payables resulted from the time lag between the dates that: (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. The amount payable to the general fund were to cover cash shortages to the utility conservation fund, capital project fund and employee benefits fund. The funds will be repaid by fiscal year 2022.

Interfund Transfers

	<u>Transfer In</u>	<u>Transfer Out</u>
Major Governmental Fund:		
General Fund	\$ -	\$ 1,840,000
Nonmajor Governmental Funds	2,120,000	280,000
	<u>\$ 2,120,000</u>	<u>\$ 2,120,000</u>

Transfers are used to: (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted for debt service from the funds collecting the receipts to the appropriate fund making the debt service payments when it becomes due, and (3) use restricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. The transfers of \$2,120,000 to the capital project funds from the general fund, beach fund and golf fund were made to cover various projects funded by proceeds from non-ad valorem revenue bond, series 2020A issued in August 2020.

City of Lake Worth Beach, Florida

Notes to the Basic Financial Statements

Note 6. Capital Assets

Governmental Activities Capital Assets

Summary of changes in the governmental activities capital asset balances for the year ended follows:

	Beginning Balance	Additions	Deletions	Transfers/Reclass	Ending Balance
Capital assets not being depreciated:					
Land	\$ 8,753,243	\$ -	\$ -	\$ -	\$ 8,753,243
Construction in progress	210,443	7,367,425	-	(1,293,342)	6,284,526
Total capital assets not being depreciated	8,963,686	7,367,425	-	(1,293,342)	15,037,769
Capital assets being depreciated					
Land improvements	7,024,436	-	-	-	7,024,436
Buildings and structures	52,366,229	-	-	-	52,366,229
Infrastructure	89,744,726	-	-	1,293,342	91,038,068
Machinery and equipment	4,693,267	161,667	-	-	4,854,934
Vehicles	1,406,817	-	(61,653)	-	1,345,164
Total capital assets being depreciated	155,235,475	161,667	(61,653)	1,293,342	156,628,831
Accumulated depreciation					
Land improvements	2,358,577	75,775	-	-	2,434,352
Buildings and structures	16,889,103	1,005,272	-	-	17,894,375
Infrastructure	55,951,963	3,140,508	-	-	59,092,471
Machinery and equipment	3,487,604	211,383	-	-	3,698,987
Vehicles	1,253,796	39,915	(61,653)	-	1,232,058
Total accumulated depreciation	79,941,043	4,472,853	(61,653)	-	84,352,243
Total capital assets being depreciated, net	75,294,432	(4,311,186)	-	1,293,342	72,276,588
Total capital assets	\$ 84,258,118	\$ 3,056,239	\$ -	\$ -	\$ 87,314,357

City of Lake Worth Beach, Florida

Notes to the Basic Financial Statements

Note 6. Capital Assets (Continued)

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

General government	\$	34,477
Culture and recreation		1,002,732
Transportation		3,220,192
Public safety		206,865
Physical environment		8,587
Total depreciation expense	<u>\$</u>	<u>4,472,853</u>

Business-Type Activities Capital Assets

Summary of changes in business-type activities capital asset balances for the year ended follows:

	Beginning Balance	Additions	Deletions	Transfers/Reclass	Ending Balance
Capital assets not being depreciated:					
Land	\$ 2,572,138	\$ -	\$ -	\$ -	\$ 2,572,138
Construction in progress	25,940,576	15,309,900	-	(10,923,264)	30,327,212
Total capital assets not being depreciated	<u>28,512,714</u>	<u>15,309,900</u>	<u>-</u>	<u>(10,923,264)</u>	<u>32,899,350</u>
Capital assets being depreciated					
Land improvements	468,972	-	-	-	468,972
Buildings and structures	99,193,485	-	-	-	99,193,485
Infrastructure	172,334,453	290,950	-	10,923,264	183,548,667
Machinery and equipment	33,897,665	261,187	-	(66,141)	34,092,711
Vehicles	13,623,842	-	(853,844)	66,141	12,836,139
Total capital assets being depreciated	<u>319,518,417</u>	<u>552,137</u>	<u>(853,844)</u>	<u>10,923,264</u>	<u>330,139,974</u>
Accumulated depreciation					
Land improvements	453,815	4,586	-	-	458,401
Buildings and structures	59,072,233	2,270,982	-	-	61,343,215
Infrastructure	81,637,950	3,453,638	-	-	85,091,588
Machinery and equipment	29,516,240	734,641	-	-	30,250,881
Vehicles	10,463,507	1,327,878	(853,844)	-	10,937,541
Total accumulated depreciation	<u>181,143,745</u>	<u>7,791,725</u>	<u>(853,844)</u>	<u>-</u>	<u>188,081,626</u>
Total capital assets being depreciated, net	<u>138,374,672</u>	<u>(7,239,588)</u>	<u>-</u>	<u>10,923,264</u>	<u>142,058,348</u>
Total capital assets	<u>\$ 166,887,386</u>	<u>\$ 8,070,312</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 174,957,698</u>

City of Lake Worth Beach, Florida

Notes to the Basic Financial Statements

Note 6. Capital Assets (Continued)

Depreciation expenses was charged to the functions/programs of the primary government as follows:

Electric	\$	1,864,562
Water		3,276,390
Local sewer		727,677
Regional sewer		432,883
Stormwater utility		279,501
Refuse collection and disposal		600,716
Information technology		266,673
Self insurance		6,183
City garage		337,140
Total depreciation expense	<u>\$</u>	<u>7,791,725</u>

Discretely Presented Component Unit

Summary of changes in the discretely presented component unit capital asset balances for the year ended follows:

	Beginning					Ending
	Balance	Additions	Deletions	Transfers		Balance
Capital assets not being depreciated:						
Land	\$ 773,206	\$ -	\$ -	\$ -	\$ -	\$ 773,206
Construction in progress	1,875,896	12,500	-	(37,285)	-	1,851,111
Total capital assets not being depreciated	<u>2,649,102</u>	<u>12,500</u>	<u>-</u>	<u>(37,285)</u>	<u>-</u>	<u>2,624,317</u>
Capital assets being depreciated						
Land improvements	223,831	-	-	-	-	223,831
Infrastructure	9,283,579	-	-	-	-	9,283,579
Buildings and structures	161,729	-	-	37,285	-	199,014
Machinery and equipment	178,804	-	-	-	-	178,804
Total capital assets being depreciated	<u>9,847,943</u>	<u>-</u>	<u>-</u>	<u>37,285</u>	<u>-</u>	<u>9,885,228</u>
Accumulated depreciation						
Land improvements	105,857	11,192	-	-	-	117,049
Infrastructure	3,810,539	367,343	-	-	-	4,177,882
Buildings and structures	41,462	5,391	-	-	-	46,853
Machinery and equipment	119,269	7,899	-	-	-	127,168
Total accumulated depreciation	<u>4,077,127</u>	<u>391,825</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,468,952</u>
Total capital assets being depreciated, net	<u>5,770,816</u>	<u>(391,825)</u>	<u>-</u>	<u>37,285</u>	<u>-</u>	<u>5,416,276</u>
Total capital assets	<u>\$ 8,419,918</u>	<u>\$ (379,325)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,040,593</u>

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

Community redevelopment	<u>\$ 391,825</u>
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City of Lake Worth Beach, Florida

Notes to the Basic Financial Statements

Note 7. Investment in Joint Venture

In September 1992, the City entered into a joint interlocal agreement (the Agreement) with Palm Beach County (the County) and three municipalities (Riviera Beach, Lake Worth and the Town of Palm Beach) (together with the City, the Entities) whereby prior separate agreements were consolidated into a single unified agreement to establish rules and procedures for the operation and management of the existing East Central Regional Wastewater Facility (ECR) in which each participating Entity has an equity interest. The ECR was created to receive, treat, and dispose of sewage generated within each participating municipality and the County (the Members). The initial term of the Agreement is for 30 years with a renewable term of 30 years. In the event the ECR is sold or disposed of, proceeds of the sale or disposition shall be prorated among each Member, based on their reserve capacity as of the date of disposition.

The Agreement provides for the establishment of a Governing Board (the Board), comprised of one Member representative participating in the Agreement, to administer the ECR. In accordance with the Agreement, the Board has the power to enter into contracts, employ personnel and enter into debt in accordance with Section 163.01(7) of Florida Statutes. The City of West Palm Beach operates and manages the ECR on behalf of the Board consistent with the terms of the Agreement. Annually, the Board establishes a schedule of wastewater flow charges to pass onto the Entities, so the ECR is self-sustaining. The Board shall not be authorized to create or distribute a profit or surplus to any Entity. In addition, the Board shall calculate an annual renewal and replacement fund contribution for the sole purpose of funding each Entity's pro-rata share of extraordinary expenses, renewal and improvements or replacement of capital assets or any other part thereof at the facility. The agreement may not be amended except upon the written agreement of the Entities holding a cumulative capacity allocation of 100%.

The City accounts for this Joint Venture using the equity method in accordance with GAAP. The City's investment in the joint venture at year end was \$29,277,111.

Reserve capacity percentages are estimated to be as follows at year end:

Entity	Flow Allocation MGD	Reserve Capacity Percentage
Palm Beach County	24.0	34.3%
City of West Palm Beach	20.5	29.3%
City of Lake Worth Beach	11.5	16.4%
City of Riviera Beach	8.0	11.4%
Town of Palm Beach	6.0	8.6%
	<hr/>	
	70.0	100.0%

Complete audited financial statements for ECR may be obtained at the City of West Palm Beach Finance Department, 200 Second Street, West Palm Beach, Florida 33402.

City of Lake Worth Beach, Florida

Notes to the Basic Financial Statements

Note 8. Long-Term Debt

The following is a summary of the changes in long-term debt for the fiscal year ended for governmental and business-type activities:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Notes payable	\$ 843,864	\$ -	\$ (843,864)	\$ -	\$ -
Revenue bonds	51,206,367	760,000	(785,000)	51,181,367	1,426,296
Bond premium	1,830,051	125,699	(83,129)	1,872,621	-
Compensated absences	870,175	1,130,510	(1,139,481)	861,204	61,318
Total long-term debt	<u>\$ 54,750,457</u>	<u>\$ 2,016,209</u>	<u>\$ (2,851,474)</u>	<u>\$ 53,915,192</u>	<u>\$ 1,487,614</u>

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business-type activities:					
Notes payable	\$ 18,705,463	\$ -	\$ (18,705,463)	\$ -	\$ -
State revolving loans	12,601,124	3,045,927	(720,732)	14,926,319	680,191
Revenue bonds	44,203,633	88,170,000	(32,995,000)	99,378,633	523,705
Bond premium	741,790	13,580,224	(452,040)	13,869,974	-
Compensated absences	698,904	1,002,528	(945,815)	755,617	38,799
Total long-term debt	<u>\$ 76,950,914</u>	<u>\$ 105,798,679</u>	<u>\$ (53,819,050)</u>	<u>\$ 128,930,543</u>	<u>\$ 1,242,695</u>

For the governmental activities, compensated absences are generally liquidated by the General Fund.

Governmental and Business-Type Activities Debt

Consolidated utility revenue bonds – Series 2020 – In November 2020, the City issued \$88,930,000 of Consolidated utility revenue bonds, Series 2020 for the purpose of: (i) financing the acquisition, construction and equipping of certain improvements and additions to the City’s consolidated electric, water and sewer utility system, (ii) repaying the then outstanding Utility System Refunding Revenue Bonds, Series 2013 and the Master Lease note payable agreement in connection with the energy savings project with Siemens Industry, Inc. in the amount of approximately \$29,000,000 and \$20,000,000 respectively, and (iii) paying the costs of issuance of the 2020 Bonds. The series 2020 Bonds mature in October 2051 with an interest rate ranging from 3.0% to 5.0%. The bonds are due in annual principal and interest installments secured by the City’s net revenues of its utility systems through October 1, 2051, and subject to redemption prior to maturity as provided in the bond agreement. As a result, the City recognized an accounting gain of \$358,558 and realized an economic gain (net present value of cash flow savings) of \$4,305,079.

Under the terms of the authorizing resolution related to the bonds, should the City default in any of its obligations or covenants created by such resolution, the bondholders may, in addition to any remedy set forth in such resolution, either at law or in equity, by suit, action, mandamus or other proceeding in any court of competent jurisdiction, protect and enforce any and all rights under the laws of the State of Florida, or granted and contained in such resolution, and may enforce and compel the performance of all duties required by the resolution, or by any applicable statutes to be performed by the City or by any officer thereof. As of September 30, 2021, the principal amounts outstanding on the Series 2020 \$88,325,000.

City of Lake Worth Beach, Florida

Notes to the Basic Financial Statements

Note 8. Long-Term Debt (Continued)

Debt service requirements to maturity on the revenue bonds are as follows:

Year(s)	Governmental Activities		Business-type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$ -	\$ 17,785	\$ -	\$ 1,760,666	\$ -	\$ 1,778,451
2023	20,000	29,800	610,000	3,514,500	630,000	3,544,300
2024	25,000	28,900	1,485,000	3,472,600	1,510,000	3,501,500
2025	25,000	27,775	1,560,000	3,403,900	1,585,000	3,431,675
2026	25,000	26,525	1,640,000	3,323,900	1,665,000	3,350,425
2027 - 2031	145,000	112,625	9,545,000	15,268,375	9,690,000	15,381,000
2032 - 2036	180,000	75,650	13,655,000	12,724,950	13,835,000	12,800,600
2037 - 2041	225,000	36,775	16,785,000	9,818,125	17,010,000	9,854,900
2042 - 2046	95,000	3,900	20,105,000	6,514,700	20,200,000	6,518,600
2047 - 2051	-	-	22,200,000	2,090,600	22,200,000	2,090,600
	<u>\$ 740,000</u>	<u>\$ 359,735</u>	<u>\$ 87,585,000</u>	<u>\$ 61,892,316</u>	<u>\$ 88,325,000</u>	<u>\$ 62,252,051</u>

Non-ad valorem revenue bonds, series 2020A and taxable series 2020B: In August 2020, the City issued non-ad valorem revenue bonds, series 2020A and taxable series 2020B, in the amount of \$8,985,000 and \$ 16,800,000, respectively. The series 2020A proceeds are to be used to finance certain capital improvements, which include improvements to the City's public works facility, various roadway improvements and certain sewer improvements. The taxable series 2020B proceeds are to be used to refinance certain capital costs incurred in the past six years, which include certain transportation and other improvements. The series 2020A and taxable series 2020B mature in July 2035 and July 2040 with an interest rate ranging from 1.120% to 2.580% and 3.0% to 5.0%, respectively. The bonds are due in annual principal and interest installments secured by the City's non-ad valorem revenues through July 1, 2040, and subject to redemption prior to maturity as provided in the bond agreement.

Under the terms of the authorizing resolution related to the bonds, should the City default in any of its obligations or covenants created by such resolution, the bondholders may, in addition to any remedy set forth in such resolution, either at law or in equity, by suit, action, mandamus or other proceeding in any court of competent jurisdiction, protect and enforce any and all rights under the laws of the State of Florida, or granted and contained in such resolution, and may enforce and compel the performance of all duties required by the resolution, or by any applicable statutes to be performed by the City or by any officer thereof. As of September 30, 2021, the principal amounts outstanding on the Series 2020A and 2020B bonds are \$8,985,000 and \$16,800,000, respectively, for a total of \$25,785,000.

Debt service requirements to maturity on the bonds are as follows:

Year(s)	Governmental Activities		Business-type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$ 621,296	\$ 434,107	\$ 523,705	\$ 365,919	\$ 1,145,001	\$ 800,026
2023	1,077,094	409,255	907,906	344,971	1,985,000	754,226
2024	1,112,364	372,033	937,636	313,595	2,050,000	685,628
2025	1,153,060	332,216	971,940	280,032	2,125,000	612,248
2026	1,196,469	290,342	1,008,531	244,735	2,205,000	535,077
2027 - 2031	3,101,054	1,067,835	2,613,946	900,102	5,715,000	1,967,937
2032 - 2036	3,350,657	627,039	2,824,343	528,545	6,175,000	1,155,584
2037 - 2040	2,379,373	180,413	2,005,626	152,075	4,384,999	332,488
	<u>\$ 13,991,367</u>	<u>\$ 3,713,240</u>	<u>\$ 11,793,633</u>	<u>\$ 3,129,974</u>	<u>\$ 25,785,000</u>	<u>\$ 6,843,214</u>

City of Lake Worth Beach, Florida

Notes to the Basic Financial Statements

Note 8. Long-Term Debt (Continued)

Governmental Activities

General Obligation Bonds, Series 2017 and 2018: In November 2016, a majority of the electors voting at a referendum within the City approved the issuance of general obligation bonds in a principal amount not exceeding \$40 million for purposes of improving local roadways. In May 2017, the City issued General Obligation Bonds, Series 2017, in the principal amount of \$21,685,000 for the exclusive purpose of improving local roadways with an interest rate ranging from 2.375% to 5.00%. In August 2018, the City issued an additional General Obligation Bonds, Series 2018, in the principal amount of \$17,295,000 for the exclusive purpose of improving local roadways with an interest rate ranging from 3.00% to 5.00%. The City may issue up to the remaining \$1,020,000 authorized amount of general obligation bonds pursuant to the referendum described above. The current 2017 and 2018 GOB series bonds are due in annual principal and interest installments secured in by the City's ad-valorem taxes through July 1, 2048, and subject to redemption prior to maturity as provided in the Series 2017 and 2018 bond agreements. Under the terms of the authorizing resolution related to bonds, should the City default in any of its obligations or covenants created by such resolution, the bondholders may, in addition to any remedy set forth in such resolution, either at law or in equity, by suit, action, mandamus or other proceeding in any court of competent jurisdiction, protect and enforce any and all rights under the laws of the State of Florida, or granted and contained in such resolution, and may enforce and compel the performance of all duties required by the resolution, or by any applicable statutes to be performed by the City or by any officer thereof. As of September 30, 2021, the principal amounts outstanding on the GOB series 2017 and 2018 bonds are \$20,045,000 and \$16,405,000, respectively.

Debt service requirements to maturity on the bonds are as follows:

GOB Bond Series 2017			GOB Bond Series 2018		
Year(s)	Principal	Interest	Year(s)	Principal	Interest
2022	\$ 465,000	\$ 710,125	2022	\$ 340,000	\$ 639,213
2023	490,000	686,875	2023	360,000	622,213
2024	510,000	662,375	2024	375,000	604,213
2025	540,000	636,875	2025	395,000	585,463
2026	565,000	609,875	2026	415,000	565,713
2027 - 2031	3,190,000	2,686,544	2027 - 2031	2,390,000	2,515,413
2032 - 2036	3,695,000	2,171,906	2032 - 2036	2,835,000	2,066,394
2037 - 2041	4,330,000	1,542,688	2037 - 2041	3,380,000	1,528,150
2042 - 2046	5,125,000	749,000	2042 - 2046	4,060,000	842,063
2047 - 2049	1,135,000	39,725	2047 - 2049	1,855,000	108,500
	<u>\$ 20,045,000</u>	<u>\$ 10,495,988</u>		<u>\$ 16,405,000</u>	<u>\$ 10,077,335</u>

Business-Type Activities

State Revolving Loan Payable – In connection with the City's Reverse Osmosis Treatment Plant, the City entered into loan agreements with the State Department of Environmental Protection's Drinking Water Revolving Fund Loan Program. The resulting loans were approximately \$7,092,000 with interest rate ranging from 2.61% to 2.82%. The City is required to maintain rates and charges for the services furnished by the water system which will be sufficient to provide revenues equal to or exceeding 1.15 times the sum of the semi-annual loan payments (debt service). The loans are payable in semi-annual principal installments through October 2031. As of September 30, 2021, the principal outstanding on the notes was \$4,262,734.

City of Lake Worth Beach, Florida

Notes to the Basic Financial Statements

Note 8. Long-Term Debt (Continued)

In connection with the replacement of approximately 17 miles of 2-inch water lines which were corroded within the City's water distribution system, the City entered into loan agreements with the State Department of Environmental Protection's Drinking Water Revolving Fund Loan Program. The resulting loans were approximately \$9,104,000 with interest rates ranging from 0.57% to 1.57%. The loans are payable in semi-annual installments of principal and interest through March 2048. As of September 30, 2021, the principal outstanding on the notes was \$8,417,430.

In connection with the water distribution replacement project for the Lake Osborne Estates Water Main Improvements, the City entered into loan agreements with the State Department of Environmental Protection's Drinking Water Revolving Fund Loan Program. The resulting loan was approximately \$3,034,000 with an interest rate of 0.50%. As of September 30, 2021, the principal outstanding on the notes was \$2,246,156. An amortization schedule will not be finalized until the final draw on the loan is made.

Debt service requirements to maturity on the loans are as follows:

State Revolving Loans		
Year(s)	Principal	Interest
2022	\$ 680,191	\$ 174,070
2023	750,813	161,787
2024	763,646	148,954
2025	776,765	135,835
2026	790,175	122,425
2027 - 2031	4,094,451	401,030
2032 - 2036	2,150,057	142,186
2037 - 2041	1,712,202	66,202
2042 - 2046	736,068	21,775
2047 - 2051	225,795	1,557
	<u>12,680,163</u>	<u>\$ 1,375,821</u>
Loans with no repayment yet scheduled	<u>2,246,156</u>	
	<u>\$ 14,926,319</u>	

Under the terms of loan agreements, should the City default in any of its obligations or covenants created by such agreements, the State Department of Environmental Protection may, in addition to any remedy set forth in such agreement by suit, action or other proceeding in any court of competent jurisdiction, protect and enforce any and all rights under the laws of the State of Florida, or granted and contained in such agreements, and may enforce and compel the performance of all duties required by the agreements, or by any applicable statutes to be performed by the City or by any officer thereof. Default in payment of principal and interest on any of the loans described above or any future loans could cause an acceleration of the entire amount of such loans.

City of Lake Worth Beach, Florida

Notes to the Basic Financial Statements

Note 8. Long-Term Debt (Continued)

Discretely Presented Component Unit

The following is a summary of the changes in long-term debt for the Community Redevelopment Agency for the year ended:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Notes payable	\$ 3,131,250	\$ 3,263,250	\$ (3,131,250)	\$ 3,263,250	\$ 478,872
Line of credit	903,003	-	(903,003)	-	-
Total	<u>\$ 4,034,253</u>	<u>\$ 3,263,250</u>	<u>\$ (4,034,253)</u>	<u>\$ 3,263,250</u>	<u>\$ 478,872</u>

Community Redevelopment Agency (CRA) Revenue Note, Series 2021 – In April 2021, the CRA Board of Directors approved the issuance of a revenue note, Series 2021 in an aggregate principal amount of \$3,263,250 to refinance the \$4,000,000 original principal amount of Lake Worth Community Redevelopment Agency Tax Increment Redevelopment Revenue Debenture, Series 2016, the \$1,500,000 original principal amount of Lake Worth Beach Community Redevelopment Agency Tax Increment Redevelopment Revenue Debenture, Series 2018 and the \$903,000 Convertible Line of Credit dated January 9, 2020. The original principal amounts were for property acquisition and other improvements in the designated CRA area of the City. The revenue note Series 2021 is due in annual principal installments ranging from \$478,872 to \$582,485 from April 2022 through 2027 with an interest rate of 2.30%. The revenue note is payable from a pledge of tax increment revenues. As of September 30, 2021, the principal outstanding on the note is \$3,263,250.

In the event of default, the outstanding principal balance and accrued interest on the notes, together with any additional amounts payable may be accelerated and become immediately due and payable without demand or notice of any kind.

