

TOWN OF SOUTHWEST RANCHES, FLORIDA



Picture by: Robert Sirota



ANNUAL COMPREHENSIVE FINANCIAL REPORT

Fiscal Year Ended September 30, 2023

TOWN OF SOUTHWEST RANCHES, FLORIDA

Annual Comprehensive Financial Report

Fiscal Year Ended September 30, 2023



2023 Town of Southwest Ranches Rural Public Arts and Design Advisory Board Photo Contest Submitted by: Kathy Sullivan

TOWN OF SOUTHWEST RANCHES

MOTTO:

“PRESERVING OUR RURAL LIFESTYLE”

VISION STATEMENT:

“WE EMBRACE OUR UNIQUE NATURE AND WE CONTINUALLY STRIVE TO ENHANCE THE
QUALITY OF LIFE
IN OUR TOWN”

MISSION STATEMENT:

“THE TOWN OF SOUTHWEST RANCHES IS COMMITTED TO PROMOTING AND PROTECTING
THE
RURAL LIFESTYLE OF OUR RESIDENTS WHILE PRESERVING THE NATURAL ENVIRONMENT”



2016 Town of Southwest Ranches Rural Public Arts and Design Advisory
Board Photo Contest *Submitted by: Linda A. Bryan*

Town of Southwest Ranches, Florida

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Town of Southwest Ranches, Florida

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INTRODUCTORY SECTION



2020 Town of Southwest Ranches Rural Public Arts and Design Advisory
Board Photo Contest *Submitted by: Matthew Morris*



Town of Southwest Ranches

13400 Griffin Road
Southwest Ranches, FL 33330-2628
(954) 434-0008 Town Hall
(954) 434-1490 Fax
web: www.southwestranches.org

Town Council

Steve Bretkreuz, Mayor
David S. Kuczenski, Vice Mayor
Jim Allbritton, Council Member
Gary Jablonski, Council Member
Bob Hartmann, Council Member

Town Administration

Russell Muñiz, MBA, MPA, Town Administrator
Debra Ruesga, CMC, Town Clerk
Keith M. Poliakoff, JD, Town Attorney
Emil C. Lopez, CPM, MAcc, Town Financial Administrator

March 26, 2024

To the Honorable Mayor, Vice Mayor, Town Council, and the Citizens of the Town of Southwest Ranches, Florida:

We are pleased to submit the Annual Comprehensive Financial Report (ACFR) of the Town of Southwest Ranches, Florida (the Town), for the fiscal year ended September 30, 2023.

This report provides the Town Council, our citizens, and other interested parties with detailed information concerning the financial condition and activities of the Town. Florida Statutes requires that every general-purpose local government publish annually a complete set of financial statements within nine months of the close of each fiscal year. The Government Finance Officers' Association (GFOA) recommends that local governments publish the complete set of financial statements within six months. Therefore, in addition to meeting legal requirements, the report represents the Town's continued strong support of full financial disclosure in the timeliest manner. This philosophy is reflected by the informative financial analysis provided by the Town's Financial Services Department, and the exhibits and statistical tables included herein.

The role of the financial report is to assist in making policy decisions and to assist in providing accountability and transparency to the citizenry by:

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

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the Town. 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 Town; and that all disclosures necessary to enable the reader to gain an understanding of the Town's financial activity have been included.

Keefe McCullough, CPA, independent auditors, have issued unmodified opinions (aka Clean Opinions) on the Town of Southwest Ranches financial statements for the fiscal year ended September 30, 2023. The independent auditors' report is located at the front of the financial section of this report. The Town's financial statements have been prepared in conformity with GAAP as promulgated by the Governmental Accounting Standards Board (GASB). The Town's Management Discussion and Analysis (MD&A) document immediately follows the independent auditors' report and provides a

narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

PROFILE OF THE TOWN

The Town comprises approximately thirteen (13) square miles, with an estimated population of 7,900 and is located in the southwest portion of Broward County, a major metropolitan area. The Town motto since its establishment is “Preserving our Rural Lifestyle” and is located between the three major urban cities: Town of Davie, City of Pembroke Pines, and City of Weston. The neighboring cities provide a wealth of attractions, business and amenities for use by the residents of the Town. Accordingly, the residents benefit from this close association with these urban neighbors because the Town does not need to provide for these services.