At September 30, 2021, debt service requirements on the Revenues Notes Series 2021 to maturity are as follows:

<u>CRA Revenue Note – Series 2021</u>		
<u>Year(s)</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 478,872	\$ 69,009
2023	531,842	64,041
2024	544,074	51,808
2025	556,588	39,295
2026	569,389	26,493
2027	582,485	13,397
	<u>\$ 3,263,250</u>	<u>\$ 264,043</u>

City of Lake Worth Beach, Florida

Notes to the Basic Financial Statements

Note 8. Long-Term Debt (Continued)

Debt Covenants — The various bond indebtedness and note agreements provide for annual debt service requirements, provisions for the flow of monies through various restricted accounts and minimum amounts to be contained in various sinking funds. Additionally, the utility system revenue bonds include rate covenants and renewal and replacement fund requirements.

The City Charter permits the City to pledge the funds or property taxing power of the City for the payment of debt. This is subject to mandatory requirements that the total indebtedness of the City shall never exceed an amount equal to 25% of the total assessed value of the taxable property within its corporate limits. As of September 30, 2021, the City's debt limit is \$544,424,000.

Pledged Revenues – The City issues bonds and notes that are served by a pledge of specific revenues. Total pledged revenues to repay the principal and interest of those bonds and notes for the year ended are as follows:

	Primary Government			Discretely Presented Component Unit
	Governmental Activities		Business-Type Activities	
	Ad Valorem Revenues	Non-ad Valorem Revenues	Electric and Water Revenues	
Sources of Revenue Pledged:				Tax Increment Revenues
Current Revenue Pledged	\$ 12,521,634	\$ 16,057,347	\$ 20,650,153	\$ 3,814,619
Current Debt Service	2,558,095	-	4,215,045	961,801
Total Future Revenues Pledged	36,450,000	13,991,367	128,174,927	3,263,250
Purpose of Debt	Local Roadways	Capital Improvements	Utilities and Refunding	Economic Development
Term of Commitment	2018-2048	2020-2048	2021-2060	2022-2027
Percentage of Debt Service to Current Year Pledged Revenues	20.43%	0.00%	20.41%	25.21%

Note 9. Employee Retirement Systems

General Information – The City contributes to three single-employer retirement systems covering substantially all full-time employees. The General Employees' Retirement System, the Police Officers' Relief and Retirement System and the Firefighters' Pension Trust (collectively, the Pension Trust Funds) are defined benefit pension plans. Each plan issues a publicly available financial report that includes the applicable financial statements and required supplementary information for the plan. The reports can be obtained by contacting the City's finance department.

Summary of Significant Accounting Policies

The Pension Trust Funds financial statements are prepared using the accrual basis of accounting. Contributions to the Pension Trust Funds are recognized as revenue at the time they are due. Benefit payments and refunds are recognized as expenses as they become payable and administrative expenses are recognized at the time the expense is incurred. Investments are reported at fair value. Interest and dividend income are recognized when earned. Gains and losses on sales and exchanges of securities are valued at the last reported sales price at current exchange rates.

City of Lake Worth Beach, Florida

Notes to the Basic Financial Statements

Note 9. Employee Retirement Systems (Continued)

General Employees' Retirement System (GERS)

Plan Description – The GERS is a single-employer defined benefit plan covering all eligible employees. The Plan was established by the City effective October 1, 1996, under the Code of Ordinances for the City of Lake Worth Beach, Florida, Chapter 10, Article II. The Plan was amended October 1, 2010, under Ordinance No 2010-19.

The Plan is administered by a board of five trustees comprised of the mayor of the City, the City's finance director; one member appointed by the City Commission who must be a resident of the City and two persons elected by the members.

All regular full-time employees other than Police Officers or Firefighters participate in the Plan.

Benefits Provided – The Plan provides retirement, death, and disability benefits. The benefit provisions are established and may be amended under the authority of City Ordinance.

Normal retirement for participants retiring before October 1, 2015, is 20 vesting credits or vesting credits plus years of age totaling 75 or more, provided the participant has at least 10 vesting credits. Normal retirement age for participants retiring after October 1, 2015, is 55 years of age and 30 vesting credits or 65 years of age and 10 vesting credits. The Plan provides a normal retirement benefit equal to 3% of average final compensation for each year of credited service worked through September 30, 2011. The normal retirement benefit for credits earned on or after October 1, 2010, will be 2% of average final compensation. The monthly benefits are increased annually by \$ 2.50 for each full year from the members' date of retirement. Participants retiring on or after October 1, 2010, will not be eligible for the annual adjustment.

Deferred Retirement Option Plan (the "DROP") – Members who have attained normal retirement age, as described above, are eligible for the Deferred Retirement Option Plan (the DROP). Upon entering the DROP, the member's accrued benefit is frozen. An account is established for each participant in the DROP, which is credited with the member's normal retirement benefit plus or minus investment earnings or losses. Investment earnings or losses are credited or debited to the participant's account at either the same rate realized as the Plan or, if so, elected in advance, at a fixed rate of interest established by the Plan administrator. The value of the DROP balance at September 30, 2021 was \$1,655,875.

Contributions – All participants are required to contribute 7.8% of pretax earnings, which the City pays as a pickup contribution pursuant to Internal Revenue Code Section 414(h)(2). Pursuant to Florida law, the City is ultimately responsible for the actuarially soundness of the Plan. Therefore, each year, the City must contribute an amount determined by the Trustees in conjunction with the Plan's actuary to be sufficient, along with the employee's contribution, to fund the defined benefits under the Plan.

Police Officers' Relief and Retirement System (PRS):

Plan Description – The PRS is a single-employer defined benefit plan covering all eligible police officers. The PRS was established by the City under the Code of Ordinances for the City of Lake Worth Beach, Florida, Chapter 16, Article IV Division I. The PRS was last amended July 1, 2014, under Ordinance No. 2014-21. The PRS is also governed by certain provisions of Chapter 185, Florida Statutes, Part VII, Chapter 112, Florida Statutes, and the Internal Revenue Code. Effective July 1, 2014, and in accordance with Ordinance 2014-31, Lake Worth Police Officer's Relief and Pension Fund, Division 2 Share Accounts, merged into the PRS.

City of Lake Worth Beach, Florida

Notes to the Basic Financial Statements

Note 9. Employee Retirement Systems (Continued)

The PRS is administered by a board of five trustees comprised of the mayor of the City, the City's finance director, one member appointed by the City Commission, that must be a resident of the City, and two police officers elected by the members.

The City transferred its police functions to the Palm Beach County Sheriff's Office effective October 1, 2009. At that time, the Plan became closed to new members. All of the City's former full-time sworn police officers are eligible to participate in the PRS.

Benefits Provided – The Plan provides retirement, death, and disability benefits. The benefit provisions are established and may be amended under the authority of City Ordinance.

Normal retirement age is the earlier of age 55 with 10 years of credited service, completion of 20 years of credited services, regardless of age or when age plus service measured in months equals or exceeds 75 years, provided the member has at least 10 years of credited service. The Plan provides a normal retirement benefit equal to 3% of average final compensation for each year of credited service worked. The monthly benefits are increased annually by \$2.50 for each full year from the member's date of retirement.

Deferred Retirement Option Plan (the "DROP") – Members who have attained normal retirement age, as described above, are eligible for the DROP. Upon entering the DROP, the member's accrued benefit is frozen. An account is established for each participant in the DROP, which is credited with the member's normal retirement benefit plus or minus investment earnings or losses. Investment earnings or losses are credited or debited to the participant's account at either the same rate realized as the Plan or, if so, elected in advance, at a fixed rate of interest established by the Plan administrator. The value of the DROP balance at September 30, 2021 was \$40,399.

Contributions – Police employees are required by an ordinance of the City to contribute 7.06% of pretax earnings, which the City pays as a pickup contribution pursuant to Internal Revenue Code Section 414(h)(2). The City is required to contribute the remaining amounts necessary to fund the system, based on an amount determined by the plan's actuaries as of October 1st of each preceding year. The contribution requirements of plan members and the City are established and may be amended by the PRS Board of Trustees and the City Commission.

During the fiscal year ended September 30, 2021, the City received payments from the State for the PRS in the amount of \$563,299. These contributions which consist of excise taxes collected by the State on property and casualty insurance premiums on policies written within the City are required under Chapter 185 Florida Statutes. These revenues and expenditures were appropriately recorded in the General Fund.

Firefighters' Pension Trust (FPT):

Plan Description – The FPT is a single-employer defined benefit plan covering all eligible firefighters. The FPT was established by the City in accordance with a City ordinance and state statutes.

The City transferred its fire operations to Palm Beach County effective October 1, 2009. At that time, the Plan became closed to new members. All of the City's former certified firefighters are eligible to participate in the FPT.

City of Lake Worth Beach, Florida

Notes to the Basic Financial Statements

Note 9. Employee Retirement Systems (Continued)

Benefits Provided – The Plan provides retirement, death and disability benefits. The benefit provisions are established and may be amended under the authority of City Ordinance.

Normal retirement age is the earlier of age 55 with 10 years of credited service or completion of 20 years of credited service, regardless of age or when age plus service measured in months equals or exceeds 900. The Plan provides a normal retirement benefit equal to 3.75% of average final compensation for each year of credited service worked, including prior fire service and military service purchased by the member.

Deferred Retirement Option Plan (the “DROP”) – Members who continue in employment past normal retirement date may either accrue larger pensions or freeze their accrued benefit and enter the DROP. Eligibility is either 20 years of service or age 55 with 10 years of service. Each participant in the DROP has an account credited with benefits not received and investment earnings. The value of the DROP balance at September 30, 2021 was \$18,886,228.

Contributions – Firefighters are required by Lake Worth City Ordinance to contribute 11.25% of pretax earnings, which the City pays as a pickup contribution pursuant to Internal Revenue Code Section 414(h)(2). The City is required to contribute the remaining amounts necessary to fund the plan, based on an amount determined by the Plan’s actuaries as of October 1st of each preceding year. The contribution requirements of Plan members and the City are established and may be amended by the FPT Board of Trustees and the City Commission.

During the fiscal year ended September 30, 2021, the City received payments from the State for the FPT in the amount of \$38,308. These contributions which consist of excise taxes collected by the State on property and casualty insurance premiums on policies written within the City are required under Chapter 175 Florida Statutes. These revenues and expenditures were appropriately recorded in the General Fund.

At October 1, 2020, the following plan members were covered by the Plans:

	General Employees’ Retirement System	Police Officers’ Relief and Retirement System	Firefighters’ Pension Trust
Active employees	295	10	4
Inactive plan members or beneficiaries currently receiving benefits	308	95	71
Inactive plan members entitled but not yet receiving benefits	20	-	1
	<u>623</u>	<u>105</u>	<u>76</u>

City of Lake Worth Beach, Florida

Notes to the Basic Financial Statements

Note 9. Employee Retirement Systems (Continued)

Net Pension Liability of the City

The City's net pension liability was determined based on a measurement date of September 30, 2020. The components of the net pension liability of the City at September 30, 2021, were as follows:

	General Employees' Retirement System	Police Officers' Relief and Retirement System	Firefighters' Pension Trust	Total
Total pension liability	\$ 109,353,313	\$ 54,410,147	\$ 67,201,296	\$ 230,964,756
Plan fiduciary net position	73,547,600	36,264,199	50,872,211	160,684,010
Net pension liability	<u>\$ 35,805,713</u>	<u>\$ 18,145,948</u>	<u>\$ 16,329,085</u>	<u>\$ 70,280,746</u>
Plan fiduciary net position as a percentage of the total pension liability	67.26%	66.65%	75.70%	69.57%

Actuarial Assumptions – The total pension liability based on the measurement date of September 30, 2020 was determined by using actuarial valuations as of October 1, 2019, with update procedures used to roll forward the total pension liability. The actuarial valuations used the following actuarial assumptions:

	General Employees' Retirement System	Police Officers' Relief and Retirement System	Firefighters' Pension Trust
Inflation	2.50%	2.50%	2.50%
Salary increases	5.00% - 7.50% *	6.50%	6.50%
Investment rate of return	7.20%	7.00%	7.00%

* Depending on years of service, including inflation

For the GERS, PRS and FPT plans, mortality rates were based on the RP-2000 Combined Healthy Participant Mortality Table for males and females with mortality improvement projected to all future years after 2000 using Scale BB.

City of Lake Worth Beach, Florida

Notes to the Basic Financial Statements

Note 9. Employee Retirement Systems (Continued)

Investment Policy –The GERS, PRS and FPT plans’ policy in regard to the allocation of invested assets is established and may be amended by their respective Boards. Plan assets are managed on a total return basis with long-term objective of achieving and maintaining a fully funded status for the benefits provided through the pension plan. The following are the Plans adopted asset allocations:

	Target Allocations		
	General Employees’ Retirement System	Police Officers’ Relief and Retirement System	Firefighters’ Pension Trust
Domestic equities	40 - 65%	40 - 65%	40 - 60%
International equities	5 - 20%	5 - 20%	5 - 20%
Fixed income	15 - 25%	15 - 25%	20 - 40%
Real assets	-	-	0 -10%
Real estate	0 - 15%	0 - 15%	0 - 10%
TIPS	0 - 10%	0 - 15%	-
Cash and cash equivalents	Minimal	Minimal	Minimal

Long-Term Expected Rate of Return – The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment 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 pension plan’s target asset allocation are summarized in the following table:

	Long-Term Expected Real Rate of Return		
	General Employees’ Retirement System	Police Officers’ Relief and Retirement System	Firefighters’ Pension Trust
Domestic equities	7.50%	7.50%	7.50%
International equities	8.50%	8.50%	8.50%
Fixed income	2.50 - 3.50%	2.50 - 3.50%	2.50 - 3.50%
Real estate	4.50%	4.50%	4.50%

Rate of Return – For the year ended September 30, 2021, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 19.03% for GERS, 18.60% for PRS, and 20.28% for FPT. The money weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

City of Lake Worth Beach, Florida

Notes to the Basic Financial Statements

Note 9. Employee Retirement Systems (Continued)

Discount Rate – This discount rate used to measure the total pension liability was 7.20% for GERS, 7.0% for PRS and FPT. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rates and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates (statutorily required) and the member rates. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The changes in the net pension liability for each plan follows:

	General Employee’s Retirement System		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances as of September 30, 2020 Measurement date	\$ 108,714,231	\$ 71,483,084	\$ 37,231,147
Changes for the year:			
Service cost	1,490,960	-	1,490,960
Interest	7,681,848	-	7,681,848
Changes of benefit terms	-	-	-
Difference between expected and actual experience	398,714	-	398,714
Changes in assumptions	1,016,341	-	1,016,341
Contributions – employer	-	4,236,368	(4,236,368)
Contributions – employee	-	1,065,640	(1,065,640)
Net investment income	-	6,858,745	(6,858,745)
Benefit payments	(9,948,781)	(9,948,781)	-
Administrative expenses	-	(147,456)	147,456
Net changes	639,082	2,064,516	(1,425,434)
Balances as of September 30, 2021 Measurement date	\$ 109,353,313	\$ 73,547,600	\$ 35,805,713

City of Lake Worth Beach, Florida

Notes to the Basic Financial Statements

Note 9. Employee Retirement Systems (Continued)

	Police Officers' Relief and Retirement System		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances as of September 30, 2020 Measurement date	\$ 53,401,488	\$ 33,305,790	\$ 20,095,698
Changes for the year:			
Service cost	233,461	-	233,461
Interest	3,711,037	-	3,711,037
Changes of benefit terms	-	-	-
Difference between expected and actual experience	(144,036)	-	(144,036)
Changes in assumptions	672,851	-	672,851
Other (addition to share plan accounts)	340,049	-	340,049
Contributions – employer and state	-	3,647,981	(3,647,981)
Contributions – employee	-	75,013	(75,013)
Net investment income	-	3,137,775	(3,137,775)
Benefit payments	(3,804,703)	(3,804,703)	-
Administrative expenses	-	(97,657)	97,657
Net changes	1,008,659	2,958,409	(1,949,750)
Balances as of September 30, 2021 Measurement date	\$ 54,410,147	\$ 36,264,199	\$ 18,145,948
	Firefighters' Pension Trust		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances as of September 30, 2020 Measurement date	\$ 67,131,107	\$ 47,002,371	\$ 20,128,736
Changes for the year:			
Service cost	135,109	-	135,109
Interest	4,637,539	-	4,637,539
Changes of benefit terms	(856)	-	(856)
Difference between expected and actual experience	(515,400)	-	(515,400)
Changes in assumptions	624,869	-	624,869
Other (addition to share plan accounts)	-	-	-
Contributions – employer and state	-	3,243,971	(3,243,971)
Contributions – employee	-	50,167	(50,167)
Net investment income	-	5,476,803	(5,476,803)
Benefit payments	(4,811,072)	(4,811,072)	-
Administrative expenses	-	(90,029)	90,029
Net changes	70,189	3,869,840	(3,799,651)
Balances as of September 30, 2021 Measurement date	\$ 67,201,296	\$ 50,872,211	\$ 16,329,085

City of Lake Worth Beach, Florida

Notes to the Basic Financial Statements

Note 9. Employee Retirement Systems (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate – The following presents the net pension liability of the City, calculated using the discount rate of 7.20% for GERS and 7.0% for PRS and FPTF, 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 for each plan:

	1% Decrease 6.20%	Current Discount Rate 7.20%	1% Increase 8.20%
General Employee’s Retirement System	\$ 47,014,447	\$ 35,805,713	\$ 26,376,935
	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
Police Officers’ Relief and Retirement System	\$ 23,127,569	\$ 18,145,948	\$ 13,971,686
	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
Firefighters’ Pension Trust	\$ 20,951,546	\$ 16,329,085	\$ 12,453,195

Pension Expense and Deferred Outflows and Inflows of Resources Related to Pensions

For the year ended September 30, 2021, the City recognized pension expense as follows:

	General Employees’ Retirement System	Police Officers’ Relief and Retirement System	Firefighters’ Pension Trust	Total
Pension expense	\$ 3,703,089	\$ 2,428,616	\$ 988,561	\$ 7,120,266

City of Lake Worth Beach, Florida

Notes to the Basic Financial Statements

Note 9. Employee Retirement Systems (Continued)

At year end the City reported deferred outflows of resources and deferred inflows of resources related to pensions as following:

	Deferred Outflows of Resources	Deferred Inflows of Resources
General Employees' Retirement System		
Differences between expected and actual experience	\$ 317,630	\$ 332,431
Assumption changes	1,285,915	-
Net difference between projected and actual earnings on pension plan investments	-	1,500,551
Total deferred amounts to be recognized in pension expense in future periods	1,603,545	1,832,982
Pension contributions made subsequent to the measurement date	4,422,607	-
Total deferred amounts	<u>\$ 6,026,152</u>	<u>\$ 1,832,982</u>
Police Officers' Relief and Retirement System		
Net difference between projected and actual earnings on pension plan investments	\$ -	\$ 312,343
Total deferred amounts to be recognized in pension expense in future periods	-	312,343
Pension contributions made subsequent to the measurement date	3,834,596	-
Total deferred amounts	<u>\$ 3,834,596</u>	<u>\$ 312,343</u>

City of Lake Worth Beach, Florida

Notes to the Basic Financial Statements

Note 9. Employee Retirement Systems (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Firefighters' Pension Trust		
Net difference between projected and actual earnings on pension plan investments	\$ -	\$ 1,697,955
Total deferred amounts to be recognized in pension expense in future periods	-	1,697,955
Pension contributions made subsequent to the measurement date	3,419,118	-
Total deferred amounts	<u>\$ 3,419,118</u>	<u>\$ 1,697,955</u>

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 year ending September 30, 2022.

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

Fiscal Years Ending September 30,	General Employees' Retirement System	Police Officers' Relief and Retirement System	Firefighters' Pension Trust	Total
2022	\$ (185,628)	\$ (168,417)	\$ (716,420)	\$ (1,070,465)
2023	190,313	12,512	(449,260)	(246,435)
2024	142,789	6,090	(83,698)	65,181
2025	(376,911)	(162,528)	(448,577)	(988,016)
Total	<u>\$ (229,437)</u>	<u>\$ (312,343)</u>	<u>\$ (1,697,955)</u>	<u>\$ (2,239,735)</u>

Note 10. Deferred Compensation Plans

The City offers its employees two deferred compensation plans in accordance with Internal Revenue Code Sections 401a and 457. The funds are administered by ICMA Retirement Corporation. All assets of the Plans are held in trust, custodial accounts or annuity contracts, for the exclusive benefit of the participants and their beneficiaries. Consequently, those Plan assets and liabilities are not recorded by the City. During fiscal year 2021, the City contributed approximately \$136,000 into the 401a plan on behalf of employees. The City does not contribute to the 457 plan, as it is 100% employee contributions.

City of Lake Worth Beach, Florida

Notes to the Basic Financial Statements

Note 11. Other Postemployment Benefits (OPEB)

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

Plan Description and Funding Policy. Employees who retire from the City and their dependents are eligible to continue to participate (single employer plan) in the City's health insurance plan currently offered through the City at the "blended" employee group rate, which is determined annually by the City. The benefits of the Plan conform to Florida Statutes, which are the legal authority for the Plan.

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

Active employees	317
Inactive plan members entitled but not yet receiving benefits	448
	<u>765</u>

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

Actuarial Methods and Assumptions: The actuarial valuation of the calculation of OPEB involves estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the City and plan members) and include the types of benefits in force at the valuation date and the historical pattern of sharing benefit costs between the City and the plan members to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

City of Lake Worth Beach, Florida

Notes to the Basic Financial Statements

Note 11. Other Postemployment Benefits (OPEB) (Continued)

The total OPEB liability at September 30, 2021, was based on an actuarial valuation dated September 30, 2019, with a measurement date of September 30, 2020, using the following actuarial assumptions:

Actuarial cost method	Entry age normal
Inflation	2.50%
Discount rate	2.41%
Salary increases	For general employees, 7.5% – 5.0% depending on service, including inflation
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition.
Mortality	Mortality tables used in the July 1, 2020 actuarial valuation of the Florida Retirement System. They are based on the results of a statewide experience study covering the period 2013 through 2018.
Healthcare cost trend rates	Based on the Getzen Model, with a trend rate of 6.5%, decreasing gradually to an ultimate trend rate of 3.99%.
Aging factors	Based on the 2013 study “Health Care Costs – From Birth to Death.”

Changes in assumptions and other inputs include the change in the discount rate from 2.75% as of the beginning of the measurement period to 2.41% as of September 30, 2020. This change is reflected in the Schedule of Changes in Total OPEB Liability. There were no benefit changes during the year.

Discount Rate: The discount rate used to measure the total OPEB liability was 2.41%. Because the City’s OPEB costs are funded on a pay-as-you-go basis, a tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date was used to determine the total OPEB liability.

The City’s total OPEB liability at year-end follows:

Total OPEB liability:	
Service cost	\$ 30,431
Interest on total OPEB liability	56,531
Difference between expected and actual experience of the total OPEB liability	(182,151)
Changes of assumptions and other inputs	154,787
Benefit payments	<u>(253,448)</u>
Net change in total OPEB liability	(193,850)
Total OPEB liability, beginning	<u>2,151,968</u>
Total OPEB liability, ending	<u><u>\$ 1,958,118</u></u>

City of Lake Worth Beach, Florida

Notes to the Basic Financial Statements

Note 11. Other Postemployment Benefits (OPEB) (Continued)

Sensitivity of the total OPEB liability to changes in the discount rate: The following table presents the total OPEB liability, calculated using the discount rate of 2.41%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than current discount rate:

	1% Decrease 1.41%	Current Discount Rate 2.41%	1% Increase 3.41%
Total OPEB liability	\$ 2,114,208	\$ 1,958,118	\$ 1,718,653

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

	1% Trend Decrease (a)	Trend Rate Assumption 6%	1% Trend Increase (b)
Total OPEB liability	\$ 1,812,711	\$ 1,958,118	\$ 1,996,284

(a) 5%, gradually decreasing to an ultimate trend rate of 2.99% in 2028

(b) 7%, gradually decreasing to an ultimate trend rate of 4.99% in 2028

OPEB expense and deferred outflows of resources and deferred inflows of resources related to OPEB: For the year ended September 30, 2021, the City recognized OPEB expense of \$178,833 and deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 20,164	\$ 128,577
Assumption changes	185,080	-
	205,244	
Contributions made subsequent to the measurement date	153,445	-
Total deferred amounts	\$ 358,689	\$ -

The balance of \$153,445 reported as deferred outflows of resources related to OPEB resulting from City contributions paid subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the year ending September 30, 2022.

City of Lake Worth Beach, Florida

Notes to the Basic Financial Statements

Note 11. Other Postemployment Benefits (OPEB) (Continued)

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

Fiscal Years Ending September 30,	OPEB Plan
2022	\$ 70,675
2023	9,210
2024	(3,218)
Total	<u>\$ 76,667</u>

Note 12. Commitments and Contingencies

Florida Municipal Power Agency (FMPA) Agreements – The City’s electric utility operates pursuant to various power sales contracts with a number of other power producers, including Power Sales and Project Support Contracts with the FMPA for FMPA’s St. Lucie Project, Stanton Project, and Stanton II Project, and an All-Requirements Power Supply Project Contract (however, the City currently purchases no capacity or energy from the FMPA Stanton II and All-Requirements Power Supply Projects). FMPA owns an 8.806% undivided interest in Florida Power & Light Company’s St. Lucie Unit No. 2 (St. Lucie Unit No. 2), a nuclear-powered electric generating facility and a 25% interest in Orlando Utilities Commission’s Stanton Energy Center Coal Fired Unit No. 1 (Stanton Unit No. 1). The contracts with FMPA give the City and each of the other participants in the St. Lucie Project and the Stanton Project entitlement shares aggregating 100% of FMPA’s ownership interest in St. Lucie Unit No. 2 and Stanton Unit No. 1. FMPA also has a Reliability Exchange Agreement with Florida Power & Light Company that enables the St. Lucie Project to exchange 50% of its share of the output from St. Lucie Unit No. 2 for a like amount from FPL’s St. Lucie Unit No. 1. Under the FMPA agreements, the City is to receive approximately 22 megawatts (mw) of power from the St. Lucie Project and 11.5 mw of power from the Stanton Project. Costs associated with power purchases under these agreements are charged against operations as incurred. Revenue from participating sales contracts are recognized as earned. Additionally, Lake Worth is a participant in the FMPA Solar Project with a 17.544% (10 MW) entitlement share. The Solar Project consists of FMPA’s purchase of 57 MW from Florida Renewable Partners, and is expected to be commercially operable in 2023. FMPA’s PPA for the Solar Project has a term of 20 years. Lake Worth is also a participant in the FMPA Solar II Project with a 49.580% (26.55 MW) entitlement share. The Solar II Project consists of FMPA’s purchase of 53.55 MW from Origins, and is expected to be commercially operable in 2023. FMPA’s PPA for the Solar II Project has an initial term of 20 years. Pursuant to the City’s agreement with the FMPA, the City was required to make a specified working capital contribution to the FMPA. The City satisfied part of this requirement during fiscal year 2003 by transferring certain fuel inventory. The City has recorded a long-term, restricted deposit of \$1,316,174 as a portion of the working capital deposit would be refundable to the City in the event that FMPA were to return All-Requirements Power Supply Project working capital to ARP Participants, or the City were to withdrawal from the ARP pursuant to section 29 of the All-Requirements Power Supply Project Contract, less any amounts owed by the City to FMPA at that time.

Orlando Utility Commission (OUC) Agreement – Effective January 1, 2019, the City entered into an agreement with Orlando Utilities Commission (OUC) for the purchase and sale of electric energy and capacity which supplements the City’s entitlements under afore mentioned FMPA Agreements. Approximately 50% of the Lake Worth Beach electric utility’s energy supply for calendar year 2021 was sourced under the OUC agreement. The agreement provides for OUC to provide electric energy and capacity to supplement City’s entitlements under FMPA Agreements using stipulated pricing formulas.

City of Lake Worth Beach, Florida

Notes to the Basic Financial Statements

Note 12. Commitments and Contingencies (Continued)

Costs associated with power purchases under this agreement are charged against operations as incurred. Revenue from participating sales contracts are recognized as earned.

During the duration of the OUC Agreement City shall maintain a rating on senior unsecured debt securities of City, if any such securities are rated, by Standard and Poor's Corporation, Moody's Investors Service, Inc., Fitch IBCA, or another nationally recognized rating service reasonably acceptable to OUC of BBB+ or its equivalent, or a rating equivalent to OUC senior unsecured debt securities, whichever is lower. In the event that City issues any senior unsecured debt securities and the rating on such securities falls below such specified minimum rating and City fails to restore its credit rating to such specified minimum rating standing within 12 months after its rating has fallen below the rating described above, City shall within thirty (30) days of a written request by OUC therefor provide a Letter of Credit, cash or bond or other assurances reasonably sufficient to assure City's due performance of its purchase and payment obligations under this Agreement.

The Agreement with OUC is comprised of a four-year initial term beginning January 1, 2014, followed by two unilateral one-year extensions at City's option, followed by a mutual option to extended until December 31, 2025.

Litigation, Claims and Assessments – The City is a defendant in various legal actions and the ultimate outcome of these lawsuits is uncertain. However, in the opinion of the City's management, the ultimate outcome will not have a material adverse effect on the City's financial condition.

Amounts received and receivables from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amounts of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to not be material, except for amounts related to FEMA as discussed below.

FEMA Grants – The City worked with FEMA to finalize all of the claims filed by the City related to Hurricanes Jeanne, Frances, and Wilma in 2004 and 2005. Amounts received or receivable from FEMA are subject to audit and adjustment. Any disallowed claims, including amounts already collected, may constitute a liability to the City. The City received initial determination letters for all large projects (those with a cost of more than \$57,500) in late December of 2011. The net questioned costs for the three storms were approximately \$2.8 million. The City has availed itself of the appeal opportunities afforded under 44 CFR, Sec 206.206 Federal Regulations, which allows for two appeals. The City is currently in the appeal process. That appeal process is not expected to be resolved until fiscal year 2023.

The U.S. Department of Homeland Security, Office of Inspector General (DHSOIG) conducted an audit of FEMA Disaster Declarations Nos. 1545 (Hurricane Frances), 1561 (Hurricane Jeanne) and 1609 (Hurricane Wilma) between January and May 2012. The purpose of this was to review the findings of the FEMA/State of Florida closeout audits. DHSOIG issued reports to the FEMA Regional Director in November 2012 and December 2012. In July of 2013, the City was notified by the State that there were additional net questioned costs for the three storms which were approximately \$1.1 million. The City has availed itself of the appeal opportunities afforded under 44 CFR, Sec. 206.206 Federal Regulations which allows for two appeals. The City is currently in the appeal process. That appeal process is not expected to be resolved until fiscal year 2023.

At fiscal year-end September 30, 2021, the City recorded an estimated liability of \$3.6 million for amounts that may be due to FEMA (required to be repaid), in the event that the City's aforementioned appeals are unsuccessful.

City of Lake Worth Beach, Florida

Notes to the Basic Financial Statements

Note 13. Self-Insurance Program

The City is subject to Florida State Statutes regarding civil actions to recover damages for covered claims under Florida Sovereign Immunity Laws, which effectively limits the amount of liability of municipalities to individual claims of \$200,000 or \$300,000, for all claims relating to the same incident.

Liabilities are recorded when a claim or loss has been reported. The City analyzes its losses and finances, both uninsured and insured risks. All insurance premiums and claims are charged to the appropriate Fund. The City is a member of a self-insured risk retention group for property coverage on all properties, other than Utilities. The approximately \$46 million of coverage is purchased with a shared limit of \$340,000,000. There is a \$5,000 all other peril deductible and a 5% windstorm deductible with a minimum of \$20,000. Utility property is insured with ACE American Insurance Company with a dedicated limit of approximately \$128 million. This is subject to a \$300,000 all other peril deductible and a 5% named windstorm deductible with a minimum of \$250,000. Due to risk limitations, the City's beach, pier, and lifeguard stands are considered uninsurable by the City's risk pool. Therefore, the cost of repair or replacement to these assets must be absorbed directly by the City unless reimbursement is provided by federal emergency funding.

The City is self-insured for workers' compensation and has a self-insured retention level of \$500,000 per claim, with statutory excess, and \$1,000,000 excess for employer's liability through PGIT. In the past 3 years all workers' compensation claims were within the limit of the policy. There were no significant reductions in coverage during the fiscal year compared to prior year. The City purchased a \$1,000,000 excess third-party liability limit over a \$100,000 self-insured retention per occurrence for general and professional liability and automobile liability. Liabilities of the fund are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage awards.

Accordingly, claims are reevaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of pay-outs), and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims. Estimated recoveries, for example from salvage or subrogation, are another component of the claims liability estimate. All funds of the City participate in the program and make payments to the Insurance Fund based on estimates of the amounts needed to pay prior and current year claims, establish reserves for future claims and provide for administrative costs of the program. Interfund premiums are based upon the insured funds' number of employees and value of facilities. A liability for workers' compensation, general liability and property claims of approximately \$3,500,000 is reported in the fund at year end.

Changes in the balances of claims payable for 2021 and 2020, are as follows:

	Fiscal Year Ended	
	2021	2020
Claims payable, beginning of year	\$ 3,349,943	\$ 2,312,785
Provision for claims	2,686,415	2,500,842
Claims paid	(2,528,440)	(1,463,684)
Claims payable, end of year	<u>\$ 3,507,918</u>	<u>\$ 3,349,943</u>

City of Lake Worth Beach, Florida

Notes to the Basic Financial Statements

Note 14. Pronouncements Issued But Not Yet Adopted

GASB Statement No. 87, *Leases*, was issued June 2017. This Statement improves the accounting and financial reporting for leases by governments. The provisions of this Statement will be effective for the City beginning with its year ending September 30, 2022. *

GASB Statement No. 91, *Conduit Debt Obligations*, was issued May 2019. This Statement 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 provisions of this Statement will be effective for the City beginning with its year ending September 30, 2023. *

GASB Statement No. 92, *Omnibus 2020*, was issued January 2020. This statement enhances comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. The requirements of this Statement are effective for the City beginning with its year ending September 30, 2022.

GASB Statement No. 93, *Replacement of Interbank Offered Rates*, was issued in March 2020. This statement addresses accounting and financial reporting implications that result from the replacement of a LIBOR. The requirements of this Statement are effective for the City beginning with its year ending September 30, 2022. *

*Effective dates represent postponement as per GASB Statement No. 95.

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, was issued March 2020. This statement improves financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). The requirements of this Statement are effective for the City beginning with its year ending September 30, 2023.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, was issued May 2020. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). The requirements of this Statement are effective for the City beginning with its year ending September 30, 2023.

Note 14. Pronouncements Issued But Not Yet Adopted (Continued)

GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*, was issued June 2020. The primary objectives of this Statement are to: (1) 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 costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The requirements of this Statement are effective for the City beginning with its year ending September 30, 2022. Except for the requirement of this Statement that: (1) exempt primary governments that perform the duties that a governing board typically performs from treating the absence of a governing board the same as the appointment of a voting majority of a governing board in determining whether they are financially accountable for defined contribution pension plans, defined contribution OPEB plans, or other employee benefit plans, and (2) limit the applicability of the financial burden criterion in paragraph 7 of Statement 84 to defined benefit pension plans and defined benefit OPEB plans that are administered through trust that meet the criteria in paragraph 30 of Statement 67 or paragraph 30 of Statement 74, respectively, are effective immediately.

The City's management has not yet determined the effect these statements will have on the City's financial statements.

Note 15. Subsequent Events

In April 2022, the City Commission passed a resolution authorizing the issuance of Consolidated Utilities Revenue Bonds, Series 2022, in an aggregate principal amount not exceeding \$52 million for the purpose of financing and refinancing the acquisition and construction of certain capital improvements to the City's consolidated utility system consisting of various electric system, water system and wastewater system capital improvements (the "2022 Project").

City of Lake Worth Beach, Florida



**REQUIRED SUPPLEMENTARY INFORMATION
UNAUDITED**

City of Lake Worth Beach, Florida

Required Supplementary Information (unaudited)
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
General Fund
For the Fiscal Year Ended September 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
Property taxes	\$ 11,373,373	\$ 11,373,373	\$ 11,598,587	\$ 225,214
Utility service taxes	4,075,372	4,075,372	4,360,973	285,601
Gas tax	880,000	880,000	891,977	11,977
Franchise fees	130,000	130,000	156,700	26,700
Total taxes	16,458,745	16,458,745	17,008,237	549,492
Licenses and permits:				
Business	1,000,000	1,000,000	956,021	(43,979)
Non-business	119,069	119,069	116,134	(2,935)
Total licenses and permits	1,119,069	1,119,069	1,072,155	(46,914)
Fines and forfeitures:				
Public safety	36,000	36,000	37,102	1,102
Library fines	5,300	5,300	2	(5,298)
Violations of local ordinances	979,000	979,000	476,784	(502,216)
Total fines and forfeitures	1,020,300	1,020,300	513,888	(506,412)
Charges for services:				
General government	12,820,258	12,820,258	13,125,628	305,370
Public safety	371,575	371,575	275,486	(96,089)
Physical environment	843,000	843,000	937,788	94,788
Transportation	46,000	46,000	67,399	21,399
Culture and recreation	137,145	137,145	82,264	(54,881)
Total charges for services	14,217,978	14,217,978	14,488,565	270,587
Intergovernmental:				
State and other shared revenues	5,178,100	5,178,100	5,532,535	354,435
Total intergovernmental	5,178,100	5,178,100	5,532,535	354,435
Other revenues:				
Investment income	60,000	60,000	9,085	(50,915)
Rents and royalties	20,550	20,550	19,598	(952)
Miscellaneous	30,000	30,000	727,419	697,419
Total other revenues	110,550	110,550	756,102	645,552
Total revenues	38,104,742	38,104,742	39,371,482	1,266,740
Expenditures:				
General Government:				
City commission	444,077	442,577	421,310	21,267
City manager	657,358	653,331	700,364	(47,033)
City clerk	555,738	554,238	658,357	(104,119)
Finance	1,784,394	1,776,694	1,876,238	(99,544)
Personnel	160,739	160,739	167,823	(7,084)
Community development	177,481	177,481	197,636	(20,155)
Business license	717,806	717,806	370,802	347,004
Building maintenance	3,436,237	3,434,481	3,418,019	16,462
Cost of services	370,688	370,688	648,305	(277,617)
Total general government	8,304,518	8,288,035	8,458,854	(170,819)

(Continued)

City of Lake Worth Beach, Florida

Required Supplementary Information (unaudited)
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 General Fund (Continued)
 For the Fiscal Year Ended September 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Public safety:				
Police	17,166,257	17,166,257	17,481,651	(315,394)
Fire	3,466,020	3,466,020	3,461,643	4,377
Building and zoning	825,670	815,389	718,465	96,924
Code and administration	1,347,771	1,348,371	1,237,397	110,974
Total public safety	22,805,718	22,796,037	22,899,156	(103,119)
Physical environment:				
Cemetery	260,545	260,545	190,729	69,816
Grounds maintenance	2,136,053	2,136,053	2,021,151	114,902
Total physical environment	2,396,598	2,396,598	2,211,880	184,718
Transportation:				
Administration	339,457	339,457	341,360	(1,903)
Streets, drains and sidewalks	1,033,603	1,033,603	1,065,733	(32,130)
Total transportation	1,373,060	1,373,060	1,407,093	(34,033)
Culture and recreation:				
Library	791,972	790,733	719,812	70,921
Recreation	1,939,700	1,887,946	1,735,745	152,201
Total culture and recreation	2,731,672	2,678,679	2,455,557	223,122
Capital outlay	7,000	86,157	79,784	6,373
Debt service:				
Principal	397,170	397,170	863,864	(466,694)
Interest	28,099	28,099	264,276	(236,177)
Total debt service	425,269	425,269	1,128,140	(702,871)
Total expenditures	38,043,835	38,043,835	38,640,464	(596,629)
Excess (deficiency) of revenues over (under) expenditures	60,907	60,907	731,018	670,111
Other financing sources (uses):				
Proceeds from debt issuance, including premiums	-	-	885,699	885,699
Transfers out	-	-	(1,840,000)	(1,840,000)
Appropriated fund balance	19,750	19,750	-	(19,750)
Total other financing sources (uses)	19,750	19,750	(954,301)	(974,051)
Net change in fund balance	\$ 80,657	\$ 80,657	(223,283)	\$ (303,940)
Fund balance – beginning of year			11,915,994	
Fund balance – end of year			<u>\$ 11,692,711</u>	

City of Lake Worth Beach, Florida

**Notes to Required Supplementary Information
For the Fiscal Year Ended September 30, 2021**

Note 1. Budgets and Legal Compliance

The City follows these procedures in establishing budgetary data:

- a. The City Manager submits to the City Commission a proposed operating budget for the General Fund for the ensuing fiscal year. The operating budget includes proposed expenditures and the sources of receipts to finance them.
- b. Public hearings are conducted at City Hall to obtain taxpayer comments. Prior to September 30, the budget is legally enacted through passage of a resolution.
- c. The budget is approved by the City Commission and becomes the basis for the millage levied by the City Commission.
- d. The City Manager is authorized to transfer budgeted amounts within any department; however, any revisions that alter the total expenditures of any department or fund must be approved by the City Commission. The City Commission may amend the current year's budget appropriation by passage of a budget amendment resolution. Expenditures may not exceed legal appropriations at the department level. Encumbrances lapse at year-end. Encumbrances are re-appropriated in the following year's budget.
- e. Formal budgetary integration is employed as a management control device during the year.
- f. In instances where budget appropriations and estimated revenues have been revised during the year, budget data presented in the financial statements and schedules represent final authorized amounts. Therefore, the department level is the legal level of budgetary control. Budgeted amounts are as originally adopted or as amended.
- g. The City is not legally required to, and does not, adopt budgets for the Law Enforcement and Firefighters Education Fund and Law Enforcement Confiscated Property Fund.

City of Lake Worth Beach, Florida

Required Supplementary Information (unaudited)
General Employees' Retirement System
Schedule of Changes in Net Pension Liability and Related Ratios
Last Seven Fiscal Years

Fiscal Year:	2021	2020	2019	2018	2017	2016	2015
Measurement Date:	2020	2019	2018	2017	2016	2015	2014
Total pension liability:							
Service cost	\$ 1,490,960	\$ 1,344,924	\$ 1,276,370	\$ 1,264,754	\$ 1,026,628	\$ 1,289,330	\$ 1,269,805
Interest	7,681,848	7,757,646	7,622,289	7,623,881	7,765,990	7,865,429	7,897,624
Benefit changes	-	512,928	2,327,011	-	-	-	-
Differences between expected and actual experience	398,714	(807,331)	217,106	186,801	(2,300,009)	(967,020)	(289,809)
Changes of assumptions	1,016,341	993,106	957,440	2,876,644	-	-	-
Benefit payments, including refunds of member contributions	(9,948,781)	(9,150,336)	(9,382,152)	(8,029,499)	(9,099,308)	(9,316,942)	(9,308,177)
Net change in total pension liability	639,082	650,937	3,018,064	3,922,581	(2,606,699)	(1,129,203)	(430,557)
Total pension liability – beginning	108,714,231	108,063,294	105,045,230	101,122,649	103,729,348	104,858,551	105,289,108
Total pension liability – ending (a)	\$ 109,353,313	\$ 108,714,231	\$ 108,063,294	\$ 105,045,230	\$ 101,122,649	\$ 103,729,348	\$ 104,858,551
Plan fiduciary net position							
Contributions – employer	\$ 4,236,368	\$ 4,205,995	\$ 3,987,293	\$ 4,086,164	\$ 4,440,602	\$ 4,614,165	\$ 4,553,202
Contributions – member	1,065,640	1,124,756	1,124,419	1,102,815	848,814	844,870	928,387
Net investment income	6,858,745	3,351,987	6,162,213	7,822,485	4,307,428	508,074	7,515,916
Benefit payments, including refunds of member contributions	(9,948,781)	(9,150,336)	(9,382,152)	(8,029,499)	(9,099,308)	(9,316,942)	(9,308,177)
Administrative expenses	(147,456)	(140,447)	(141,352)	(124,525)	(142,750)	(128,684)	(126,863)
Net change in plan fiduciary net position	2,064,516	(608,045)	1,750,421	4,857,440	354,786	(3,478,517)	3,562,465
Plan fiduciary net position – beginning	71,483,084	72,091,129	70,340,708	65,483,268	65,128,482	68,606,999	65,044,534
Plan fiduciary net position – ending (b)	\$ 73,547,600	\$ 71,483,084	\$ 72,091,129	\$ 70,340,708	\$ 65,483,268	\$ 65,128,482	\$ 68,606,999
City net pension liability – ending (a) - (b)	\$ 35,805,713	\$ 37,231,147	\$ 35,972,165	\$ 34,704,522	\$ 35,639,381	\$ 38,600,866	\$ 36,251,552
Plan fiduciary net position as a percentage of the total pension liability	67.26%	65.75%	66.71%	66.96%	64.76%	62.79%	65.43%
Covered payroll	\$ 15,837,827	\$ 15,972,516	\$ 14,415,632	\$ 14,138,657	\$ 10,882,231	\$ 10,831,667	\$ 11,902,397
City net pension liability as percentage of covered payroll	226.08%	233.10%	249.54%	245.46%	327.50%	356.37%	304.57%

Note:

a. This schedule is intended to present information for ten years. However, until a full ten-year trend is compiled, the pension plan will present information for those years which the information is available.

b. Effective October 1, 2019, the investment return assumption was lowered from 7.30% to 7.20%.

City of Lake Worth Beach, Florida

Required Supplementary Information (unaudited)
Police Officers' Relief and Retirement System
Schedule of Changes in Net Pension Liability and Related Ratios
Last Seven Fiscal Years

Fiscal Year:	2021	2020	2019	2018	2017	2016	2015
Measurement Date:	2020	2019	2018	2017	2016	2015	2014
Total pension liability:							
Service cost	\$ 233,461	\$ 210,912	\$ 193,882	\$ 229,634	\$ 255,209	\$ 238,693	\$ 280,511
Interest	3,711,037	3,702,052	3,661,397	3,713,027	3,837,201	3,902,610	3,915,664
Differences between expected and actual experience	(144,036)	24,508	434,141	(97,978)	(655,445)	287,033	115,847
Changes of assumptions	672,851	666,720	656,642	266,889	635,049	-	-
Benefit payments, including refunds of member contributions	(3,804,703)	(3,680,593)	(3,678,987)	(4,422,363)	(5,427,902)	(5,567,874)	(3,923,670)
Other	340,049	270,932	295,992	235,027	209,050	209,050	202,603
Net change in total pension liability	1,008,659	1,194,531	1,563,067	(75,764)	(1,146,838)	(930,488)	590,955
Total pension liability – beginning	53,401,488	52,206,957	50,643,890	50,719,654	51,866,492	52,796,980	52,206,025
Total pension liability – ending (a)	\$ 54,410,147	\$ 53,401,488	\$ 52,206,957	\$ 50,643,890	\$ 50,719,654	\$ 51,866,492	\$ 52,796,980
Plan fiduciary net position							
Contributions – employer and state	\$ 3,647,981	\$ 3,233,586	\$ 3,119,402	\$ 3,013,393	\$ 2,882,783	\$ 2,773,209	\$ 2,543,956
Contributions – member	75,013	73,571	68,521	73,533	169,346	102,916	208,801
Net investment income	3,137,775	1,451,429	2,189,339	3,021,517	1,744,263	449,322	2,906,179
Benefit payments, including refunds of member contributions	(3,804,703)	(3,680,593)	(3,678,987)	(4,422,363)	(5,427,902)	(5,567,874)	(3,923,670)
Administrative expenses	(97,657)	(100,691)	(91,942)	(91,961)	(94,732)	(89,064)	(96,476)
Net change in plan fiduciary net position	2,958,409	977,302	1,606,333	1,594,119	(726,242)	(2,331,491)	1,638,790
Plan fiduciary net position – beginning	33,305,790	32,328,488	30,722,155	29,128,036	29,854,278	32,185,769	30,546,979
Plan fiduciary net position – ending (b)	\$ 36,264,199	\$ 33,305,790	\$ 32,328,488	\$ 30,722,155	\$ 29,128,036	\$ 29,854,278	\$ 32,185,769
City net pension liability – ending (a) - (b)	\$ 18,145,948	\$ 20,095,698	\$ 19,878,469	\$ 19,921,735	\$ 21,591,618	\$ 22,012,214	\$ 20,611,211
Plan fiduciary net position as a percentage of the total pension liability	66.65%	62.37%	61.92%	60.66%	57.43%	57.56%	60.96%
Covered payroll	\$ 1,071,183	\$ 1,042,087	\$ 970,555	\$ 1,041,543	\$ 1,275,960	\$ 1,250,989	\$ 1,333,456
City net pension liability as percentage of covered payroll	1694.01%	1928.41%	2048.15%	1912.71%	1692.19%	1759.58%	1545.70%

Note:

a. This schedule is intended to present information for ten years. However, until a full ten-year trend is compiled, the pension plan will present information for those years which the information is available.

b. Effective October 1, 2019, the investment return assumption was lowered from 7.15% to 7.0%.