The Town was incorporated on June 6, 2000. The Town operates under the Council-Administrator form of government where the Mayor and four Council Members must live in residential districts, are elected at large, and appoint a Town Administrator, Town Attorney, Town Clerk, and Town Financial Administrator. The Town Council establishes policy for the operation of the government, enacts ordinances for the safety, welfare, and orderly interaction of the citizens of the Town, adopts a millage rate and annual budget as well as members to various advisory boards, agencies, and authorities within the Town, and engages the independent auditor.

The financial reporting entity (the Town of Southwest Ranches) includes all funds of the primary government (i.e., the Town of Southwest Ranches as legally defined), as well as all its component units. Component units are legally separate entities for which the Town of Southwest Ranches is financially accountable or the nature and significance of the relationship between the Town and the entity is such that exclusion would cause the Town’s financial statements to be misleading or incomplete.

The Town has identified one component unit: The Southwest Ranches Volunteer Fire Rescue, Inc. which is reported as a blended component unit of the Town and its governing body is composed of the members of the Town Council. Additional information can be found in Note 1 of the notes to the basic financial statements.

TOWN SERVICES PROVIDED

The Town contracts for all major Town services including police, fire, emergency medical services, building services, code compliance, planning & zoning, information technology and solid waste & recycling. The Town also has employees to administer all contracts, grants, and daily operations of the Town as well as provide basic municipal services including parks, recreation, and general government services.

ECONOMIC CONDITIONS AND OUTLOOK

The Town’s real estate sales and values have increased as most other governments in Florida and in the nation; however, the Town has a better than average business cycle than other communities due to the composition of its economy. Specifically, the Town primarily consists of affluent residential housing stock of 2,587 units (bcpa.net 2023) with a minimum one-acre and larger single-family estates.

On July 1st, 2023, the Broward County Property Appraiser (BCPA) certified a total taxable value for real and personal property of \$2,222,562,462 for the Town of Southwest Ranches. The aggregate increase to the Town’s assessed valuations when compared to last year’s is 16.39% or \$313,962,233. This increase places the Town as the 3rd highest percentage increase among Broward County’s 31 municipalities. The increase is generally attributable to over \$87 million of new taxable

value associated to new construction and building improvements that was a result of families wanting to make the Town of Southwest Ranches, their home as well as Town Council policy, its rural lifestyle, and services.

FINANCIAL INFORMATION

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment. Despite continued uncertain economic conditions pertaining to stubborn inflation and high interest environment that impacts the real estate market, the Town has maintained its strong financial position through prudent planning and fiscal actions to reduce or contain costs.

Long Range Financial Planning

On a long-term financial perspective, the Town has identified all capital asset and infrastructure projects under a five-year capital improvement plan (CIP). This five-year CIP is adopted by Town Council to guide in the development of the annual capital budget as well as assist in its associated maintenance to achieve the long-term goal of a financially sound Town. The approved CIP also includes funding for Public Safety, Transportation, Drainage, and Parks, Recreation and Open Space.

Commencing in FY 2015, the Town implemented a Transportation Surface and Drainage Ongoing Rehabilitation (TSDOR) program with the goal of preserving and extending the life of the Town's paved streets. The TSDOR program addresses improvements for every Town road over a 20+ year period. One TSDOR project has been fully or partially funded during the fiscal year 2023 budget process. Additionally, the Town Council approved an increase of TSDOR funding of \$155,000 for FY2024 that will result in a total budget of \$450,000.

Accounting and Internal Controls

Management of the Town is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the Town 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:

- The cost of a control should not exceed the benefits likely to be derived; and
- The valuation of costs and benefits requires estimates and judgments by management.