City of Lake Worth Beach, Florida

Required Supplementary Information (unaudited)
Firefighters' Pension Trust
Schedule of Changes in Net Pension Liability and Related Ratios
Last Seven Fiscal Years

Fiscal Year:	2021	2020	2019	2018	2017	2016	2015
Measurement Date:	2020	2019	2018	2017	2016	2015	2014
Total pension liability:							
Service cost	\$ 135,109	\$ 241,178	\$ 260,076	\$ 285,547	\$ 302,838	\$ 332,003	\$ 297,315
Interest	4,637,539	4,680,993	4,749,735	4,762,802	4,650,666	4,483,334	4,332,379
Changes in benefit terms	(856)	-	-	-	-	-	-
Differences between expected and actual experience	(515,400)	(61,252)	(544,886)	(322,397)	120,719	198,870	(241,254)
Changes of assumptions	624,869	621,002	613,640	185,206	608,377	978,453	-
Benefit payments, including refunds of member contributions	(4,811,072)	(4,563,512)	(5,341,813)	(4,213,072)	(3,877,251)	(3,184,398)	(3,217,144)
Other	-	97,844	424,869	1,531,430	547,964	1,101,767	275,168
Net change in total pension liability	70,189	1,016,253	161,621	2,229,516	2,353,313	3,910,029	1,446,464
Total pension liability – beginning	67,131,107	66,114,854	65,953,233	63,723,717	61,370,404	57,460,375	56,013,911
Total pension liability – ending (a)	<u>\$ 67,201,296</u>	<u>\$ 67,131,107</u>	<u>\$ 66,114,854</u>	<u>\$ 65,953,233</u>	<u>\$ 63,723,717</u>	<u>\$ 61,370,404</u>	<u>\$ 57,460,375</u>
Plan fiduciary net position							
Contributions – employer and state	\$ 3,243,971	\$ 2,872,622	\$ 2,794,091	\$ 2,811,277	\$ 2,709,016	\$ 2,550,030	\$ 2,625,210
Contributions – member	50,167	169,763	84,971	105,985	108,980	118,270	123,344
Net investment income	5,476,803	1,487,404	4,981,565	4,306,470	2,748,904	(828,763)	3,079,060
Benefit payments, including refunds of member contributions	(4,811,072)	(4,563,512)	(5,341,813)	(4,213,072)	(3,877,251)	(3,184,398)	(3,217,144)
Administrative expenses	(90,029)	(86,312)	(84,970)	(70,801)	(80,852)	(92,510)	(217,064)
Rollover	-	-	424,869	1,531,430	547,964	1,101,767	275,168
Net change in plan fiduciary net position	3,869,840	(120,035)	2,858,713	4,471,289	2,156,761	(335,604)	2,668,574
Plan fiduciary net position – beginning	47,002,371	47,122,406	44,263,693	39,792,404	37,635,643	37,971,247	35,302,673
Plan fiduciary net position – ending (b)	<u>\$ 50,872,211</u>	<u>\$ 47,002,371</u>	<u>\$ 47,122,406</u>	<u>\$ 44,263,693</u>	<u>\$ 39,792,404</u>	<u>\$ 37,635,643</u>	<u>\$ 37,971,247</u>
City net pension liability – ending (a) - (b)	<u>\$ 16,329,085</u>	<u>\$ 20,128,736</u>	<u>\$ 18,992,448</u>	<u>\$ 21,689,540</u>	<u>\$ 23,931,313</u>	<u>\$ 23,734,761</u>	<u>\$ 19,489,128</u>
Plan fiduciary net position as a percentage of the total pension liability	75.70%	70.02%	71.27%	67.11%	62.45%	61.33%	66.08%
Covered payroll	\$ 445,929	\$ 639,283	\$ 755,301	\$ 942,090	\$ 968,706	\$ 1,050,059	\$ 1,073,629
City net pension liability as percentage of covered payroll	3661.81%	3148.64%	2514.55%	2302.28%	2470.44%	2260.33%	1815.26%

Note:

a. This schedule is intended to present information for ten years. However, until a full ten-year trend is compiled, the pension plan will present information for those years which the information is available.

b. Effective October 1, 2019, the investment return assumption was lowered from 7.15% to 7.00%.

City of Lake Worth Beach, Florida

Required Supplementary Information (unaudited)
General Employees' Retirement System – Schedule of Contributions
Last Ten Fiscal Years

Fiscal Year	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2021	\$ 4,601,944	\$ 4,601,944	\$ -	\$ 17,230,100	26.7%
2020	4,236,368	4,236,368	-	15,834,827	26.8%
2019	4,205,995	4,205,995	-	15,972,516	26.3%
2018	3,987,293	3,987,293	-	14,415,632	27.7%
2017	4,086,164	4,086,164	-	14,138,657	28.9%
2016	4,440,602	4,440,602	-	10,882,231	40.8%
2015	4,614,165	4,614,165	-	10,831,667	42.6%
2014	4,553,202	4,553,202	-	11,902,397	38.3%
2013	3,982,877	3,982,877	-	11,547,885	34.5%
2012	3,293,953	3,293,953	-	11,916,382	27.6%

Notes to Schedule:

Valuation date: October 1, 2019

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level dollar, closed
Remaining amortization period	19 years (single equivalent amortization period)
Asset valuation method	5-year smoothed market
Inflation	2.50%
Salary increases	5.0%-7.5%, depending on years of service, including inflation
Investment rate of return	7.20%
Mortality	RP- 2000 Combined Healthy Participant Mortality Table (for preretirement mortality) and the RP-2000 Mortality Table for Annuitants (for postretirement mortality), with mortality improvements projected to all future years after 2000 using Scale BB. For males, the base mortality rates include a 50% blue collar adjustment and a 50% white collar adjustment. For females, the base mortality rates include a 100% white collar adjustment. These are the same rates as used for Non-Special-Risk Class members of the Florida Retirement System (FRS) in the July 1, 2018 Actuarial Valuation. Florida Statutes Chapter 112.63 mandates the use of the same mortality assumptions used by FRS in either of the two most recently published FRS actuarial valuation reports.

City of Lake Worth Beach, Florida

**Required Supplementary Information (unaudited)
Police Officers' Relief and Retirement System – Schedule of Contributions
Last Ten Fiscal Years**

Fiscal Year	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2021	\$ 3,935,466	\$ 3,935,466	\$ -	\$ 966,547	407.2%
2020	3,307,932	3,307,932	-	1,071,183	308.8%
2019	3,233,586	3,233,586	-	1,042,087	310.3%
2018	2,742,005	2,823,410	(81,405)	970,555	290.9%
2017	2,696,961	2,778,366	(81,405)	1,041,543	266.8%
2016	2,615,683	2,673,733	(58,050)	1,275,960	209.5%
2015	2,548,833	2,564,159	(15,326)	1,250,989	205.0%
2014	2,341,353	2,341,353	-	1,333,456	175.6%
2013	2,071,189	2,071,189	-	1,445,490	143.3%
2012	1,733,395	1,733,395	-	1,460,425	118.7%

Notes to Schedule:

Valuation date: October 1, 2019

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level dollar, closed
Remaining amortization period	10 years
Asset valuation method	5-year smoothed market
Inflation	2.50%
Salary increases	6.5%, including inflation
Investment rate of return	7.00%
Mortality	RP- 2000 Combined Healthy Participant Mortality Table (for preretirement mortality) and the RP-2000 Mortality Table for Annuitants (for postretirement mortality), with mortality improvements projected to all future years after 2000 using Scale BB. For males, the base mortality rates include a 90% blue collar adjustment and a 10% white collar adjustment. For females, the base mortality rates include a 100% white collar adjustment. These are the same rates as used for Special-Risk Class members of the Florida Retirement System (FRS) in the July 1, 2018 actuarial valuation, as mandated by Florida Statutes Chapter 112.63.

City of Lake Worth Beach, Florida

**Required Supplementary Information (unaudited)
Firefighters' Pension Trust – Schedule of Contributions
Last Ten Fiscal Years**

Fiscal Year	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2021	\$ 3,457,426	\$ 3,457,426	\$ -	\$ 284,938	1213.4%
2020	3,243,971	3,243,971	-	445,929	727.5%
2019	2,872,622	2,872,622	-	639,283	449.4%
2018	2,794,091	2,794,091	-	755,301	369.9%
2017	2,811,277	2,811,277	-	942,090	298.4%
2016	2,709,016	2,709,016	-	968,706	279.7%
2015	2,550,030	2,550,030	-	1,050,059	242.8%
2014	2,625,210	2,625,210	-	1,073,629	244.5%
2013	2,332,795	2,332,795	-	994,538	234.6%
2012	1,845,288	1,845,288	-	1,073,889	171.8%

Notes to Schedule:

Valuation date: October 1, 2019

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level dollar, closed
Remaining amortization period	10 years
Asset valuation method	5-year smoothed market
Inflation	2.50%
Salary increases	6.50%
Investment rate of return	7.00%
Mortality	RP- 2000 Combined Healthy Participant Mortality Table (for preretirement mortality) and the RP-2000 Mortality Table for Annuitants (for postretirement mortality), with mortality improvements projected to all future years after 2000 using Scale BB. For males, the base mortality rates include a 90% blue collar adjustment and a 10% white collar adjustment. For females, the base mortality rates include a 100% white collar adjustment. These are the same rates as used for Special-Risk Class members of the Florida Retirement System (FRS) in the July 1, 2018 actuarial valuation, as mandated by Florida Statutes Chapter 112.63.

City of Lake Worth Beach, Florida

Required Supplementary Information (unaudited)
Pension Trust Funds – Schedule of Investment Returns
Last Ten Fiscal Years

Fiscal Year	Annual Money-Weighted Rate of Return, Net of Investment Expenses		
	General Employees' Retirement System	Police Officers' Relief and Retirement System	Firefighters' Pension Trust
2021	19.03 %	18.60 %	20.28 %
2020	10.54	10.38	11.54
2019	4.91	4.98	3.46
2018	9.63	8.15	11.92
2017	12.84	11.44	11.14
2016	7.30	6.76	7.51
2015	0.43	1.48	(2.16)
2014	12.19	10.14	9.03
2013	16.25	15.44	13.81
2012	19.43	19.80	20.64

City of Lake Worth Beach, Florida

Required Supplementary Information (unaudited)
City of Lake Worth Beach OPEB Plan
Schedule of Changes in Total OPEB Liability and Related Ratios
Last Four Fiscal Years

Fiscal year ending September 30:	2021	2020	2019	2018
Measurement date September 30:	2020	2019	2018	2017
Total pension liability:				
Service cost	\$ 30,431	\$ 28,506	\$ 21,674	\$ 21,929
Interest on total OPEB liability	56,531	76,947	63,806	62,760
Changes in benefit terms	-	-	184,337	-
Differences between expected and actual experience	(182,151)	-	141,142	-
Changes of assumptions	154,787	189,844	7,230	(63,321)
Benefit payments	(253,448)	(247,744)	(230,272)	(214,928)
Net change in total OPEB liability	(193,850)	47,553	187,917	(193,560)
Total OPEB liability – beginning	2,151,968	2,104,415	1,916,498	2,110,058
Total OPEB liability – ending	<u>\$ 1,958,118</u>	<u>\$ 2,151,968</u>	<u>\$ 2,104,415</u>	<u>\$ 1,916,498</u>
Covered payroll	\$ 19,192,059	\$ 19,767,821	\$ 19,192,059	\$ 19,430,154
Total OPEB liability as percentage of covered payroll	10.20%	10.89%	10.97%	9.86%

Notes to schedule:

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

The discount rate was changed from 2.75% to 2.41% for fiscal year 2021.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

THE FOLLOWING COMBINING STATEMENTS INCLUDE THE NONMAJOR GOVERNMENTAL FUNDS, NON- MAJOR ENTERPRISE FUNDS, INTERNAL SERVICE FUNDS, FIDUCIARY FUNDS AND THE DISCRETELY PRESENTED COMPONENT UNITS. IN ADDITION, BUDGET - TO- ACTUAL SCHEDULES ARE PRESENTED.

City of Lake Worth Beach, Florida

Nonmajor Governmental Funds

Special Revenue Funds

Special Revenue funds are used to account for the proceeds of specific revenue sources (other than amounts relating to private purpose trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

Beach Fund

To account for revenues and expenditures associated with the services provided by the beach, pier, pool, beach parking and casino building.

Building Permit Fund

To account for revenues and expenditures associated with the services provided by the building department.

Golf Fund

This fund accounts for the operations and rental payments of City-owned golf courses.

Parking Improvement Fund

Was established by the City Commission to segregate funds and accumulate funds from development assessments on downtown-area properties. These funds are to be used for parking lot maintenance, striping and the possible installation of parking meters to control downtown parking use.

Code Remediation Fund

To account for the transactions from code compliance liens placed on city properties which have been vacated and the properties acquired through foreclosures.

Grants Fund

To account for certain revenues and expenditures related to federal, state, and local grants awarded to the City.

Tree Beautification Fund

Accounts for the collection of tree removal fees and donations that are to be used for the preservation, maintenance, relocation, or restoration of tree ecosystems on public or private land within the City limits.

Utility Conservation Fund

To account for the receipt and disbursement of funds collected from surcharges (Resolution 48-2009) for Energy Conservation programs.

Simpkin Trust Fund

To account for the receipt and disbursement of donated monies for the library.

Library Trust Fund

To account for the receipt and disbursement of monies for the library.

Law Enforcement and Firefighters Education Fund

To account for state contributions for police and firefighter education and the expenditures incurred.

Law Enforcement Confiscated Property Fund

To account for the receipt of monies from the sale of confiscated property and disbursement for special law enforcement activities in accordance with Florida statutes and federal regulations.

City of Lake Worth Beach, Florida

Nonmajor Governmental Funds

Debt Service Fund

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

General Obligation Bond (GOB) 2018 Fund

To account for principal and interest costs on the GOB series 2018 which is funded by property taxes.

Capital Projects Funds

The Capital Projects Funds are used to account for the financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary or trust funds.

Park of Commerce Fund

To account for the construction costs of the Park of Commerce Project, funded by City funds, grants, and other financing.

Discretionary Sales Tax Fund

To account for the "Palm Beach County District Schools, Cities and County Government Infrastructure One-Cent Sales Surtax" for the acquisition or construction of major capital facilities and the purchase of capital items.

Capital Projects Fund

To account for the acquisition or construction of major capital facilities and the purchase of capital items other than those financed by proprietary fund operations.

City of Lake Worth Beach, Florida

Combining Balance Sheet
 Nonmajor Governmental Funds
 September 30, 2021

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund GOB 2018	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets				
Cash and cash equivalents	\$ 4,117,739	\$ 165,278	\$ 8,625,721	\$ 12,908,738
Investments	6,393,698	-	8,842,729	15,236,427
Accounts receivable, net	143,627	-	621,927	765,554
Accrued interest receivable	376	-	3,684	4,060
Inventories	11,298	-	-	11,298
Land held for resale	111,589	-	-	111,589
Prepaid items	24,289	-	-	24,289
Restricted assets:				
Cash and cash equivalents	425,000	-	-	425,000
Total assets	\$ 11,227,616	\$ 165,278	\$ 18,094,061	\$ 29,486,955
Liabilities				
Accounts and contracts payable	\$ 68,846	\$ -	\$ 327,609	\$ 396,455
Accrued liabilities	101,813	-	-	101,813
Due to other funds	69,390	-	47,595	116,985
Unearned revenue	60,751	-	-	60,751
Total liabilities	300,800	-	375,204	676,004
Fund balances:				
Nonspendable:				
Prepaid items	24,289	-	-	24,289
Inventories	11,298	-	-	11,298
Land held for resale	111,589	-	-	111,589
Restricted for:				
Debt service	-	165,278	-	165,278
Public safety	9,331,147	-	-	9,331,147
Grants	393,731	-	-	393,731
Capital projects	425,000	-	10,089,612	10,514,612
Parking improvements	69,336	-	-	69,336
Public safety	-	-	-	-
Tree preservation	19,606	-	-	19,606
Energy conservation	178,123	-	-	178,123
Culture and recreation	362,697	-	-	362,697
Assigned to:				
Capital projects	-	-	7,629,245	7,629,245
Total fund balances	10,926,816	165,278	17,718,857	28,810,951
Total liabilities and fund balances	\$ 11,227,616	\$ 165,278	\$ 18,094,061	\$ 29,486,955

City of Lake Worth Beach, Florida

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits)
Nonmajor Governmental Funds
For the Fiscal Year Ended September 30, 2021**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund GOB 2018	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:				
Property taxes	\$ -	\$ 2,334,299	\$ -	\$ 2,334,299
Utility and other taxes	-	-	532,181	532,181
Licenses and permits	1,555,716	-	-	1,555,716
Fines and forfeitures	984,744	-	-	984,744
Charges for services	4,989,477	-	-	4,989,477
Intergovernmental	252,657	-	5,795,051	6,047,708
Investment income	1,603	-	822	2,425
Miscellaneous	245,479	-	182,000	427,479
Total revenues	8,029,676	2,334,299	6,510,054	16,874,029
Expenditures:				
Current:				
General government	83,739	-	4,157	87,896
Public safety	1,516,025	-	-	1,516,025
Transportation	759,397	-	12,979	772,376
Culture and recreation	3,967,678	-	-	3,967,678
Capital outlay	55,005	-	3,870,366	3,925,371
Debt service:				
Principal	-	765,000	-	765,000
Interest	171,909	1,387,588	-	1,559,497
Total expenditures	6,553,753	2,152,588	3,887,502	12,593,843
Excess (deficiency) of revenues over (under) expenditures	1,475,923	181,711	2,622,552	4,280,186
Other financing sources (uses):				
Transfers in	-	-	2,120,000	2,120,000
Transfers out	(280,000)	-	-	(280,000)
Total other financing sources	(280,000)	-	2,120,000	1,840,000
Net change in fund balance (deficit)	1,195,923	181,711	4,742,552	6,120,186
Fund balances (deficit), beginning of year	9,730,893	(16,433)	12,976,305	22,690,765
Fund balances, end of year	\$ 10,926,816	\$ 165,278	\$ 17,718,857	\$ 28,810,951

City of Lake Worth Beach, Florida

Combining Balance Sheet
 Nonmajor Special Revenue Funds
 September 30, 2021

	Beach Fund	Building Permit	Golf	Parking Improvement	Code Remediation	Grants	Tree Beautification	Utility Conservation	Simpkin Trust	Library Trust	Law Enforcement and Firefighters Education	Law Enforcement Confiscated Property	Total Nonmajor Special Revenue Funds
Assets:													
Cash and cash equivalents	\$ 2,225,231	\$ 943,034	\$ 275,649	\$ 24,676	\$ 55,825	\$ 393,731	\$ 19,606	\$ -	\$ 17,717	\$ 54,021	\$ 95,487	\$ 12,762	\$ 4,117,739
Investments	1,713,849	3,838,988	-	44,657	445,659	-	-	247,700	94,041	-	-	8,804	6,393,698
Accounts receivable, net	126,134	-	-	-	17,493	-	-	-	-	-	-	-	143,627
Accrued interest receivable	20	250	-	3	101	-	-	-	-	-	-	2	376
Inventories	-	-	11,298	-	-	-	-	-	-	-	-	-	11,298
Land held for resale	-	-	-	-	111,589	-	-	-	-	-	-	-	111,589
Prepaid items	5,076	-	19,213	-	-	-	-	-	-	-	-	-	24,289
Restricted assets:													
Cash and cash equivalents	400,000	-	25,000	-	-	-	-	-	-	-	-	-	425,000
Total assets	\$ 4,470,310	\$ 4,782,272	\$ 331,160	\$ 69,336	\$ 630,667	\$ 393,731	\$ 19,606	\$ 247,700	\$ 111,758	\$ 54,021	\$ 95,487	\$ 21,568	\$ 11,227,616
Liabilities:													
Accounts and contracts payable	\$ 43,494	\$ 14,703	\$ 6,280	\$ -	\$ 4,182	\$ -	\$ -	\$ 187	\$ -	\$ -	\$ -	\$ -	\$ 68,846
Accrued liabilities	46,512	43,601	11,700	-	-	-	-	-	-	-	-	-	101,813
Due to other funds	-	-	-	-	-	-	-	69,390	-	-	-	-	69,390
Unearned revenue	-	-	60,751	-	-	-	-	-	-	-	-	-	60,751
Total liabilities	90,006	58,304	78,731	-	4,182	-	-	69,577	-	-	-	-	300,800
Fund balances:													
Nonspendable:													
Prepaid items	5,076	-	19,213	-	-	-	-	-	-	-	-	-	24,289
Inventories	-	-	11,298	-	-	-	-	-	-	-	-	-	11,298
Land held for resale	-	-	-	-	111,589	-	-	-	-	-	-	-	111,589
Restricted for:													
Public safety	3,975,228	4,723,968	-	-	514,896	-	-	-	-	-	95,487	21,568	9,331,147
Grants	-	-	-	-	-	393,731	-	-	-	-	-	-	393,731
Capital projects	400,000	-	25,000	-	-	-	-	-	-	-	-	-	425,000
Parking improvements	-	-	-	69,336	-	-	-	-	-	-	-	-	69,336
Tree preservation	-	-	-	-	-	-	19,606	-	-	-	-	-	19,606
Energy conservation	-	-	-	-	-	-	-	178,123	-	-	-	-	178,123
Culture and recreation	-	-	196,918	-	-	-	-	-	111,758	54,021	-	-	362,697
Total fund balances	4,380,304	4,723,968	252,429	69,336	626,485	393,731	19,606	178,123	111,758	54,021	95,487	21,568	10,926,816
Total liabilities and fund balances	\$ 4,470,310	\$ 4,782,272	\$ 331,160	\$ 69,336	\$ 630,667	\$ 393,731	\$ 19,606	\$ 247,700	\$ 111,758	\$ 54,021	\$ 95,487	\$ 21,568	\$ 11,227,616

City of Lake Worth Beach, Florida

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Nonmajor Special Revenue Funds
 For the Fiscal Year Ended September 30, 2021

	Beach Fund	Building Permit	Golf	Parking Improvement	Code Remediation	Grants	Tree Beautification	Utility Conservation	Simpkin Trust	Library Trust	Law Enforcement and Firefighters Education	Law Enforcement Confiscated Property	Total Nonmajor Special Revenue Funds
Revenues:													
Licenses and permits	\$ -	\$ 1,555,716	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,555,716
Fines and forfeitures	984,744	-	-	-	-	-	-	-	-	-	-	-	984,744
Charges for services	3,510,763	8,740	1,469,974	-	-	-	-	-	-	-	-	-	4,989,477
Intergovernmental	-	-	-	-	-	247,866	-	-	-	-	4,791	-	252,657
Investment income	506	883	-	10	15	-	-	159	30	-	-	-	1,603
Miscellaneous	55,526	-	29,198	-	160,755	-	-	-	-	-	-	-	245,479
Total revenues	4,551,539	1,565,339	1,499,172	10	160,770	247,866	-	159	30	-	4,791	-	8,029,676
Expenditures:													
Current:													
General government	-	40,892	-	-	-	-	-	42,847	-	-	-	-	83,739
Public safety	-	1,274,296	-	-	241,177	550	-	-	-	-	-	2	1,516,025
Transportation	759,385	-	-	12	-	-	-	-	-	-	-	-	759,397
Culture and recreation	2,698,636	-	1,269,016	-	-	-	-	-	26	-	-	-	3,967,678
Capital outlay	21,176	10,354	-	-	23,475	-	-	-	-	-	-	-	55,005
Debt service:													
Interest and other costs	170,021	-	1,888	-	-	-	-	-	-	-	-	-	171,909
Total expenditures	3,649,218	1,325,542	1,270,904	12	264,652	550	-	42,847	26	-	-	2	6,553,753
Excess (deficiency) of revenues over (under) expenditures	902,321	239,797	228,268	(2)	(103,882)	247,316	-	(42,688)	4	-	4,791	(2)	1,475,923
Other financing uses:													
Transfers out	(230,000)	-	(50,000)	-	-	-	-	-	-	-	-	-	(280,000)
Net change in fund balances	672,321	239,797	178,268	(2)	(103,882)	247,316	-	(42,688)	4	-	4,791	(2)	1,195,923
Fund balances (deficit), beginning of year	3,707,983	4,484,171	74,161	69,338	730,367	146,415	19,606	220,811	111,754	54,021	90,696	21,570	9,730,893
Fund balances, end of year	\$ 4,380,304	\$ 4,723,968	\$ 252,429	\$ 69,336	\$ 626,485	\$ 393,731	\$ 19,606	\$ 178,123	\$ 111,758	\$ 54,021	\$ 95,487	\$ 21,568	\$ 10,926,816

City of Lake Worth Beach, Florida

Combining Balance Sheet
 Nonmajor Capital Projects Funds
 September 30, 2021

	Park of Commerce	Discretionary Sales Tax	Capital Projects	Total Nonmajor Capital Projects Funds
Assets				
Cash and cash equivalents	\$ 82,257	\$ 5,798,237	\$ 2,745,227	\$ 8,625,721
Investments	4,164,141	3,738,554	940,034	8,842,729
Accounts receivable, net	-	551,089	70,838	621,927
Accrued interest receivable	1,591	1,732	361	3,684
Total assets	\$ 4,247,989	\$ 10,089,612	\$ 3,756,460	\$ 18,094,061
Liabilities				
Accounts and contracts payable	\$ 244,328	\$ -	\$ 83,281	\$ 327,609
Due to other funds	-	-	47,595	47,595
Total liabilities	244,328	-	130,876	375,204
Fund balances:				
Restricted for:				
Capital Projects	-	10,089,612	-	10,089,612
Assigned to:				
Capital projects	4,003,661	-	3,625,584	7,629,245
Total fund balances	4,003,661	10,089,612	3,625,584	17,718,857
Total liabilities and fund balances	\$ 4,247,989	\$ 10,089,612	\$ 3,756,460	\$ 18,094,061

City of Lake Worth Beach, Florida

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Fiscal Year Ended September 30, 2021**

	Park of Commerce	Discretionary Sales Tax	Capital Projects	Total Nonmajor Capital Projects Funds
Revenues:				
Utility and other taxes	\$ -	\$ -	\$ 532,181	\$ 532,181
Intergovernmental	2,679,433	3,115,618	-	5,795,051
Investment income	-	822	-	822
Miscellaneous	-	-	182,000	182,000
Total revenues	2,679,433	3,116,440	714,181	6,510,054
Expenditures:				
Current:				
General government	1,500	746	1,911	4,157
Transportation	-	12,979	-	12,979
Capital outlay	2,666,989	-	1,203,377	3,870,366
Total expenditures	2,668,489	13,725	1,205,288	3,887,502
Excess (deficiency) of revenues over (under) expenditures	10,944	3,102,715	(491,107)	2,622,552
Other financing sources:				
Transfers in	-	-	2,120,000	2,120,000
Net change in fund balances	10,944	3,102,715	1,628,893	4,742,552
Fund balances, beginning of year	3,992,717	6,986,897	1,996,691	12,976,305
Fund balances, end of year	<u>\$ 4,003,661</u>	<u>\$ 10,089,612</u>	<u>\$ 3,625,584</u>	<u>\$ 17,718,857</u>

City of Lake Worth Beach, Florida

Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Beach Fund
 For the Fiscal Year Ended September 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 3,450,408	\$ 3,450,408	\$ 3,510,763	\$ 60,355
Fines and forfeitures	217,200	217,200	984,744	767,544
Investment income	13,000	13,000	506	(12,494)
Miscellaneous	25,850	25,850	55,526	29,676
Total revenues	3,706,458	3,706,458	4,551,539	845,081
Expenditures:				
Current:				
Transportation	872,960	872,960	759,385	113,575
Culture and recreation	2,740,364	2,724,164	2,698,636	25,528
Capital outlay	5,000	21,200	21,176	24
Debt service:				
Interest	-	-	170,021	(170,021)
Total expenditures	3,618,324	3,618,324	3,649,218	(30,894)
Excess of revenues over expenditures	88,134	88,134	902,321	814,187
Other financing uses:				
Transfers out	-	-	(230,000)	230,000
Appropriated fund balance	(88,134)	(88,134)	-	88,134
Total other financing uses	(88,134)	(88,134)	(230,000)	318,134
Net change in fund balance	\$ -	\$ -	672,321	\$ 1,132,321
Fund balance, beginning of year			<u>3,707,983</u>	
Fund balance, end of year			<u>\$ 4,380,304</u>	

City of Lake Worth Beach, Florida

Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Building Permit Fund
 For the Fiscal Year Ended September 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Licenses and permits	\$ 1,117,000	\$ 1,117,000	\$ 1,555,716	\$ 438,716
Charges for services	15,150	15,150	8,740	(6,410)
Investment income	-	-	883	883
Total revenues	1,132,150	1,132,150	1,565,339	433,189
Expenditures:				
Current:				
General government	40,892	40,892	40,892	-
Public safety	1,331,372	1,331,372	1,274,296	57,076
Capital outlay	555,000	555,000	10,354	544,646
Total expenditures	1,927,264	1,927,264	1,325,542	601,722
Excess (deficiency) of revenues over (under) expenditures	(795,114)	(795,114)	239,797	1,034,911
Other financing sources:				
Appropriated fund balance	795,114	795,114	-	(795,114)
Total other financing sources	795,114	795,114	-	(795,114)
Net change in fund balance	\$ -	\$ -	239,797	\$ 239,797
Fund balance, beginning of year			<u>4,484,171</u>	
Fund balance, end of year			<u><u>\$ 4,723,968</u></u>	

City of Lake Worth Beach, Florida

Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Golf Fund
 For the Fiscal Year Ended September 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 1,269,500	\$ 1,269,500	\$ 1,469,974	\$ 200,474
Miscellaneous	10,000	10,000	29,198	19,198
Total revenues	1,279,500	1,279,500	1,499,172	219,672
Expenditures:				
Current:				
Culture and recreation	1,278,874	1,278,874	1,269,016	9,858
Debt service:				
Interest	-	-	1,888	(1,888)
Total expenditures	1,278,874	1,278,874	1,270,904	7,970
Excess of revenues over expenditures	626	626	228,268	227,642
Other financing sources (uses):				
Non operating sources	50,000	50,000	-	(50,000)
Transfers out	-	-	(50,000)	(50,000)
Appropriated fund balance	(50,626)	(50,626)	-	50,626
Total other financing sources (uses)	(626)	(626)	(50,000)	(49,374)
Net change in fund balance	\$ -	\$ -	178,268	\$ 178,268
Fund balance (deficit), beginning of year			<u>74,161</u>	
Fund balance, end of year			<u>\$ 252,429</u>	

City of Lake Worth Beach, Florida

Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Parking Improvement Fund
 For the Fiscal Year Ended September 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ -	\$ -	\$ 10	\$ 10
Expenditures:				
Transportation	-	-	12	(12)
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>(2)</u>	<u>(2)</u>
Other financing sources (uses):				
Appropriated fund balance	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>(2)</u>	<u>\$ (2)</u>
Fund balance, beginning of year			<u>69,338</u>	
Fund balance, end of year			<u>\$ 69,336</u>	

City of Lake Worth Beach, Florida

Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Code Remediation Fund
 For the Fiscal Year Ended September 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ 4,000	\$ 4,000	\$ 15	\$ (3,985)
Miscellaneous	365,000	365,000	160,755	(204,245)
Total revenues	369,000	369,000	160,770	(208,230)
Expenditures:				
Current:				
Public safety	286,525	289,525	241,177	48,348
Capital outlay	23,475	23,475	23,475	-
Total expenditures	310,000	313,000	264,652	48,348
Excess (deficiency) of revenues over (under) expenditures	59,000	56,000	(103,882)	(256,578)
Other financing sources:				
Appropriated fund balance	(59,000)	(56,000)	-	56,000
Total other financing sources	(59,000)	(56,000)	-	56,000
Net change in fund balance	\$ -	\$ -	(103,882)	\$ (200,578)
Fund balance, beginning of year			<u>730,367</u>	
Fund balance, end of year			<u>\$ 626,485</u>	

City of Lake Worth Beach, Florida

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual

Grants Fund

For the Fiscal Year Ended September 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 608,679	\$ 608,679	\$ 247,866	\$ (360,813)
Total revenues	608,679	608,679	247,866	(360,813)
Expenditures:				
Current:				
Public safety	759,896	759,896	550	759,346
Total expenditures	759,896	759,896	550	759,346
Excess (deficiency) of revenues over (under) expenditures	(151,217)	(151,217)	247,316	398,533
Other financing sources (uses):				
Transfers in	115,881	115,881	-	(115,881)
Appropriated fund balance	35,336	35,336	-	(35,336)
Total other financing sources (uses)	151,217	151,217	-	(151,217)
Net change in fund balance	\$ -	\$ -	247,316	\$ 247,316
Fund balance, beginning of year			146,415	
Fund balance, end of year			<u>\$ 393,731</u>	

City of Lake Worth Beach, Florida

Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Tree Beautification Fund
 For the Fiscal Year Ended September 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Miscellaneous	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
Expenditures:				
Current:				
Physical environment	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
Fund balance, beginning of year			<u>19,606</u>	
Fund balance, end of year			<u>\$ 19,606</u>	

City of Lake Worth Beach, Florida

Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Utility Conservation Fund
 For the Fiscal Year Ended September 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ -	\$ -	\$ 159	\$ 159
Miscellaneous	-	-	-	-
Total revenues	-	-	159	159
Expenditures:				
Current:				
General government	174,777	174,777	42,847	131,930
Total expenditures	174,777	174,777	42,847	131,930
Deficiency of revenues over expenditures	(174,777)	(174,777)	(42,688)	132,089
Other financing sources (uses):				
Appropriated fund balance	174,777	174,777	-	(174,777)
Total other financing sources (uses)	174,777	174,777	-	(174,777)
Net change in fund balance	\$ -	\$ -	(42,688)	\$ (42,688)
Fund balance, beginning of year			220,811	
Fund balance, end of year			<u>\$ 178,123</u>	

City of Lake Worth Beach, Florida

Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Simpkin Trust Fund
 For the Fiscal Year Ended September 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ 500	\$ 500	\$ 30	\$ (470)
Total revenues	500	500	30	(470)
Expenditures:				
Current:				
Culture and recreation	-	-	26	(26)
Total expenditures	-	-	26	(26)
Excess (deficiency) of revenues over (under) expenditures	500	500	4	(496)
Other financing sources (uses):				
Transfers out	(30,000)	(30,000)	-	30,000
Appropriated fund balance	29,500	29,500	-	(29,500)
Total other financing sources (uses)	(500)	(500)	-	500
Net change in fund balance	\$ -	\$ -	4	\$ 4
Fund balance, beginning of year			111,754	
Fund balance, end of year			<u>\$ 111,758</u>	

City of Lake Worth Beach, Florida

Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Library Trust Fund
 For the Fiscal Year Ended September 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final Budget		
Revenues:				
Miscellaneous	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
Expenditures				
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
Other financing sources (uses):				
Appropriated fund balance	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
Fund balance, beginning of year			<u>54,021</u>	
Fund balance, end of year			<u>\$ 54,021</u>	

City of Lake Worth Beach, Florida

Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Neighborhood Road Program Fund
 For the Fiscal Year Ended September 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ -	\$ -	\$ 12,034	\$ 12,034
Total revenues	-	-	12,034	12,034
Expenditures:				
Capital outlay	7,981,401	7,981,401	3,523,937	4,457,464
Total expenditures	7,981,401	7,981,401	3,523,937	4,457,464
Deficiency of revenues over expenditures	(7,981,401)	(7,981,401)	(3,511,903)	4,469,498
Other financing sources (uses):				
Appropriated fund balance	7,981,401	7,981,401	-	(7,981,401)
Total other financing sources (uses)	7,981,401	7,981,401	-	(7,981,401)
Net change in fund balance	\$ -	\$ -	(3,511,903)	\$ (3,511,903)
Fund balance, beginning of year			6,481,249	
Fund balance, end of year			<u>\$ 2,969,346</u>	

City of Lake Worth Beach, Florida

Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Law Enforcement and Firefighters Education Fund
 For the Fiscal Year Ended September 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final Budget		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 4,791	\$ 4,791
Total revenues	-	-	4,791	4,791
Expenditures:				
Public safety	-	-	-	-
Total expenditures	-	-	-	-
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	4,791	<u>\$ 4,791</u>
Fund balance, beginning of year			<u>90,696</u>	
Fund balance, end of year			<u>\$ 95,487</u>	

City of Lake Worth Beach, Florida

Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Law Enforcement Confiscated Property Fund
 For the Fiscal Year Ended September 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final Budget		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
Expenditures:				
Public safety	-	-	2	(2)
Total expenditures	-	-	2	(2)
Net change in fund balance	\$ -	\$ -	(2)	\$ (2)
Fund balance, beginning of year			21,570	
Fund balance, end of year			<u>\$ 21,568</u>	

City of Lake Worth Beach, Florida

Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Government Obligation Bond 2018
 For the Fiscal Year Ended September 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final Budget		
Revenues:				
Property taxes	\$ 2,152,587	\$ 2,152,587	\$ 2,334,299	\$ 181,712
Total revenues	<u>2,152,587</u>	<u>2,152,587</u>	<u>2,334,299</u>	<u>181,712</u>
Current:				
Debt service:				
Principal	765,000	765,000	765,000	-
Interest	1,387,588	1,387,588	1,387,588	-
Total expenditures	<u>2,152,588</u>	<u>2,152,588</u>	<u>2,152,588</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1)</u>	<u>(1)</u>	<u>181,711</u>	<u>181,712</u>
Other financing sources (uses):				
Appropriated fund balance	1	1	-	(1)
Total other financing sources (uses)	<u>1</u>	<u>1</u>	<u>-</u>	<u>(1)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>181,711</u>	<u>\$ 181,711</u>
Fund balance (deficit), beginning of year			\$ (16,433)	
Fund balance (deficit), end of year			<u>\$ 165,278</u>	

City of Lake Worth Beach, Florida

Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Park of Commerce Fund
 For the Fiscal Year Ended September 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final Budget		
Revenues:				
Intergovernmental	\$ -	\$ 2,404,275	\$ 2,679,433	\$ 275,158
Total revenues	-	2,404,275	2,679,433	275,158
Expenditures:				
Current:				
General government	-	-	1,500	(1,500)
Capital outlay	817,000	3,221,275	2,666,989	554,286
Total expenditures	817,000	3,221,275	2,668,489	552,786
Excess (deficiency) of revenues over (under) expenditures	(817,000)	(817,000)	10,944	827,944
Other financing sources:				
Appropriated fund balance	817,000	817,000	-	(817,000)
Total other financing sources	817,000	817,000	-	(817,000)
Net change in fund balance	\$ -	\$ -	10,944	\$ 10,944
Fund balance, beginning of year			3,992,717	
Fund balance, end of year			<u>\$ 4,003,661</u>	

City of Lake Worth Beach, Florida

Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Discretionary Sales Tax Fund
 For the Fiscal Year Ended September 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final Budget		
Revenues:				
Sales tax	\$ -	\$ -	\$ 3,115,618	\$ 3,115,618
Investment income	-	-	822	822
Total revenues	-	-	3,116,440	3,116,440
Expenditures:				
Current:				
General government	-	-	746	(746)
Transportation	-	16,423	12,979	3,444
Capital outlay	-	-	-	-
Total expenditures	-	16,423	13,725	2,698
Excess (deficiency) of revenues over (under) expenditures	-	(16,423)	3,102,715	3,119,138
Other financing sources:				
Appropriated fund balance	-	16,423	-	(16,423)
Net change in fund balance	\$ -	\$ -	3,102,715	\$ 3,102,715
Fund balance, beginning of year			6,986,897	
Fund balance, end of year			<u>\$ 10,089,612</u>	

City of Lake Worth Beach, Florida

Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Capital Projects Fund
 For the Fiscal Year Ended September 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final Budget		
Revenues:				
Utility and other taxes	\$ -	\$ -	\$ 532,181	\$ 532,181
Miscellaneous	-	-	182,000	182,000
Total revenues	-	-	714,181	714,181
Expenditures:				
Current:				
General government	1,117	1,117	1,911	(794)
Capital outlay	1,313,504	1,313,504	1,203,377	110,127
Total expenditures	1,314,621	1,314,621	1,205,288	109,333
Deficiency of revenues over expenditures	(1,314,621)	(1,314,621)	(491,107)	823,514
Other financing sources (uses):				
Transfers in	-	-	2,120,000	2,120,000
Appropriated fund balance	1,314,621	1,314,621	-	(1,314,621)
Total other financing sources (uses)	1,314,621	1,314,621	2,120,000	805,379
Net change in fund balance	\$ -	\$ -	1,628,893	\$ 1,628,893
Fund balance, beginning of year			1,996,691	
Fund balance, end of year			\$ 3,625,584	

City of Lake Worth Beach, Florida

Nonmajor Enterprise Funds

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises – where the intent of the City Commission is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the periodic determination of net income is appropriate for accountability purposes.

Stormwater Utility Fund

This fund accounts for fees and charges related to the operation and maintenance of a stormwater management system.

Refuse Collection and Disposal Fund

To account for the provision of solid waste removal for the residents of the service area. All activities to provide such service are accounted for, including collection and disposal.

City of Lake Worth Beach, Florida
Combining Statement of Net Position
Nonmajor Enterprise Funds
September 30, 2021

	Stormwater Utility	Refuse Collection and Disposal	Total Nonmajor Enterprise Funds
Assets			
Current assets:			
Cash and cash equivalents	\$ 405,185	\$ 1,548,189	\$ 1,953,374
Investments	3,679,055	7,043,928	10,722,983
Accounts receivable, net	-	496,861	496,861
Accrued interest receivable	-	80	80
Total current assets	4,084,240	9,089,058	13,173,298
Non-current assets:			
Restricted assets:			
Cash and cash equivalents	2,372,000	525,000	2,897,000
Capital assets:			
Land	138,346	593,700	732,046
Construction in progress	2,096,810	-	2,096,810
Land improvements	241,637	-	241,637
Buildings and structures	-	296,994	296,994
Infrastructure	6,860,440	-	6,860,440
Machinery and equipment	449,553	231,739	681,292
Vehicles	380,233	3,743,271	4,123,504
Accumulated depreciation	(3,422,801)	(2,923,586)	(6,346,387)
Total non-current assets	9,116,218	2,467,118	11,583,336
Total assets	13,200,458	11,556,176	24,756,634
Deferred outflows of resources:			
Deferred outflows relating to pensions	130,483	477,377	607,860
Deferred outflows relating to OPEB	7,458	36,572	44,030
Total deferred outflows of resources	137,941	513,949	651,890
Liabilities			
Current liabilities:			
Accounts and contracts payable	\$ 289,482	\$ 103,009	\$ 392,491
Accrued liabilities	19,636	50,639	70,275
Bonds payable	157,019	19,449	176,468
Compensated absences	-	8,307	8,307
Total current liabilities	466,137	181,404	647,541
Non-current liabilities:			
Compensated absences	11,823	80,068	91,891
Bonds payable	3,755,320	501,200	4,256,520
OPEB liability	41,223	197,636	238,859
Net pension liability	898,544	2,945,138	3,843,682
Total non-current liabilities	4,706,910	3,724,042	8,430,952
Total liabilities	5,173,047	3,905,446	9,078,493
Deferred inflows of resources:			
Deferred inflows relating to pensions	41,358	137,615	178,973
Deferred inflows relating to OPEB	2,944	12,032	14,976
Total deferred inflows of resources	44,302	149,647	193,949
Net position:			
Net investment in capital assets	5,120,130	1,946,469	7,066,599
Restricted for:			
Debt service	157,019	19,449	176,468
Unrestricted	2,843,901	6,049,114	8,893,015
Total net position	8,121,050	8,015,032	16,136,082

City of Lake Worth Beach, Florida

Combining Statement of Revenues, Expenses and Changes in Net Position
 Nonmajor Enterprise Funds
 For the Fiscal Year Ended September 30, 2021

	Stormwater Utility	Refuse Collection and Disposal	Total Nonmajor Enterprise Funds
Operating revenues:			
Charges for services	\$ 1,936,696	\$ 6,954,673	\$ 8,891,369
Operating expenses:			
Cost of services	1,085,548	4,458,295	5,543,843
General and administrative	279,320	885,339	1,164,659
Depreciation	279,501	600,716	880,217
Total operating expenses	1,644,369	5,944,350	7,588,719
Operating income	292,327	1,010,323	1,302,650
Non-operating revenues (expenses):			
Investment income	2,933	2,076	5,009
Interest and fiscal charges	(74,971)	(7,389)	(82,360)
Other	39,851	71,531	111,382
Total non-operating revenues (expenses)	(32,187)	66,218	34,031
Change in net position	260,140	1,076,541	1,336,681
Net position, beginning of year	7,860,910	6,938,491	14,799,401
Net position, end of year	\$ 8,121,050	\$ 8,015,032	\$ 16,136,082

City of Lake Worth Beach, Florida

Combining Statement of Cash Flows
 Nonmajor Enterprise Funds
 For the Fiscal Year Ended September 30, 2021

	Stormwater Utility	Refuse Collection and Disposal	Total Nonmajor Enterprise Funds
Cash flows from operating activities:			
Receipts from customers	\$ 1,936,696	\$ 6,859,621	\$ 8,796,317
Payments to suppliers	(326,987)	(2,775,735)	(3,102,722)
Payments to employees	(500,036)	(1,629,277)	(2,129,313)
Payments for interfund services received	(394,315)	(1,267,438)	(1,661,753)
Net cash provided by (used in) operating activities	715,358	1,187,171	1,902,529
Cash flows from non-capital financing activities:			
Other receipts	39,851	71,531	111,382
Net cash provided by (used in) non-capital financing activities	39,851	71,531	111,382
Cash flows from capital and related financing activities:			
Acquisition and construction of capital asset, net	(1,249,803)	(155,053)	(1,404,856)
Interest and other fiscal charges	(94,778)	(11,740)	(106,518)
Net cash provided by (used in) capital and related financing activities	(1,344,581)	(166,793)	(1,511,374)
Cash flows from investing activities:			
Purchase of investments	(50,000)	(90,000)	(140,000)
Interest and gains or losses on investments	51,262	91,927	143,189
Net cash provided by (used in) investing activities	1,262	1,927	3,189
Net change in cash and cash equivalents	(588,110)	1,093,836	505,726
Cash and cash equivalents, beginning	3,365,295	979,353	4,344,648
Cash and cash equivalents, ending	\$ 2,777,185	\$ 2,073,189	\$ 4,850,374