Fund Balances

The Town has made it a policy to establish reserves to offset unanticipated expenses and ensure that a funding source exists in the event of a setback in the continuation of positive economic conditions. The General Fund has an unassigned fund balance of \$6,654,874 which is equal to 35.2% of the adopted FY 2024 Budget General Fund operating revenue (\$18,898,715).

In the 2023 Session, the Florida Legislature considered reducing the "Save Our Homes" property cap from 3% to 2%. The "Save Our Homes" limits the annual increase in the assessed value of homesteaded properties to 3%. The bill SJR-122 passed favorable by the Community Affairs (Yeas 8 / Nays 1) but died in the Finance and Tax committee.

Financial Policies

The Town adheres to several financial policies that impact daily operations and the current period's financial statements. The Town's budgetary and financial policies provide the basic framework for the overall fiscal management of the Town. The following policies were used in the development of current activities.

Budgetary Policy:

Annual appropriated budgets are adopted for the General Fund, the Transportation Fund, the Capital Projects Fund, and the Debt Service Fund on a basis consistent with accounting principles generally accepted in the United States of America. The Volunteer Fire Rescue Department volunteer fund and fire operational budget is adopted by the Board of Directors of the Town of Southwest Ranches which is comprised of the Town Council. In accordance with state laws the Approved Budget is posted on the Town's website within 30 days of adoption.

During July of each year, the Town Administrator and Town Financial Administrator submits to the Town Council a proposed operating budget for the ensuing fiscal year. The operating budget includes proposed expenditures and the means of funding them. Subsequently, a budget workshop and public hearings are conducted to obtain taxpayer comments and prior to October 1, the budget is legally enacted through passage of an ordinance. Upon request of the Town Administrator or Town Financial Administrator, the Town Council, in the form of a resolution, may amend the budget, make changes between funds or from a reserve, and increase or decrease a fund. The Town Administrator or Town Financial Administrator may make changes within a department. Therefore, the legal level of control is at the department level. At the close of each fiscal year, the unencumbered balance of each appropriation reverts to the fund from which it was appropriated and is subject to future appropriations.

Revenue Policy

The Town maintains a diversified revenue system to avoid reliance on property taxes. Charges for services are being provided at full cost recovery for services for individual users. One-time revenue will never be used for ongoing operating costs.

Debt Policy

The Town has no General Obligation debt outstanding and believes that debt is a necessary and integral part of conducting its operations on a financially sound and equitable basis to all taxpayers. The Town reviews as well as evaluates its existing obligations and future borrowing needs regularly. As the existing line of credit of the Town (\$10 million) neared its term date (05/23/2023), the Town extended the agreement and maturity of the Line of Credit for an additional five (5) years to 05/23/2028, as provided in section 16 of the agreement, and increased the capacity of the line from \$10,000,000 to \$20,000,000. The Town had no outstanding balance and the available balance was \$20,000,000 at September 30, 2023.

In 2011, the Town entered into a \$2,500,000 note with a financial institution for the purpose of refunding an existing pooled commercial loan and to fund the move to a new permanent Town Hall building during 2012. During 2013, the Town refinanced a portion of its 2001 debt at a lower interest rate resulting in receiving over \$300,000 in present value cash savings for parks, recreation, and open spaces capital improvements. In 2016, the Town obtained financing for the purchase of \$7,750,000 (Series 2016) in public purpose Land at a 3.25% interest rate that was "interest only" during the first five (5) years and practically simultaneously retired \$1,640,000 of Series 2001 debt which carried a 5% interest rate utilizing general fund unassigned fund balance. In 2021, The Town refinanced its Series 2016 loan balance of

ACKNOWLEDGEMENTS

The preparation of the Annual Comprehensive Financial Report could not have been accomplished without the efficient and dedicated efforts of the entire staff of the Financial Services Department. We wish to thank all the departments who assisted and contributed to the preparation of this report. Accordingly, special recognition is given to Rich Strum, Venessa Redman, and Arianna Durbeej in the creation and compilation of this document. Special thanks go to Suzan Kutz for her assistance on the pictures used in this report.