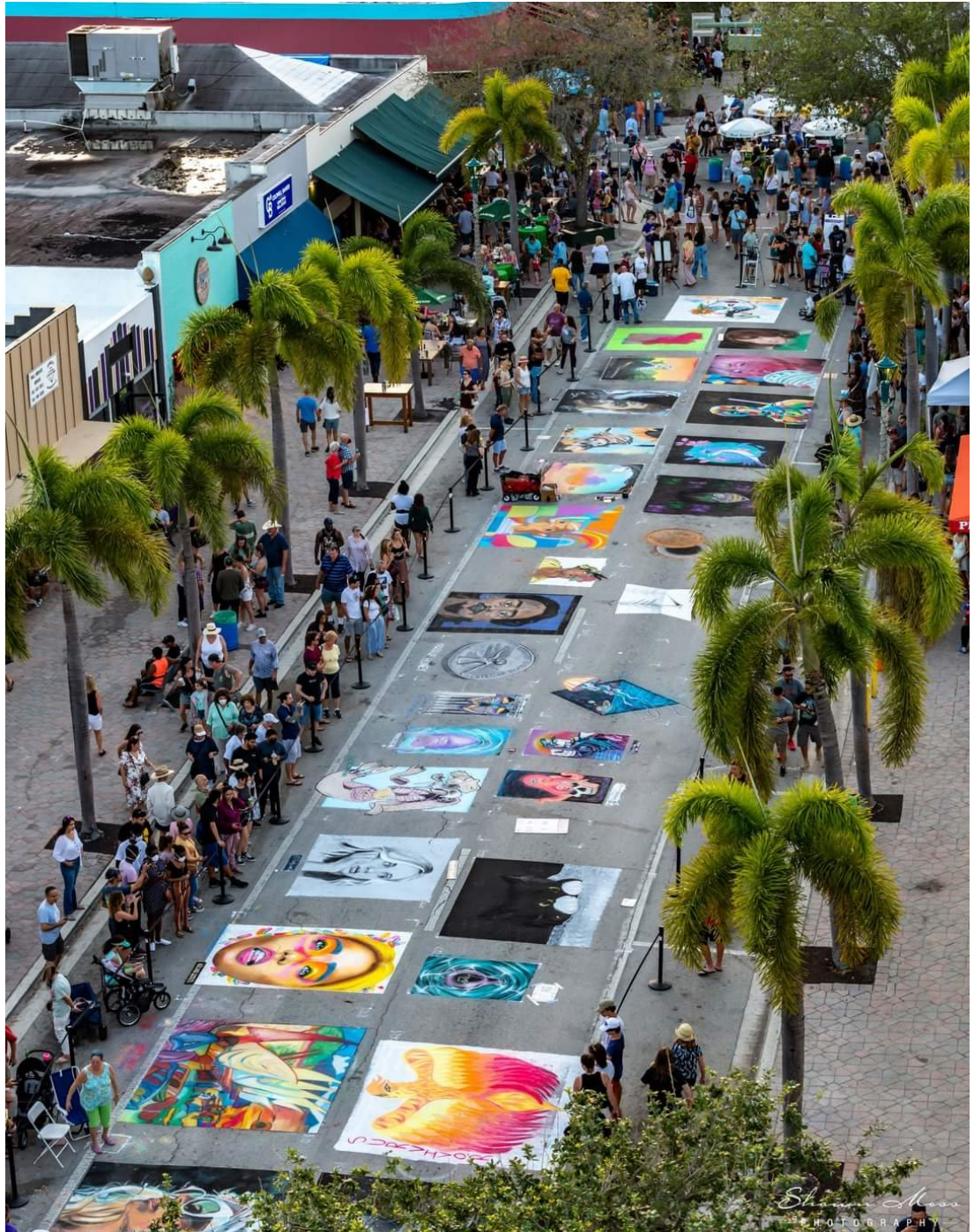
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City of Lake Worth Beach, Florida

Combining Statement of Cash Flows
 Nonmajor Enterprise Funds (Continued)
 For the Fiscal Year Ended September 30, 2021

	Stormwater Utility	Refuse Collection and Disposal	Total Nonmajor Enterprise Funds
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:			
Operating income (loss)	\$ 292,327	\$ 1,010,323	\$ 1,302,650
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation	279,501	600,716	880,217
Decrease (increase) in assets and deferred outflows:			
Accounts receivable	-	(95,052)	(95,052)
Deferred outflows relating to pensions	8,704	29,107	37,811
Deferred outflows relating to OPEB	540	2,207	2,747
Increase (decrease) in liabilities and deferred inflows:			
Accounts and contracts payable	222,258	(74,605)	147,653
Accrued liabilities	4,594	4,876	9,470
Compensated absences	(23)	14,748	14,725
Net OPEB liability	2,918	11,921	14,839
Net pension liability	(116,519)	(389,688)	(506,207)
Deferred inflows relating to OPEB	2,944	12,032	14,976
Deferred inflows relating to pensions	18,114	60,586	78,700
Total adjustments	423,031	176,848	599,879
Net cash provided by operating activities	\$ 715,358	\$ 1,187,171	\$ 1,902,529
Supplemental disclosure of investing activities:			
Unrealized gains on investments	\$ (1,086)	\$ (1,333)	\$ (2,419)

City of Lake Worth Beach, Florida



City of Lake Worth Beach, Florida

Internal Service Funds

Internal Service Funds are used to account for activity that provides goods or services to other funds or departments of the primary government and its component units on a cost reimbursement basis.

Information Technology

The fund was established to centralize oversight, management, and funding of the City's computer network, telephone, and internet communication system.

Insurance Fund

This fund was established to enable centralized oversight, management, and funding of the City's insurance coverage, deductibles, and uninsured risks.

City Garage Fund

This fund was established to centralize oversight, management, and funding of maintaining the City's vehicles.

Employee Benefits

This fund was established to enable centralized oversight, management and funding of the City's employee benefits.

City of Lake Worth Beach, Florida

Combining Statement of Net Position
Internal Service Funds
September 30, 2021

	Information Technology	Insurance	City Garage	Employee Benefits	Total Internal Service Funds
Assets					
Current assets:					
Cash and cash equivalents	\$ 109,616	\$ 548,115	\$ 334,791	\$ 188,769	\$ 1,181,291
Investments	-	6,644,529	1,059,968	1,595,513	9,300,010
Accrued interest receivable	-	1,479	-	17	1,496
Due from other governments	-	1,422,310	-	-	1,422,310
Inventories	-	-	26,867	-	26,867
Total current assets	109,616	8,616,433	1,421,626	1,784,299	11,931,974
Non-current assets:					
Restricted assets:					
Cash and cash equivalents	350,000	-	1,500,000	-	1,850,000
Construction in progress	-	-	146,945	-	146,945
Machinery and equipment	1,936,916	59,010	-	-	1,995,926
Vehicles	36,064	-	3,856,451	-	3,892,515
Accumulated depreciation	(1,773,728)	(23,698)	(3,405,613)	-	(5,203,039)
Total non-current assets	549,252	35,312	2,097,783	-	2,682,347
Total assets	\$ 658,868	\$ 8,651,745	\$ 3,519,409	\$ 1,784,299	\$ 14,614,321
Liabilities					
Current liabilities:					
Accounts and contracts payable	\$ 20,921	\$ 39,007	\$ 37,799	\$ 164,671	\$ 262,398
Accrued liabilities	23,254	3,627,143	16,606	227,257	3,894,260
Due from other funds	-	-	-	710,890	710,890
Bonds payable	15,542	-	66,608	-	82,150
Compensated absences	1,743	-	1,496	-	3,239
Total current liabilities	61,460	3,666,150	122,509	1,102,818	4,952,937
Non-current liabilities:					
Insurance claims payable	-	3,507,918	-	-	3,507,918
Compensated absences	40,048	-	15,858	-	55,906
Bonds payable	334,458	-	1,433,392	-	1,767,850
Total non-current liabilities	374,506	3,507,918	1,449,250	-	5,331,674
Total liabilities	435,966	7,174,068	1,571,759	1,102,818	10,284,611
Net position:					
Net investment in capital assets	199,252	35,312	597,783	-	832,347
Unrestricted	23,650	1,442,365	1,349,867	681,481	3,497,363
Total net position	222,902	1,477,677	1,947,650	681,481	4,329,710
Total liabilities and net position	\$ 658,868	\$ 8,651,745	\$ 3,519,409	\$ 1,784,299	\$ 14,614,321

City of Lake Worth Beach, Florida

Combining Statement of Revenues, Expenses and Changes in Net Position
Internal Service Funds
For the Fiscal Year Ended September 30, 2021

	Information Technology	Insurance	City Garage	Employee Benefits	Total Internal Service Funds
Operating revenues:					
Charges for services	\$ 2,149,299	\$ 3,031,551	\$ 1,134,396	\$ 9,304,720	\$ 15,619,966
Total operating revenues	2,149,299	3,031,551	1,134,396	9,304,720	15,619,966
Operating expenses:					
Cost of services	1,899,529	2,902,058	1,122,384	9,754,494	15,678,465
Depreciation	266,673	6,183	337,140	-	609,996
Total operating expenses	2,166,202	2,908,241	1,459,524	9,754,494	16,288,461
Operating income (loss)	(16,903)	123,310	(325,128)	(449,774)	(668,495)
Non-operating revenues (expenses):					
Investment income (loss)	-	280	433	471	1,184
Interest and fiscal charges	(9,382)	-	(40,206)	-	(49,588)
Other	7,283	85,910	48,093	84,971	226,257
Total non-operating revenues (expenses)	(2,099)	86,190	8,320	85,442	177,853
Income (loss) before transfers and contributions	(19,002)	209,500	(316,808)	(364,332)	(490,642)
Capital contributions	-	-	233,328	-	233,328
Change in net position	(19,002)	209,500	(83,480)	(364,332)	(257,314)
Net position, beginning of year	241,904	1,268,177	2,031,130	1,045,813	4,587,024
Net position, end of year	\$ 222,902	\$ 1,477,677	\$ 1,947,650	\$ 681,481	\$ 4,329,710

City of Lake Worth Beach, Florida

Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended September 30, 2021

	Information Technology	Insurance	City Garage	Employee Benefits	Total Internal Service Funds
Cash flows from operating activities:					
Receipts from interfund charges	\$ 2,149,299	\$ 3,101,793	\$ 1,134,804	\$ 9,313,910	\$ 15,699,806
Payments to suppliers	(1,379,401)	(2,400,527)	(721,869)	(14,430,685)	(18,932,482)
Payments to employees	(584,261)	(246,703)	(346,699)	(117,738)	(1,295,401)
Net cash (used in) provided by operating activities	185,637	454,563	66,236	(5,234,513)	(4,528,077)
Cash flows from non-capital financing activities:					
Other receipts	7,283	85,910	48,093	84,971	226,257
Payments received from other funds	-	-	-	710,890	710,890
Net cash provided by (used in) non-capital financing activities	7,283	85,910	48,093	795,861	937,147
Cash flows from capital and related financing activities:					
Acquisition and construction of capital assets, net	(78,458)	-	(146,945)	-	(225,403)
Contributed capital, cash transactions	-	-	233,328	-	233,328
Interest and other fiscal charges	(9,382)	-	(40,206)	-	(49,588)
Net cash provided by capital and related financing activities	(87,840)	-	46,177	-	(41,663)
Cash flows from investing activities:					
Purchase of investments	-	(90,000)	(15,000)	(25,000)	(130,000)
on investments	-	91,586	15,306	25,438	132,330
Net cash provided by investing activities	-	1,586	306	438	2,330
Net change in cash and cash equivalents	105,080	542,059	160,812	(4,438,214)	(3,630,263)
Cash and cash equivalents, beginning	354,536	6,056	1,673,979	4,626,983	6,661,554
Cash and cash equivalents, ending	\$ 459,616	\$ 548,115	\$ 1,834,791	\$ 188,769	\$ 3,031,291

(Continued)

City of Lake Worth Beach, Florida

Combining Statement of Cash Flows
Internal Service Funds (Continued)
For the Fiscal Year Ended September 30, 2021

	Information Technology	Insurance	City Garage	Employee Benefits	Total Internal Service Funds
Reconciliation of operating income (loss) to net cash (used in) provided by operating activities:					
Operating income (loss)	(16,903)	123,310	(325,128)	(449,774)	(668,495)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) by (used in) operating activities:					
Depreciation	266,673	6,183	337,140	-	609,996
Decrease (increase) in assets:					
Accounts receivable, net	-	-	408	9,190	9,598
Due from other governments	-	70,242	-	-	70,242
Prepaid items	-	-	76,433	-	76,433
Increase (decrease) in liabilities:					
Accounts and contracts payable	(74,808)	22,795	(29,750)	(14,020)	(95,783)
Accrued liabilities	5,287	74,058	5,293	(4,779,909)	(4,695,271)
Insurance claims payable	-	157,975	-	-	157,975
Compensated absences	5,388	-	1,840	-	7,228
Total adjustments	202,540	331,253	391,364	(4,784,739)	(3,859,582)
Net cash (used in) provided by operating activities	\$ 185,637	\$ 454,563	\$ 66,236	\$ (5,234,513)	\$ (4,528,077)
Supplemental disclosure of noncash investing and non-capital financing activities:					
Due from other governments	\$ -	\$ 1,492,552	\$ -	\$ -	\$ 1,492,552
Unrealized gains on investments	\$ -	\$ (904)	\$ (226)	\$ (302)	\$ (1,432)

City of Lake Worth Beach, Florida



City of Lake Worth Beach, Florida

Fiduciary Funds

Fiduciary fund types are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds.

Pension Trust Funds

General Employees' Retirement System Pension Fund

To account for the accumulation of resources to be used for retirement benefits of all employees at appropriate amounts and times in the future. Resources are provided by employee and employer contributions, determined by an actuarial study, and investment earnings.

Police Officers' Relief and Retirement System Pension Fund

To account for the accumulation of resources to be used for retirement benefits for police officers. Resources are provided by annual employee and employer contributions, state contributions, and investment earnings. Individual participation is based upon years of service. Individuals may withdraw their equity upon retirement.

Firefighters' Pension Trust Fund

To account for the accumulation of resources to be used for retirement benefits for firefighters. Resources are provided by annual employee and employer contributions, state contributions, and investment earnings. Individual participation is based upon years of service. Individuals may withdraw their equity upon retirement.

City of Lake Worth Beach, Florida

Combining Statement of Net Position
Pension Trust Funds
September 30, 2021

	General Employees' Retirement System	Police Officers' Relief and Retirement System	Firefighters' Pension Trust	Total Pension Trust Funds
Assets:				
Cash and cash equivalents	\$ 2,581,165	\$ 1,392,519	\$ 1,478,198	\$ 5,451,882
Investments at fair value:				
U.S. government and agency funds	6,094,938	3,859,715	11,078,832	21,033,485
Corporate bonds	5,885,947	3,643,799	3,772,092	13,301,838
Common stocks	55,816,465	27,168,376	36,190,501	119,175,342
Real estate	10,989,188	5,324,765	4,517,620	20,831,573
Mutual funds	1,512,917	687,632	2,346,609	4,547,158
Accrued interest, dividends and contributions receivable	287,323	70,949	140,283	498,555
Prepaid items	2,597	6,649	-	9,246
Total assets	83,170,540	42,154,404	59,524,135	184,849,079
Liabilities:				
Accounts payable	72,806	32,024	574,405	679,235
Deferred inflows:				
Advacne contributions from employer	-	577,367	-	577,367
Net position restricted for pension benefits	\$ 83,097,734	\$ 41,545,013	\$ 58,949,730	\$ 183,592,477

City of Lake Worth Beach, Florida

**Combining Statement of Changes in Net Position
Pension Trust Funds
For the Fiscal Year Ended September 30, 2021**

	General Employees' Retirement System	Police Officers' Relief and Retirement System	Firefighters' Pension Trust	Total Pension Trust Funds
Additions:				
Contributions:				
Employer	\$ 4,601,944	\$ 3,652,061	\$ 3,800,678	\$ 12,054,683
Chapter 175/185	-	-	38,308	38,308
Plan members	1,179,217	128,159	31,675	1,339,051
State	-	563,299	-	563,299
Total contributions	5,781,161	4,343,519	3,870,661	13,995,341
Investment income:				
Interest and dividends	2,188,758	1,445,928	1,017,911	4,652,597
Net change in fair value of investments	10,989,645	4,793,591	8,749,051	24,532,287
Other income	4,464	1,134	161	5,759
Total investment income	13,182,867	6,240,653	9,767,123	29,190,643
Less investment expenses	(360,142)	(167,243)	(112,016)	(639,401)
Net investment income	12,822,725	6,073,410	9,655,107	28,551,242
Total additions	18,603,886	10,416,929	13,525,768	42,546,583
Deductions:				
Pension benefits	8,929,498	5,038,595	5,356,076	19,324,169
Administrative expenses	124,254	97,520	92,173	313,947
Total deductions	9,053,752	5,136,115	5,448,249	19,638,116
Change in net position	9,550,134	5,280,814	8,077,519	22,908,467
Net position, beginning of year	73,547,600	36,264,199	50,872,211	160,684,010
Net position, end of year	\$ 83,097,734	\$ 41,545,013	\$ 58,949,730	\$ 183,592,477

City of Lake Worth Beach, Florida

Discretely Presented Component Unit

Community Redevelopment Agency Trust Fund

To account for receipt and disbursements of general funds used for physical and economic redevelopment of targeted areas within the City.

NSP2 Fund

To account for the receipt and disbursements of governmental grant money (NSP) used for purchasing and rehabilitating foreclosed and abandoned properties of targeted areas within the City.

CRA Capital Projects Fund

To account for the acquisition or construction of major capital projects used for physical and economic redevelopment of targeted areas within the City.

City of Lake Worth Beach, Florida

Combining Balance Sheet
 Discretely Presented Component Unit
 For the Fiscal Year Ended September 30, 2021

	Community Redevelopment Agency			Total Component Unit
	Community Redevelopment Agency Trust	NSP2	CRA Capital Projects	
Assets:				
Cash and cash equivalents	\$ 1,840,861	\$ 188,790	\$ 435,028	\$ 2,464,679
Investments	1,074,118	-	106,255	1,180,373
Accounts receivable, net	239	-	-	239
Due from other governments	590	-	-	590
Land held for resale	-	849,622	9,197,897	10,047,519
Prepaid items	7,558	-	6,772	14,330
Total assets	\$ 2,923,366	\$ 1,038,412	\$ 9,745,952	\$ 13,707,730
Liabilities:				
Accounts and contracts payable	\$ 17,523	\$ -	\$ 4,750	\$ 22,273
Accrued liabilities	28,027	-	-	28,027
Unearned revenue	40,000	-	54,400	94,400
Total liabilities	85,550	-	59,150	144,700
Fund balances:				
Restricted for:				
Community redevelopment	2,837,816	1,038,412	9,686,802	13,563,030
Total fund balances	2,837,816	1,038,412	9,686,802	13,563,030
Total liabilities and fund balances	\$ 2,923,366	\$ 1,038,412	\$ 9,745,952	\$ 13,707,730

City of Lake Worth Beach, Florida

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Discretely Presented Component Unit
For the Fiscal Year Ended September 30, 2021**

	Community Redevelopment Agency			Total Component Unit
	Community Redevelopment Agency Trust	NSP2	CRA Capital Projects	
Revenues:				
Property taxes	\$ 3,814,619	\$ -	\$ -	\$ 3,814,619
Investment income	231	-	900	1,131
Miscellaneous	25,775	51,712	207	77,694
Total revenues	3,840,625	51,712	1,107	3,893,444
Expenditures:				
Current:				
Community redevelopment	1,322,847	207,227	463,353	1,993,427
Debt service:				
Principal	4,034,253	-	-	4,034,253
Interest	190,798	-	-	190,798
Total expenditures	5,547,898	207,227	463,353	6,218,478
Excess (deficiency) of revenues over (under) expenditures	(1,707,273)	(155,515)	(462,246)	(2,325,034)
Other financing sources (uses):				
Proceeds from issuance of debt	-	-	3,263,250	3,263,250
Transfers in	3,263,250	-	810,000	4,073,250
Transfers out	(810,000)	-	(3,263,250)	(4,073,250)
Total other financing sources (uses)	2,453,250	-	810,000	3,263,250
Net change in fund balances	745,977	(155,515)	347,754	938,216
Fund balances - beginning of year, as restated (Note 14)	2,091,839	1,193,927	9,339,048	12,624,814
Fund balances, end of year	\$ 2,837,816	\$ 1,038,412	\$ 9,686,802	\$ 13,563,030



STATISTICAL SECTION
(UNAUDITED)

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

Contents

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.	120 - 129
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	130 – 134
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.	135 – 141
Economic and Demographic Information These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place.	142 – 144
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	145 - 147

Sources Note:

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

City of Lake Worth Beach, Florida

NET POSITION BY COMPONENT (UNAUDITED) LAST TEN FISCAL YEARS (accrual basis of accounting)

	2012	2013	2014	2015
Governmental Activities:				
Net investment in capital assets	\$ 63,132,112	\$ 63,660,538	\$ 59,907,246	\$ 58,548,019
Restricted	6,374,614	1,631,956	1,803,743	2,159,736
Unrestricted (deficit)	2,624,576	6,055,185	(45,102,488)	(42,865,854)
Total governmental activities net position	72,131,302	71,347,679	16,608,501	17,841,901
Business-Type Activities:				
Net investment in capital assets	60,153,130	66,248,211	65,053,346	67,396,574
Restricted	22,390,764	2,803,258	4,330,029	3,954,649
Unrestricted	68,980,999	79,507,888	59,487,552	64,875,277
Total business-type activities net position	151,524,893	148,559,357	128,870,927	136,226,500
Total Government:				
Net investment in capital assets	123,285,242	129,908,749	124,960,592	125,944,593
Restricted	28,765,378	4,435,214	6,133,772	6,114,385
Unrestricted	71,605,575	85,563,073	14,385,064	22,009,423
Total government net position	\$ 223,656,195	\$ 219,907,036	\$ 145,479,428	\$ 154,068,401

NOTE: The City implemented GASB statement No. 68, "Accounting and Financial Reporting for Pensions" in fiscal year 2015. Information for fiscal year 2014 has been restated.

NOTE: The City implemented GASB statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions" in fiscal year 2018. Information for fiscal year 2017 has been restated.

	2016	2017	2018	2019	2020	2021
\$	56,328,679	\$ 55,276,904	\$ 57,137,390	\$ 55,217,776	\$ 38,366,100	\$ 38,748,868
	2,882,658	23,188,479	3,620,665	4,501,754	12,750,283	20,955,066
	(42,528,582)	(63,480,001)	(42,749,218)	(38,108,305)	(28,126,765)	(28,343,982)
	16,682,755	14,985,382	18,008,837	21,611,225	22,989,618	31,359,952
	74,381,420	83,094,062	90,093,724	95,692,038	95,049,432	100,838,508
	4,023,055	5,084,192	8,797,790	8,877,209	8,670,291	7,932,254
	71,056,620	64,199,523	48,072,470	46,249,865	50,052,179	50,971,119
	149,461,095	152,377,777	146,963,984	150,819,112	153,771,902	159,741,881
	130,710,099	138,370,966	147,231,114	150,909,814	133,415,532	139,587,376
	6,905,713	28,272,671	12,418,455	13,378,963	21,420,574	28,887,320
	28,528,038	719,522	5,323,252	8,141,560	21,925,414	22,627,137
\$	166,143,850	\$ 167,363,159	\$ 164,972,821	\$ 172,430,337	\$ 176,761,520	\$ 191,101,833

City of Lake Worth Beach, Florida

CHANGES IN NET POSITION (UNAUDITED) LAST TEN FISCAL YEARS (accrual basis of accounting)

	2012	2013	2014	2015
Expenses:				
Governmental Activities:				
General Government	\$ 2,625,404	\$ 2,326,955	\$ 2,297,354	\$ 2,422,314
Public Safety	18,516,774	19,624,339	19,971,563	18,613,494
Physical Environment	2,021,308	1,841,328	1,709,220	2,684,500
Transportation	3,388,138	3,923,414	3,775,229	3,798,644
Culture and Recreation	4,480,875	6,666,221	4,219,879	4,102,901
Interest on Long-Term Debt	21,401	24,000	-	-
Total Governmental Activities Expenses	31,053,900	34,406,257	31,973,245	31,621,853
Business-Type Activities:				
Electric	52,552,814	51,377,436	50,529,559	48,719,483
Water	10,569,901	10,790,441	10,218,577	9,541,300
Local Sewer	6,239,262	5,304,658	6,522,133	6,523,547
Regional Sewer	6,070,749	11,061,208	5,827,196	7,360,670
Stormwater Utility	2,075,984	1,340,812	1,365,026	1,160,138
Refuse Collection and Disposal	3,954,656	3,956,006	4,880,048	4,231,967
Total Business-Type Activities Expenses	81,463,366	83,830,561	79,342,539	77,537,105
Total Primary Government Expenses	\$ 112,517,266	\$ 118,236,818	\$ 111,315,784	\$ 109,158,958
Program Revenues:				
Governmental Activities:				
Charges for Services:				
General Government	\$ 2,062,610	\$ 2,229,910	\$ 1,791,964	\$ 2,709,695
Public Safety	526,601	572,064	934,486	1,283,169
Physical Environment	25,250	22,200	15,420	11,350
Transportation	650,724	1,021,207	1,425,139	1,565,500
Culture and Recreation	1,543,131	1,799,711	1,936,822	2,229,513
Operating Grants and Contributions	940,072	1,275,649	809,270	1,033,222
Capital Grants and Contributions	3,533,795	2,913,927	559,996	292,129
Total Governmental Activities Program Revenues	9,282,183	9,834,668	7,473,097	9,124,578
Business-Type Activities:				
Charges for Services:				
Electric	53,885,218	51,062,159	54,537,479	54,269,092
Water	11,731,448	11,487,086	12,005,357	13,053,300
Local Sewer	7,705,072	7,222,939	6,322,018	7,228,749
Regional Sewer	6,586,821	5,231,267	4,657,237	6,137,326
Stormwater Utility	1,936,918	1,865,303	1,811,731	1,807,513
Refuse Collection and Disposal	5,491,867	5,587,032	5,840,137	5,905,283
Capital Grants and Contributions	-	677,280	398,574	824,131
Total Business-Type Activities Program Revenues	87,337,344	83,133,066	85,572,533	89,225,394
Total Primary Program Revenues	\$ 96,619,527	\$ 92,967,734	\$ 93,045,630	\$ 98,349,972

	2016	2017	2018	2019	2020	2021
\$	3,059,477	\$ 4,090,775	\$ 3,962,157	\$ 6,230,789	\$ 4,402,551	\$ 4,227,216
	21,521,291	21,020,172	20,375,323	21,711,159	22,422,289	21,210,213
	1,791,681	2,118,859	2,432,633	3,618,684	3,282,429	2,391,933
	4,224,006	4,462,603	4,343,667	5,652,177	5,372,627	5,489,348
	5,672,028	6,605,043	6,892,253	6,652,731	6,491,360	7,836,192
	-	328,454	1,298,123	1,412,098	1,450,715	1,803,968
	36,268,483	38,625,906	39,304,156	45,277,638	43,421,971	42,958,870
	47,510,501	54,793,486	56,923,415	52,460,343	52,993,465	54,964,184
	10,173,782	11,754,509	11,663,352	12,713,290	15,805,291	15,987,210
	6,819,673	7,356,239	8,892,409	8,885,400	10,047,624	9,902,290
	5,084,878	4,868,053	6,535,365	4,804,777	7,963,192	8,651,434
	1,109,596	1,183,318	1,382,758	1,452,752	1,838,722	1,722,339
	4,308,118	4,884,890	4,615,148	5,150,043	6,579,918	5,967,285
	75,006,548	84,840,495	90,012,447	85,466,605	95,228,212	97,194,742
\$	111,275,031	\$ 123,466,401	\$ 129,316,603	\$ 130,744,243	\$ 138,650,183	\$ 140,153,612
\$	2,888,193	\$ 2,483,748	\$ 2,972,515	\$ 3,286,187	\$ 10,709,621	\$ 11,317,341
	1,562,712	1,374,166	1,290,577	1,564,369	1,545,925	1,806,106
	16,250	19,125	19,700	20,175	25,150	26,725
	1,675,853	1,881,827	1,907,733	2,347,327	1,837,134	2,721,033
	2,069,347	2,160,482	2,185,279	2,616,295	2,274,234	2,405,908
	1,267,255	878,208	543,186	45,135	48,206	68,415
	51,440	18,850	657,045	1,029,905	982,181	2,823,576
	9,531,050	8,816,406	9,576,035	10,909,393	17,422,451	21,169,104
	57,011,403	55,850,044	54,280,835	55,128,532	53,508,982	57,265,178
	13,960,788	14,652,277	13,990,442	15,121,045	14,691,895	15,612,994
	7,694,525	7,183,903	7,083,494	7,770,255	8,827,767	9,991,750
	6,543,368	6,981,203	8,037,738	9,056,597	10,607,742	9,532,063
	1,853,597	1,839,490	1,877,395	1,892,168	1,930,639	1,936,696
	5,859,424	5,937,437	6,029,714	6,443,982	6,586,508	6,954,673
	668,015	937,910	620,434	907,493	1,196,278	832,469
	93,591,120	93,382,264	91,920,052	96,320,072	97,349,811	102,125,823
\$	103,122,170	\$ 102,198,670	\$ 101,496,087	\$ 107,229,465	\$ 114,772,262	\$ 123,294,927

City of Lake Worth Beach, Florida

CHANGES IN NET POSITION (UNAUDITED) LAST TEN FISCAL YEARS (accrual basis of accounting) (continued)

	2012	2013	2014	2015
Net (Expense) / Revenue:				
Governmental Activities	\$ (21,771,717)	\$ (24,571,589)	\$ (24,500,148)	\$ (22,497,275)
Business-Type Activities	5,873,978	(697,495)	6,229,994	11,688,289
Total Primary Government Net Expenses	(15,897,739)	(25,269,084)	(18,270,154)	(10,808,986)
General Revenues:				
Governmental Activities:				
Taxes:				
Property Taxes	6,256,979	6,530,263	7,016,336	7,016,336
Franchise Taxes	54,068	36,127	39,358	39,358
Utility Taxes	5,020,040	5,118,045	5,040,381	5,040,381
Gas Taxes and Shared Revenues	3,288,619	3,488,545	3,731,994	3,731,994
Intergovernmental – Unrestricted	1,262,112	661,551	1,469,121	1,469,121
Investment Income – Unrestricted	50,884	72,073	84,656	84,656
Miscellaneous	479,396	104,778	202,581	202,581
Transfers	7,270,342	5,949,062	6,146,248	6,146,248
Total Governmental Activities Revenues	23,682,440	21,960,444	23,730,675	23,730,675
Business-Type Activities:				
Investment Income – Unrestricted	228,997	293,379	638,789	638,789
Miscellaneous	4,352,763	1,794,210	731,768	731,768
Transfers	(7,270,342)	(5,949,062)	(6,146,248)	(6,146,248)
Total Business-Type Activities Revenues	(2,688,582)	(3,861,473)	(4,775,691)	(4,775,691)
Total Primary Government General Revenues	\$ 20,993,858	\$ 18,098,971	\$ 18,954,984	\$ 18,954,984
Change in Net Position:				
Governmental Activities	\$ 1,910,723	\$ (2,611,145)	\$ (769,473)	\$ 1,233,400
Business-type Activities	3,185,396	(4,558,968)	1,454,303	6,912,598
Total Primary Government	\$ 5,096,119	\$ (7,170,113)	\$ 684,830	\$ 8,145,998

2016	2017	2018	2019	2020	2021
\$ (26,737,433)	\$ (29,809,500)	\$ (29,728,121)	\$ (34,368,245)	\$ (25,999,520)	\$ (21,789,766)
18,584,572	8,541,769	1,907,605	10,853,467	2,121,599	4,931,081
(8,152,861)	(21,267,731)	(27,820,516)	(23,514,778)	(23,877,921)	(16,858,685)
7,933,054	8,501,004	10,446,929	12,236,801	13,044,494	14,234,595
40,559	57,146	149,379	130,486	138,871	156,700
5,249,541	5,323,406	5,157,559	5,378,990	5,473,291	5,802,645
3,913,702	5,866,094	6,780,214	6,914,217	6,444,705	7,471,341
1,528,273	1,669,080	1,647,276	1,689,341	1,534,497	1,764,666
73,088	96,906	399,621	1,076,109	485,389	28,179
79,538	176,950	294,959	209,266	218,393	701,974
6,760,532	6,991,921	7,875,639	10,335,423	352,000	-
25,578,287	28,682,507	32,751,576	37,970,633	27,691,640	30,160,100
584,317	371,686	580,489	1,379,774	505,611	11,746
826,238	959,846	1,343,752	1,057,737	410,438	1,027,152
(6,760,532)	(6,991,921)	(9,245,639)	(10,335,423)	(352,000)	-
(5,349,977)	(5,660,389)	(7,321,398)	(7,897,912)	564,049	1,038,898
\$ 20,228,310	\$ 23,022,118	\$ 25,430,178	\$ 30,072,721	\$ 28,255,689	\$ 31,198,998
\$ (1,159,146)	\$ (1,126,993)	\$ 3,023,455	\$ 3,602,388	\$ 1,692,120	\$ 8,370,334
13,234,595	2,881,380	(5,413,793)	2,955,555	2,685,648	5,969,979
\$ 12,075,449	\$ 1,754,387	\$ (2,390,338)	\$ 6,557,943	\$ 4,377,768	\$ 14,340,313

City of Lake Worth Beach, Florida

FUND BALANCES OF GOVERNMENTAL FUNDS (UNAUDITED) **LAST TEN FISCAL YEARS (modified accrual basis of accounting)**

	2012	2013	2014	2015
General Fund:				
Nonspendable	\$ 1,551,899	\$ 26,438	\$ 22,256	\$ 18,703
Restricted	-	-	-	-
Assigned	8,435	9,462	9,267	78,156
Unassigned	3,823,324	4,237,941	4,359,619	4,867,733
Total General Fund	<u>\$ 5,383,658</u>	<u>\$ 4,273,841</u>	<u>\$ 4,391,142</u>	<u>\$ 4,964,592</u>
All Other Governmental Funds:				
Nonspendable	3,697	16,722	15,327	74,520
Restricted	1,318,521	1,631,956	1,803,743	2,159,736
Committed	2,709,902	2,068,146	2,021,065	1,692,430
Assigned	5,427,177	5,404,534	3,601,203	2,926,266
Unassigned (deficit)	(1,996,104)	(6,475,512)	(5,602,675)	(4,823,306)
Total All Other Governmental Funds	<u>7,463,193</u>	<u>2,645,846</u>	<u>1,838,663</u>	<u>2,029,646</u>
Total Governmental Funds	<u>\$ 12,846,851</u>	<u>\$ 6,919,687</u>	<u>\$ 6,229,805</u>	<u>\$ 6,994,238</u>

NOTE: The City implemented GASB Statement No. 54 "Fund Balance Reporting and Governmental Fund Type Definitions" in fiscal year 2011. Information for fiscal years 2005-2010 have not been restated.

	2016	2017	2018	2019	2020	2021
\$	11,352	\$ 13,245	\$ 27,397	\$ 20,856	\$ 27,558	\$ 1,116
	-	-	-	-	-	1,626,000
	374,534	435,487	739,511	9,267	9,267	9,267
	5,596,137	4,406,420	3,883,141	4,852,376	11,879,169	10,056,328
\$	5,982,023	\$ 4,855,152	\$ 4,650,049	\$ 4,882,499	\$ 11,915,994	\$ 11,692,711
	8,534	8,321	13,052	12,347	259,524	147,176
	2,882,658	22,764,757	26,574,399	18,717,321	18,991,532	24,003,876
	1,463,513	1,459,827	1,468,669	1,417,849	-	-
	2,476,999	4,284,028	6,585,253	10,232,006	9,937,392	7,629,245
	(4,291,069)	(3,909,745)	(3,777,022)	(3,352,766)	(16,433)	-
	2,540,635	24,607,188	30,864,351	27,026,757	29,172,015	31,780,297
\$	8,522,658	\$ 29,462,340	\$ 35,514,400	\$ 31,909,256	\$ 41,088,009	\$ 43,473,008

City of Lake Worth Beach, Florida

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS (UNAUDITED) LAST TEN FISCAL YEARS (modified accrual basis of accounting)

	2012	2013	2014	2015
Revenues:				
Property Taxes	\$ 5,879,132	\$ 5,646,125	\$ 5,762,505	\$ 6,316,354
Utility and Other Taxes	6,192,834	5,882,323	5,311,296	5,237,870
Licenses and Permits	1,311,181	1,909,015	1,374,635	2,306,549
Fines and Forfeitures	253,858	209,517	507,709	990,180
Charges for Services	7,326,862	6,977,890	8,309,647	8,113,998
Intergovernmental	8,621,673	8,144,808	6,145,110	6,324,240
Investment Income	85,908	50,884	72,073	99,182
Rents and Royalties	811	22,874	21,921	21,099
Miscellaneous	281,729	311,550	165,899	299,088
Total Revenues	29,953,988	29,154,986	27,670,795	29,708,560
Expenditures:				
Current:				
General Government	6,805,608	5,923,710	5,751,549	5,634,202
Public Safety	18,293,122	19,482,378	19,773,044	20,326,650
Physical Environment	2,006,693	1,837,574	1,683,387	1,755,019
Transportation	875,626	1,244,226	1,129,732	1,284,203
Culture and Recreation	3,938,839	4,102,093	4,252,002	4,370,469
Community Redevelopment	-	-	-	-
Capital Outlay	8,338,374	4,073,029	1,825,165	1,719,832
Debt Service:				
Principal	-	-	-	-
Interest and Other Fiscal Charges	21,401	-	-	-
Cost of Issuance	-	-	-	-
Total Expenditures	40,279,663	36,663,010	34,414,879	35,090,375
Excess (Deficiency) of Revenues Over Expenditures	(10,325,675)	(7,508,024)	(6,744,084)	(5,381,815)
Other Financing Sources (Uses):				
Transfers In	9,338,075	8,845,314	9,083,001	7,503,308
Transfers Out	(7,027,852)	(1,574,972)	(3,133,939)	(1,357,060)
Advances Forgiven	-	238,278	-	-
Proceeds from debt issuance	-	-	-	-
Proceeds from bond premiums	-	-	-	-
Total Other Financing Sources (Uses)	2,310,223	7,508,620	5,949,062	6,146,248
Net Change in Fund Balances	\$ (8,015,452)	\$ 596	\$ (795,022)	\$ 764,433
Debt Service as a Percentage of Non-Capital Expenditures				
	0.07%	0.00%	0.00%	0.00%

	2016	2017	2018	2019	2020	2021
\$	7,217,524	\$ 7,902,965	\$ 9,903,427	\$ 11,698,612	\$ 12,763,120	\$ 13,932,886
	5,454,398	5,556,899	5,477,082	5,648,150	5,645,711	5,941,831
	2,298,863	1,913,624	2,372,876	2,766,369	2,398,276	2,627,871
	1,196,984	1,136,209	941,176	1,200,141	1,331,593	1,498,632
	8,319,650	8,411,704	9,298,864	10,355,013	17,306,080	19,478,042
	6,521,260	8,072,671	9,008,012	9,456,191	8,395,719	11,580,243
	73,088	98,989	400,146	1,076,208	485,649	23,544
	20,974	20,703	20,642	19,841	19,445	19,598
	224,878	413,554	513,776	481,431	329,152	1,154,898
	31,327,619	33,527,318	37,936,001	42,701,956	48,674,745	56,257,545
	6,199,180	6,917,043	7,575,275	9,535,056	8,412,275	8,546,750
	20,746,172	21,418,839	21,329,407	22,028,842	23,123,385	24,415,181
	1,773,092	2,070,505	2,310,527	2,519,813	2,285,176	2,211,880
	1,652,394	1,845,235	2,026,304	2,839,274	2,770,493	2,179,469
	4,606,962	5,291,682	5,812,796	5,986,881	5,926,539	6,423,235
	-	-	-	-	-	-
	2,431,377	4,128,562	17,016,282	11,642,411	9,696,551	7,529,092
	-	-	423,722	702,238	780,664	1,628,864
	-	303,736	817,195	1,388,008	1,450,715	1,823,773
	-	-	172,597	-	-	-
	37,409,177	41,975,602	57,484,105	56,642,523	54,445,798	54,758,244
	(6,081,558)	(8,448,284)	(19,548,104)	(13,940,567)	(5,771,053)	1,499,301
	6,820,532	7,122,980	10,248,836	10,663,633	435,593	2,120,000
	(60,000)	(131,059)	(2,373,197)	(328,210)	(83,593)	(2,120,000)
	-	-	-	-	-	-
	849,446	22,396,045	17,724,525	-	13,991,367	760,000
	-	-	-	-	907,884	125,699
	7,609,978	29,387,966	25,600,164	10,335,423	15,251,251	885,699
\$	1,528,420	\$ 20,939,682	\$ 6,052,060	\$ (3,605,144)	\$ 9,480,198	\$ 2,385,000

City of Lake Worth Beach, Florida

NET ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY (UNAUDITED) LAST TEN FISCAL YEARS (in thousands)

Fiscal Year Ended September 30,	Tax Revenue Year	Real Property		Railroad Property	Total Net Assessed Value	Total Direct Tax Rate
		Residential Property	Commercial Property			
2012	2011	\$ 990,200	\$ 52,992	\$ 3,825	\$ 1,047,017	8.95
2013	2012	1,041,529	51,276	4,350	1,097,155	8.95
2014	2013	1,143,415	49,839	4,763	1,198,017	8.95
2015	2014	1,260,658	51,353	5,148	1,317,159	8.95
2016	2015	1,415,323	51,077	5,596	1,471,996	8.95
2017	2016	1,584,396	43,122	5,781	1,633,299	9.70
2018	2017	1,758,006	49,116	5,924	1,813,046	9.70
2019	2018	1,933,683	57,977	7,795	1,999,455	10.06
2020	2019	2,119,926	48,866	7,413	2,176,205	10.06
2021	2020	2,279,223	50,961	7,512	2,337,696	10.06

Note: Property in the City is reassessed each year. The property is assessed at actual value; therefore, the assessed values are equal to actual values. Tax rates are per \$1,000 of assessed value.

Sources: - City of Lake Worth, Florida, Finance Department.
 - Palm Beach County Property Appraiser.
 - Certification of Taxable Value, DR-420, Final.
 - Tax Roll Certification, DR-403C, First Certified Tax Roll

City of Lake Worth Beach, Florida

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS (UNAUDITED) LAST TEN FISCAL YEARS

Fiscal Year Ended September 30,	Tax Roll Year	City of Lake Worth					Overlapping Rates (1)					Total Direct and Overlapping Rates
		General Operations	MSTU	Debt Service	Total City	Palm Beach County	Palm Beach County School Board	South Florida Water Management District	Florida Inland Navigation District	Palm Beach County Health Care District	Children's Services Council	
2012	2011	5.49	3.46	-	8.95	4.99	7.78	0.18	0.03	1.12	0.73	23.78
2013	2012	5.49	3.46	-	8.95	4.78	7.78	0.77	0.03	1.12	0.73	24.16
2014	2013	5.49	3.46	-	8.95	4.78	7.59	0.74	0.03	1.08	0.70	23.87
2015	2014	5.49	3.46	-	8.95	4.78	7.59	0.69	0.03	1.05	0.67	23.76
2016	2015	5.49	3.46	-	8.95	4.91	7.08	0.33	0.03	0.90	0.68	22.88
2017	2016	5.49	3.46	0.75	9.70	4.90	6.77	0.31	0.03	0.78	0.66	23.15
2018	2017	5.49	3.46	0.75	9.70	4.90	6.77	0.32	0.03	0.85	0.66	23.23
2019	2018	5.49	3.46	1.11	10.06	4.86	7.16	0.28	0.03	0.73	0.65	23.7719
2020	2019	5.49	3.46	1.11	10.06	4.81	7.01	0.27	0.03	0.73	0.65	23.5603
2021	2020	5.49	3.46	1.11	10.06	4.78	6.88	0.37	0.03	0.73	0.65	23.5004

NOTE: All millage rates are based on \$1 for every \$1,000 of assessed value.

SOURCES: City of Lake Worth Finance Department and Palm Beach County Property Appraiser's Office (DR420 & Detailed Millage Chart).

(1) Overlapping rates are those of local and county governments that apply to property owners within the City of Lake Worth. Not all overlapping rates apply to all City of Lake Worth property owners (i.e., the rates for special districts apply only to the proportion of the government's property owners whose property is located within the geographic boundaries of the special district).

City of Lake Worth Beach, Florida

PROPERTY TAX LEVIES AND COLLECTIONS (UNAUDITED) LAST TEN FISCAL YEARS

Fiscal Year Ended September 30,	Total Taxes Levied for Year (2)	Collected Within the Fiscal Year of the Levy (1)		Percent of Levy	Collections in Subsequent Year's	Total Collections to Date		Percent of Levy
		Amount	Amount			Amount	Amount	
2012	\$ 5,752,832	\$ 5,728,138	99.57%	\$ 24,581	\$ 5,752,719	100.00%		
2013	6,028,316	5,429,614	90.07%	374,692	5,804,306	96.28%		
2014	6,561,373	5,694,788	86.79%	132,548	5,827,336	88.81%		
2015	6,668,511	6,277,985	94.14%	5,404	6,283,389	94.22%		
2016	7,225,095	6,951,573	96.21%	-	6,951,573	96.21%		
2017	8,101,969	7,796,543	96.23%	-	7,796,543	96.23%		
2018	9,006,434	8,660,077	96.15%	-	8,660,077	96.15%		
2019	12,033,164	11,616,102	96.53%	-	11,616,102	96.53%		
2020	13,179,530	12,737,088	96.64%	-	12,737,088	96.64%		
2021	14,359,890	13,888,771	96.72%	-	13,888,771	96.72%		

SOURCES: City of Lake Worth, Finance Department and Palm Beach County Tax Collector's Office.

(1) Includes discounts taken by property taxpayers.