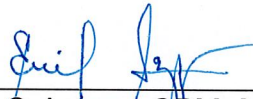
We would like to express our thanks for the cooperation received from our independent auditors, Keefe McCullough, as they worked diligently with the Town. Credit must also be given to the Town Council for the vital role they have historically played in enabling the Town to achieve and maintain this high degree of fiscal responsibility as well as the citizens of Southwest Ranches.

We believe this report clearly illustrates the strong financial posture of the Town of Southwest Ranches and we wish to take this opportunity to also thank Town Management for their commitment to support sound fiscal management practices with an emphasis on long-term financial stability and sustainability.

Respectfully yours,



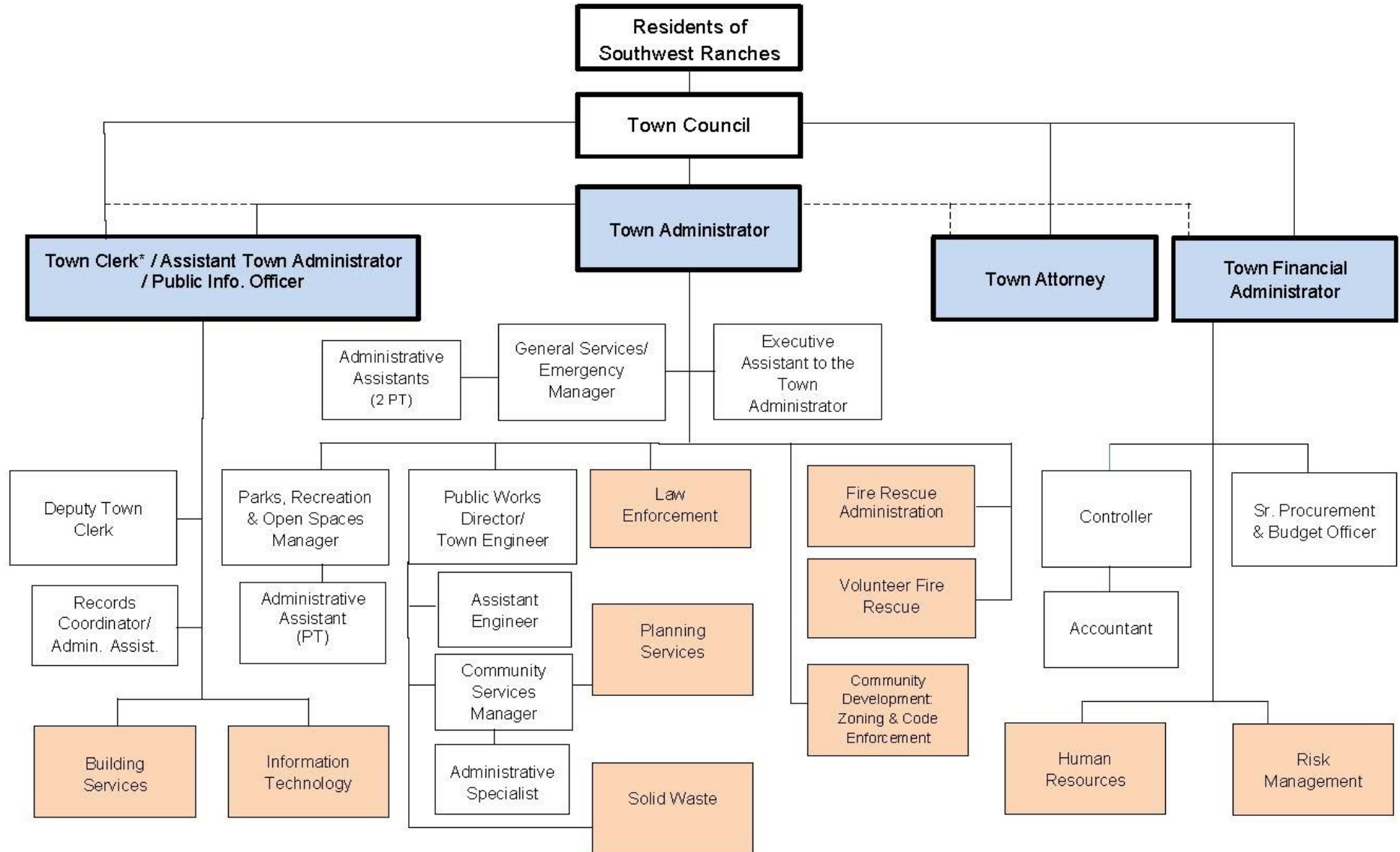
Russell Muñiz, MBA, MPA
Town Administrator