(2) Palm Beach County Tax Collector - Comparison of Taxes Levied - <http://www.co.palm-beach.fl.us/papa/Millage.htm>

As Adopted

City of Lake Worth Beach, Florida

PRINCIPAL PROPERTY TAXPAYERS (UNAUDITED) CURRENT YEAR AND NINE YEARS AGO

	2021			2012		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
SL BOUTWELL BUSINESS CENTER II LLC	\$ 26,872,710	1	1.15%	\$ -	-	-
LAKE WORTH VILLAGE, LLC	24,019,837	2	1.03%	-	-	-
OAKWOOD APARTMENTS 160 UNITS LLC	21,671,032	3	0.93%	-	-	-
CUBESMART LP (1)	20,301,903	4	0.87%	-	-	-
PALM BEACH MOBILE HOME PARK, LLC	11,564,261	5	0.49%	-	-	-
GSG INVESTMENTS	12,406,656	6	0.53%	-	-	-
VILLAGE AT LAKE OSBORNE LLC	13,329,252	7	0.57%	-	-	-
AKERS ROBERT L TRUST	9,321,089	8	0.40%	-	-	-
1920 10th AVENUE LLC	9,100,000	9	0.39%	-	-	-
PAISA ASSOCIATES 2 LLC	7,661,778	10	0.33%	-	-	-
BELLSOUTH TELECOMMUNICATIONS INC	-	-	-	12,024,330	1	1.15%
PALM BEACH MOBILE HOME PARK, LLC	-	-	-	8,008,785	2	0.76%
PALM CLUB TOWNHOMES, CCL	-	-	-	7,390,762	3	0.71%
TACKETT PATRICIA A &	-	-	-	7,056,973	4	0.67%
PERRIGO FLORIDA INC	-	-	-	6,595,270	5	0.63%
1920 10th AVENUE LLC	-	-	-	6,468,496	6	0.62%
GSG INVESTMENTS	-	-	-	5,562,160	7	0.53%
PUBLIX SUPER MARKETS INC	-	-	-	4,359,027	8	0.42%
ARBOR SQUARE REALTY CO LLC	-	-	-	4,342,436	9	0.41%
SUTTON TOWN & COUNTRY	-	-	-	3,000,000	10	0.29%
	\$ 156,248,518		6.68%	\$ 64,808,239		6.19%

SOURCE: 2021 Tax roll provided by the Palm Beach County Tax Collector's Office
Based on Lake Worth Top Ten Taxpayer Report.
2012 statistics from COLWB 2012 CAFR

City of Lake Worth Beach, Florida

SPECIAL ASSESSMENT COLLECTIONS (UNAUDITED) LAST TEN FISCAL YEARS

Fiscal Year Ended September 30,	Amount of Special Assessments Recorded Due During Fiscal Year	Special Assessments Collected	Total Outstanding Assessments (1)
2012	\$ -	\$ 23,100	\$ 88,949
2013	-	22,707	66,242
2014	-	25,284	40,958
2015	-	24,290	16,668
2016	-	9,064	7,604
2017	-	7,604	-
2018	-	-	-
2019	-	-	-
2020	-	-	-
2021	-	-	-

NOTE: All special assessments are levied by adoption of a City resolution. Upon adoption of such resolution, a special assessment immediately becomes a lien upon the benefitted property.

Sources: City of Lake Worth, Florida, Finance Department.

(1) Includes Floral Park, Island Estates and High Ridge Road Watermain Project.

City of Lake Worth Beach, Florida

RATIO OF OUTSTANDING DEBT BY TYPE (UNAUDITED) LAST TEN FISCAL YEARS

Fiscal Year Ended September 30,	Primary Government							Percent of Personal Income (1)	Debt Per Capita (1)
	Governmental Activities			Business-Type Activities					
	General Obligation Bonds	Notes Payable	Capital Leases	Revenue Bonds	Notes Payable	Capital Leases	Total		
2012	\$ -	\$ -	\$ -	\$ 56,792,006	\$ 13,566,736	\$ 102,372	\$ 70,461,114	N/A	2,019
2013	-	-	-	54,030,000	9,632,083	-	63,662,083	N/A	1,791
2014	-	-	-	52,760,000	6,521,092	-	59,281,092	N/A	1,596
2015	-	-	-	49,595,000	6,223,140	-	55,818,140	N/A	1,482
2016	-	849,446	-	43,000,000	21,869,067	-	65,718,513	N/A	1,738
2017	22,267,392	973,205	-	39,565,000	27,904,081	-	90,709,678	N/A	2,390
2018	39,589,955	929,483	-	39,565,000	29,278,407	-	109,362,845	N/A	2,859
2019	38,901,061	882,245	-	36,035,000	30,470,991	-	106,289,297	N/A	2,778
2020	53,036,418	843,864	-	44,945,423	31,306,589	-	130,132,294	N/A	3,347
2021	53,053,988	-	-	113,248,607	14,926,319	-	181,228,914	N/A	4,257

NOTE: Details regarding the City's outstanding debt can be found in the notes to the financial statements.
 (1) See the Schedule of Demographic and Economic Statistics.
 N/A Not Available.

City of Lake Worth Beach, Florida

RATIOS OF GENERAL BONDED DEBT OUTSTANDING (UNAUDITED) LAST TEN FISCAL YEARS

Fiscal Year Ended September 30,	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Net Total	Percentage of Estimated Actual Taxable Value of Property (1)	Per Capita (2)
2012	\$ -	\$ -	\$ -	0.00%	-
2013	-	-	-	-	-
2014	-	-	-	-	-
2015	-	-	-	-	-
2016	-	-	-	-	-
2017	22,267,392	-	22,267,392	1.36%	586.82
2018	39,589,955	(14,271)	39,575,684	2.18%	1,034.47
2019	38,901,061	(1,914)	38,899,147	1.95%	1,016.79
2020	53,036,418	-	53,036,418	2.44%	1,364.28
2021	53,053,988	165,278	53,219,266	2.28%	1,250.10

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

(1) See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property.

(2) See the Schedule of Demographic and Economic Statistics.

(3) These amounts in Fund 203 CASH (BOA) account (101.01-01)

City of Lake Worth Beach, Florida

COMPUTATION OF LEGAL DEBT LIMIT (UNAUDITED) *FISCAL YEAR ENDED SEPTEMBER 30, 2021*

Taxable Assessed Valuation	\$ 2,337,696,000
Debt Limit (25% of Valuation)	584,424,000
Outstanding Debt:	53,053,988
Debt-Contracting Margin	\$ 531,370,012
Percentage Debt-Contracting Limit Remaining	90.92%

NOTE: The City Charter permits the City to pledge the funds or property taxing power of the City for the payment of debt and bonds. This is subject to mandatory requirements that the total indebtedness of the City shall never exceed an amount equal to 25% of the total assessed value of the taxable property within its corporate limits.

City of Lake Worth Beach, Florida

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT (UNAUDITED) **FISCAL YEAR ENDED SEPTEMBER 30, 2021**

Government Unit:	Net Debt Outstanding	Percentage Applicable to the City of Lake Worth (1)	Amount Applicable to the City of Lake Worth
Overlapping:			
Debt Repaid with Property Taxes:			
Palm Beach County	\$ 35,700,000	1.03%	\$ 366,666
Palm Beach School Board	6,261,000	1.03%	64,305
Subtotal	41,961,000		430,971
Direct Debt:			
City of Lake Worth	\$ 53,053,988	100.00%	53,053,988
Total Direct and Overlapping Debt	\$ 95,014,988		\$ 53,484,959

SOURCES: Data provided by the Palm Beach County Finance Department and the Palm Beach County Property Appraiser.

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 Lake Worth. This process recognizes that, when 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 City of Lake Worth's share of overlapping debt of approximately 1.03%, as determined by the ratio of the City's assessed valuation of property for 2021 of \$ 2,279,222,987 to the total assessed value of taxable property in the areas (Palm Beach County) of \$ 221,914,043,494.

City of Lake Worth Beach, Florida

PLEDGED REVENUE COVERAGE (UNAUDITED) LAST TEN FISCAL YEARS

Fiscal Year Ended September 30,	Sewer Revenue (1)	Less: Operating Expenses (2)	Net Available Revenue	Debt Service Principal	Debt Service Interest	Coverage
2012	\$ 7,737,291	\$ 5,590,967	\$ 2,146,324	\$ 255,000	\$ 191,031	4.81
2013	7,254,074	4,659,716	2,594,358	-	-	100.00
2014	6,362,910	5,868,978	493,932	-	-	100.00
2015	7,328,527	5,877,591	1,450,936	-	-	100.00
2016	7,784,279	6,093,835	1,690,444	-	-	100.00
2017	7,214,779	6,504,503	710,276	-	-	100.00
2018	7,122,243	7,958,644	(836,401)	-	-	100.00
2019	7,842,696	7,929,551	(86,855)	-	-	100.00
2020	8,828,323	9,017,939	(189,616)	-	-	100.00
2021	9,992,082	9,097,488	894,594	-	64,684	100.00

SOURCE: City of Lake Worth, Finance Department

(1) Gross revenue includes operating revenue and investment income, net of uncollectible accounts.

(2) Total expenses, net of depreciation, debt interest, and uncollectible accounts.

City of Lake Worth Beach, Florida

PLEDGED REVENUE COVERAGE (UNAUDITED) LAST TEN FISCAL YEARS (continued)

Fiscal Year Ended September 30,	Electric Revenue (1)	Less: Operating Expenses (2)	Net Available Revenue		Debt Service Principal	Debt Service Interest	Coverage
2012	\$ 53,998,826	\$ 49,774,388	\$ 4,224,438		\$ 1,290,000	\$ 1,181,145	1.71
2013	51,143,917	48,826,115	2,317,802		635,000	669,238	1.78
2014	54,635,498	48,028,511	6,606,987		1,582,500	685,779	2.91
2015	54,399,160	46,526,432	7,872,728		1,627,500	642,765	3.47
2016	57,161,737	44,823,917	12,337,820	(3)	-	576,200	21.41
2017	55,991,458	50,603,851	5,387,607	(3)	1,717,500	1,450,893	1.70
2018	54,539,122	53,757,573	781,549	(3)	969,166	980,044	0.40
2019	55,541,906	48,617,931	6,923,975	(3)	2,457,410	878,056	2.08
2020	53,720,691	45,720,809	7,999,882	(3)	2,556,211	849,427	2.35
2021	57,269,174	49,936,010	7,333,164	(3)	425,000	1,299,425	4.25

SOURCE: City of Lake Worth, Finance Department

- (1) Gross revenue includes operating revenue and investment income, net of uncollectible accounts.
- (2) Total expenses, net of depreciation, debt interest, and uncollectible accounts.
- (3) Debt service principal payments were made early for the Utility System Refunding Revenue Bonds.

City of Lake Worth Beach, Florida

PLEGGED REVENUE COVERAGE (UNAUDITED) LAST TEN FISCAL YEARS (continued)

Fiscal Year Ended September 30,	Water Revenue (1)	Less: Operating Expenses (2)	Net Available Revenue		Debt Service Principal	Debt Service Interest	Coverage
2012	\$ 11,803,738	\$ 7,008,004	\$ 4,795,734		\$ 1,290,000	\$ 1,181,145	1.94
2013	11,545,178	7,107,407	4,437,771		635,000	669,238	3.40
2014	12,059,246	6,775,980	5,283,266		1,880,452	854,928	1.93
2015	13,258,306	6,437,459	6,820,847		1,933,319	804,048	2.49
2016	14,161,798	6,748,708	7,413,090	(3)	313,895	153,207	15.87
2017	14,768,650	7,468,404	7,300,246	(3)	2,031,395	1,171,760	2.28
2018	14,132,486	7,800,797	6,331,689	(3)	397,780	906,983	4.85
2019	15,373,494	8,352,033	7,021,461	(3)	2,575,749	842,734	2.05
2020	14,794,765	9,355,546	5,439,219	(3)	2,732,209	826,979	1.53
2021	15,613,916	10,742,381	4,871,535	(3)	160,000	568,025	6.69

SOURCE: City of Lake Worth, Finance Department

(1) Gross revenue includes operating revenue and investment income, net of uncollectible accounts.

(2) Total expenses, net of depreciation, debt interest, and uncollectible accounts.

(3) Debt service principal payments were made early for the Water Revenue Bond.

City of Lake Worth Beach, Florida

DEMOGRAPHIC AND ECONOMIC STATISTICS (UNAUDITED) LAST TEN FISCAL YEARS

Year	Population (1)	Personal Income (Amounts Expressed in Thousands) (4)	Per Capita Personal Income (4)	Assessed Value (Amounts Expressed in Thousands) (2)	Per Capita Assessed Value	Unemployment Rate (3)
2012	34,901	N/A	N/A	\$ 1,047,017	\$ 30,000	8.7%
2013	35,555	N/A	N/A	1,097,155	30,858	6.6%
2014	37,145	N/A	N/A	1,198,017	32,252	6.2%
2015	37,674	N/A	N/A	1,317,159	34,962	5.1%
2016	37,803	N/A	68,743	1,471,996	38,939	5.8%
2017	37,946	N/A	N/A	1,633,299	43,043	4.5%
2018	38,257	N/A	N/A	1,813,046	47,391	4.4%
2019	38,484	N/A	N/A	1,999,455	51,955	3.0%
2020	38,875	N/A	N/A	2,176,205	55,980	7.2%
2021	42,572	N/A	N/A	2,337,696	54,912	4.1%

SOURCES:

- (1) University of Florida, Bureau of Economic Research.
- (2) Palm Beach County Property Appraiser.
- (3) U.S. Department of Labor, Bureau of Labor Statistics.
- (4) University of Florida, Bureau of Economic Research - For Palm Beach County, (City of Lake Worth data is not available).
<http://www.bebr.ufl.edu/data/county/palm-beach>

N/A: Not Available.

City of Lake Worth Beach, Florida

PRINCIPAL EMPLOYERS (UNAUDITED) CURRENT YEAR AND NINE YEARS AGO

City of Lake Worth, Florida Employer	2021		2012		
	Number of Employees	Rank	Employees	Rank	Percentage of Total County Employment
Palm Beach State College	1,192	1	21,495	1	3.80%
American Medical Response	350	2	5,127	3	0.91%
City of Lake Worth	340	3	11,381	2	2.01%
American Medical Response	271	4	3,635	4	0.64%
Eastern Metal Supply	200	5	2,706	7	0.48%
Publix (214 N. Dixie Hwy.)	160	6	2,250	10	0.40%
Publix (1910 Lake Worth Rd.)	150	7	-	-	-
Equihome Mortgage	125	8	2,714	6	0.48%
Finnish American Rest Home	100	9	-	-	-
Wayne Akers F	64	10	2,391	8	0.42%
	<u>2,952</u>		3,000	5	0.53%
			2,250	9	0.40%
			<u>56,483</u>		<u>7.75%</u>
			<u>56,949</u>		<u>10.07%</u>

SOURCE: Business Development Board of Palm Beach County.

City of Lake Worth Beach, Florida

**FULL TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION (UNAUDITED)
LAST TEN FISCAL YEARS**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Number of Employees:										
General Government	69	63	65	71	73	78	76	76	74	80
Public Safety	10	12	14	13	12	14	13	14	14	26
Physical Environment	13	13	13	15	13	20	24	24	26	16
Transportation	4	3	11	8	11	16	16	13	13	10
Culture and Recreation	16	20	28	19	22	25	25	25	27	58
Community Redevelopment	6	7	2	2	2	4	4	4	4	-
Electric	88	72	66	73	67	71	68	69	71	72
Water and Sewer	39	48	47	55	48	55	50	50	48	47
Refuse	28	30	30	30	28	33	32	32	29	31
Total Full Time Employees	273	268	276	286	276	316	308	307	306	340

Source: COLWB Payroll Register, PPE 10/6/2019



City of Lake Worth Beach, Florida

OPERATING INDICATORS BY FUNCTION/PROGRAM (UNAUDITED) LAST TEN FISCAL YEARS

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Building Department:										
Building Permits Issued-Res.	1,309	2,170	1,702	2,050	2,503	2,224	2,954	2,758	2,515	3,093
Building Permits Issued-Com.	480	500	425	703	657	751	539	677	750	605
Culture and Recreation:										
Golf Course-Attendance	38,199	42,983	59,367	42,103	34,554	39,218	38,869	48,680	41,038	47,116
Swimming Pool-Attendance	*	*	8,118	13,143	13,304	*	*	*	*	*
Fishing Pier-Attendance	72,799	78,102	90,250	87,258	88,264	89,240	91,246	92,158	*	*
Public Library:										
Circulation-All Media	83,790	81,256	62,454	44,599	48,112	43,321	36,336	29,728	8,956	8,897
Patrons Registered	21,457	22,398	23,565	19,548	15,490	15,696	16,330	19,179	19,679	20,226
Patrons Registered-Inside City	16,281	17,444	17,355	14,867	11,325	11,421	11,932	15,387	19,376	19,775
Utility System:										
Water:										
Total Number of Bills	153,898	156,219	157,646	161,573	160,395	161,410	167,222	168,259	169,418	13
Number of Units Billed	15,217,786	14,782,623	15,698,399	16,135,064	15,881,991	15,995,970	15,332,625	15,721,546	15,270,195	15,514,671
Total Amount Billed	12,045,014	11,338,385	11,791,811	13,318,069	13,345,940	13,709,754	12,992,941	13,572,778	13,603,381	13,890,971
Average Selling Price	0.79	0.77	0.76	0.83	0.84	0.86	0.85	0.86	0.89	0.90
Average Bill	78.27	72.58	74.80	82.43	83.21	84.94	77.70	80.67	80.29	81.47
Number of Connections	12,301	*	*	*	*	*	*	*	*	*
Water Main Breaks	30	*	*	*	*	*	*	*	*	*
Sewer:										
Total Number of Bills	138,412	140,700	142,187	143,379	146,821	147,742	148,476	149,150	150,298	151,291
Number of Units Billed	11,345,142	14,219,556	11,603,213	11,929,331	12,216,102	12,408,208	12,013,792	12,100,257	12,098,238	15,514,671
Total Amount Billed	7,224,736	6,856,410	6,003,365	6,725,422	7,018,882	7,283,007	7,117,298	7,755,324	8,957,673	9,655,138
Average Selling Price	0.64	0.62	0.52	0.57	0.57	0.59	0.60	0.64	0.74	0.79
Average Bill	52.20	48.73	42.23	47.00	48.00	49.30	47.94	52.00	59.60	63.82
Number of Connections	11,106	11,268	11,192	11,216	11,218	12,194	12,373	*	*	*

Sources: Various City Departments

City of Lake Worth Beach, Florida

OPERATING INDICATORS BY FUNCTION/PROGRAM (UNAUDITED)

LAST TEN FISCAL YEARS (continued)

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Electric:										
Residential Customers:										
Total Number of Bills	236321	268028	271926	281016	283149	285434	287853	288716	290701	294390
Number of Units Billed	670732013	450714920	307934950	324881383	329044873	329388680	324223300	336004339	342054167	343634471
Total Amount Billed	30357449	28629223	30515277	33156771	32802475	32786766	30907817	31993460	32849669.45	32073568
Average Selling Price	\$ 0.05	\$ 0.07	\$ 0.10	\$ 0.11	\$ 0.10	\$ 0.10	\$ 0.10	\$ 0.10	\$ 0.10	\$ 0.11
Average Bill	\$ 128	\$ 107	\$ 112	\$ 118	\$ 116	\$ 115	\$ 107	\$ 111	\$ 113	\$ 111
Commercial Customers:										
Total Number of Bills	33758	35538	36429	37561	37674	37677	37808	37843	37840	38694
Number of Units Billed	190521820	136281598	108714074	152817241	125097776	127896107	126102700	126436901	131523506	118861125
Total Amount Billed	11852622	14807277	15057782	15645193	15573116	15893259	15342976	15330753	14284317.23	14490311
Average Selling Price	\$ 0.06	\$ 0.11	\$ 0.14	\$ 0.11	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.09	\$ 0.12
Average Bill	\$ 351	\$ 417	\$ 413	\$ 417	\$ 413	\$ 422	\$ 406	\$ 405	\$ 377	\$ 374
Private Area Lighting:										
Total Number of Bills	6558	6484	6488	6574	6536	6556	6507	6433	6538	6696
Number of Units Billed	2339530	2349288	1260696	1235578	1193692	1200994	2431880	2428976	2507128	2469312
Total Amount Billed	201083	201892	226235	220335	216292	217297	262582	262342	270911.75	267223
Average Selling Price	\$ 0.09	\$ 0.09	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.11	\$ 0.11	\$ 0.09	\$ 0.11
Average Bill	\$ 31	\$ 31	\$ 35	\$ 34	\$ 33	\$ 33	\$ 40	\$ 41	\$ 41	\$ 40
Commercial Demand:										
Total Number of Bills	1056	1055	1029	1032	1034	1031	1046	1076	1032	1034
Number of Units Billed	122380220	54570150	56307954	53104190	52771310	52555086	50615850	49801395	49284132	60827021
Total Amount Billed	7571587	6042329	6202544	5869258	5855878	5641515	5451325	5367370	5328048.85	6174
Average Selling Price	\$ 0.06	\$ 0.11	\$ 0.11	\$ 0.11	\$ 0.11	\$ 0.11	\$ 0.11	\$ 0.11	\$ 0.09	\$ 0.10
Average Bill	7,170	5,727	6,028	5,687	5,663	5,418	5,212	4,988	5,163	5,971
Street Lights:										
Total Number of Bills	108	104	112	108	112	109	108	108	108	105
Number of Units Billed	5013600	4978576	2541824	2506800	2568936	2592168	4964044	4964880	4966112	4931792
Total Amount Billed	360750	385599	385858	383706	392298	395382	476141	476280	476384.17	473490
Average Selling Price	\$ 0.07	\$ 0.08	\$ 0.16	\$ 0.16	\$ 0.15	\$ 0.15	\$ 0.10	\$ 0.10	\$ 0.10	\$ 0.10
Average Bill	\$ 3,340	\$ 3,708	\$ 3,445	\$ 3,553	\$ 3,503	\$ 3,627	\$ 4,409	\$ 4,410	\$ 4,411	\$ 4,509
Solid Waste:										
Residential accounts	8	3	24	42	34	37	38	20	20	18
Commercial accounts	1085	1086	1104	1136	1127	1129	1119	1112	1110	1097

Sources: Various City Departments.

City of Lake Worth Beach, Florida

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM (UNAUDITED) LAST TEN FISCAL YEARS

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Government:										
Number of Buildings	1	1	1	1	1	1	1	1	1	1
Public Safety:										
Police:										
Police Stations	1	1	1	1	1	1	1	1	1	1
Fire:										
Fire Stations	2	2	2	2	2	2	2	3	3	3
Transportation:										
Miles of Streets:										
Streets-Paved	102	102	102	102	102	116	116	116	116	116
Streets-Unpaved	17	17	17	17	17	23	23	23	23	23
Number of Street Lights	4,102	4,102	4,102	4,102	4,305	4,526	4,526	4,526	4,526	4,526
Culture and Recreation:										
Parks	11	11	11	11	11	11	11	11	11	12
Parks Acreage	267	267	267	267	267	267	267	267	267	268
Tennis Courts	8	8	8	8	7	7	7	5	5	5
Baseball/Softball Fields	10	10	10	10	6	8	8	6	6	6
In/Outdoor Basketball Courts	4	4	4	4	4	4	4	4	4	4
Public Boat Ramps	1	1	1	1	1	1	1	1	1	1
Community Centers	2	2	2	2	1	1	1	1	1	1
Municipal Gym	1	1	1	1	1	1	1	1	1	1
Golf Course	1	1	1	1	1	1	1	1	1	1
Swimming Pool	1	1	1	1	1	1	1	1	1	1
Fishing Pier	1	1	1	1	1	1	1	1	1	1
Shuffleboard	1	1	1	1	1	1	1	1	1	1
Public Library	1	1	1	1	1	1	1	1	1	1
Utility System:										
Fire Hydrants	964	976	996	1,003	1,034	1,081	1,105	1,105	1,139	1,174
Solid Waste:										
Collection Trucks	22	22	22	22	23	26	27	27	27	28
Water System:										
Total Wells	18	16	16	17	15	15	15	15	15	54
Usable Wells	17	14	13	15	15	15	15	15	15	17
Miles of Water Lines	156	156	156	157	156	165	168	169	169.0	179.9
Sewer System:										
Miles of Sewer Lines	98	98	98	98	114	117	125	126	126.0	124.2
Electric System:										
Generating Plants	1	1	1	1	1	1	1	1	1	5
Miles of Distribution Lines	147	147	147	147	147	290	296	296	296	590

Sources: Various City Departments.

City of Lake Worth Beach, Florida