Emil C. Lopez, CRM, MAcc
Town Financial Administrator



TOWN OF SOUTHWEST RANCHES ORGANIZATIONAL CHART Fiscal Year 2022-2023



Positions appointed by the Town Council *



Contracted Services



Indirect Relationship

Town of Southwest Ranches, Florida
Council/Administrator Form of Government
List of Principal Officials
as of September 30, 2023

Town Charter approved by a majority of qualified voters of the Town of Southwest Ranches



STEVE BREITKREUZ
Mayor



JIM ALLBRITTON
Vice Mayor



GARY JABLONSKI
Council Member



BOB HARTMANN
Council Member



DAVID S. KUCZENSKI, ESQ.
Council Member

TOWN ADMINISTRATOR

Andrew D. Berns, MPA

ASSISTANT TOWN ADMINISTRATOR/TOWN CLERK

Russell C. Muñiz, MBA, MPA, MMC

TOWN ATTORNEY

Keith Poliakoff, Esq.

TOWN FINANCIAL ADMINISTRATOR

Emil C. Lopez, CPM, MAcc.

INDEPENDENT AUDITORS

Keefe McCullough & Co. LLP

Certified Public Accountants



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Town of Southwest Ranches
Florida**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2022

Christopher P. Morrill

Executive Director/CEO

FINANCIAL SECTION



*2023 Town of Southwest Ranches Rural Public Arts and Design Advisory
Board Photo Contest Submitted by: Chris Brownlow*

INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Town Council
Town of Southwest Ranches, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Southwest Ranches, Florida, (the "Town"), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

CPAs + Trusted Advisors

Auditor’s Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis and the budgetary comparison information on pages 4-15 and 42-44, respectively, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town’s basic financial statements. The accompanying combining and individual nonmajor governmental fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 26, 2024, on our consideration of the Town’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 Town’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town’s internal control over financial reporting and compliance.

KEEFE McCULLOUGH

Fort Lauderdale, Florida
March 26, 2024

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**MANAGEMENT'S DISCUSSION
AND ANALYSIS**

The purpose of financial reporting, in general, is to provide the readers of the financial statements with information that will help them make decisions or draw conclusions about an entity. As management of the Town of Southwest Ranches (the Town), we offer readers this narrative overview and analysis of the financial activities of the Town for the fiscal year (FY) ended September 30, 2023. We encourage readers to consider the information presented herein in conjunction with the additional information that we have furnished in our letter of transmittal, as well as the financial statements and notes to financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The Town’s assets and deferred outflows of resources exceeded its liabilities by \$66,321,815 (total net position) as of September 30, 2023.
- Total net position increased \$2,025,234 and is comprised of the following:
 - (1) Net investment in capital assets of \$54,425,629 includes property and equipment, net of accumulated depreciation and related debt. It increased by \$757,118 when compared with last year.
 - (2) Net position of \$1,619,380 is restricted by constraints imposed on the Town by grantors, laws, or regulations. This applies to Transportation (\$281,965); Fire Control and Volunteer Fire Rescue Department (\$292,585 & \$41,262); Building (\$999,393); and Public Safety (\$4,175). It decreased by \$691,394 when compared with last year.
 - (3) Unrestricted net position totaled \$10,276,806. This amount is comprised of *Committed*, *Assigned*, and *Unassigned* balances that may be used to meet the Town’s ongoing obligations to citizens and creditors. It increased by \$1,959,510 when compared with last year.
- The Town’s total debt decreased \$706,764 (net) to a total of \$7,526,495 due to normal amortization. Total debt includes loans as well as notes payable. TD Note Payable for the fire apparatus (Rosenbauer) matured in FY 2023.
- The Town’s governmental funds reported total ending fund balance of \$11,083,854 at September 30, 2023. This represents an increase of \$1,258,115 when compared to last year’s amount of \$9,825,739.
- At the end of the current fiscal year, the unassigned fund balance for the General Fund was \$6,654,876 or 42.0% of total General Fund expenditures and net transfers for FY 2023. To provide a comparison during a two-year period, the unassigned fund balance for the General Fund for FY2022 was \$5,423,565 or 36.6% of total General Fund expenditures and net transfers for FY2022.
- Town continues to maintain a healthy financial position. Considering the Town’s healthy reserves, the Town Council agreed on a three (3) year plan through FY 2025, to subsidize utilizing reserves, a Fire Assessment fees to bring much needed relief to citizens.

The above financial highlights are explained in more detail in the “financial analysis” section of this document.

OVERVIEW OF FINANCIAL STATEMENTS

This Management Discussion and Analysis (MD&A) document serves as an introduction to the Town's basic financial statements, which have the following components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. This report also contains other additional information to supplement the basic financial statements.

Basis Financial Statements

Government-wide Financial Statements. Financial reporting at this level is designed to provide readers with a broad overview of the Town's finances, in a manner similar to private-sector business.

The government-wide financial statements report information about the Town as a whole and about its activities in a way that helps answer questions about the financial health of the Town and whether the activities of the year contributed positively or negatively to that health.

Statement of Net Position: Presents financial information on all of the Town's assets and liabilities, and deferred inflows/outflows of resources with the difference reported as net position (deficit). Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town as a whole is improving or deteriorating.

Statement of Activities: Presents information showing how the Town's net position changed during the most recent fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the Town's distinct activities or functions on revenues provided by the Town's taxpayers.

Both government-wide financial statements distinguish functions of the Town that are principally supported by taxes, and charges for services from business-type activities intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include general government, public safety, community services and development, parks and recreation, transportation, emergency services, and interest and other fiscal charges.

The government-wide financial statements are presented on pages 16 and 17 of this report.

Fund Financial Statements

A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for nonmajor funds is provided in the form of combining statements in a later section of this report. All of the funds of the Town can be divided into two categories: governmental funds and proprietary funds.

Governmental funds: They are reported in the fund financial statements and encompass the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in assessing a government's near-term financing requirements. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the differences between these two perspectives.

The basic governmental fund financial statements are presented on pages 18 and 20 of this report.

Proprietary funds: They are two types of Proprietary funds, Enterprise and Internal Service funds. They reported in the fund financial statements and generally report services for which the Town charges customers a fee. The Town's Solid Waste fund is classified as an enterprise fund. The enterprise fund essentially encompasses the same function reported as business-type activities in the government-wide statements. Financial statements consist of a statement of net position, statement of revenue, expenses, and changes in net position, and statement of cash flows.

The basic proprietary fund financial statements are presented on pages 22 – 24 of this report.

Notes to the Basic Financial Statements

The accompanying notes to the basic financial statements provide information that is essential to a full understanding of the government-wide and fund financial statements.

The notes to the basic financial statements are presented on pages 25 – 41 of this report.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning budgetary comparisons. Budgetary comparison schedules are included as required supplementary information for the General Fund and the Transportation Fund. Budgetary comparison schedules for all other governmental funds can be found in the supplementary information section of this report. These schedules demonstrate compliance with the Town's adopted and final revised budget.

The required supplementary information is presented on pages 42 – 44 of this report.

Town of Southwest Ranches, Florida
Management Discussion and Analysis (Unaudited)
September 30, 2023

Supplementary Information

As discussed, the Town reports major funds in the basic financial statements. Combining and individual fund statements and schedules for nonmajor funds are presented in a supplementary information section of this report.

The supplementary information is presented on pages 45 – 48 of this report.

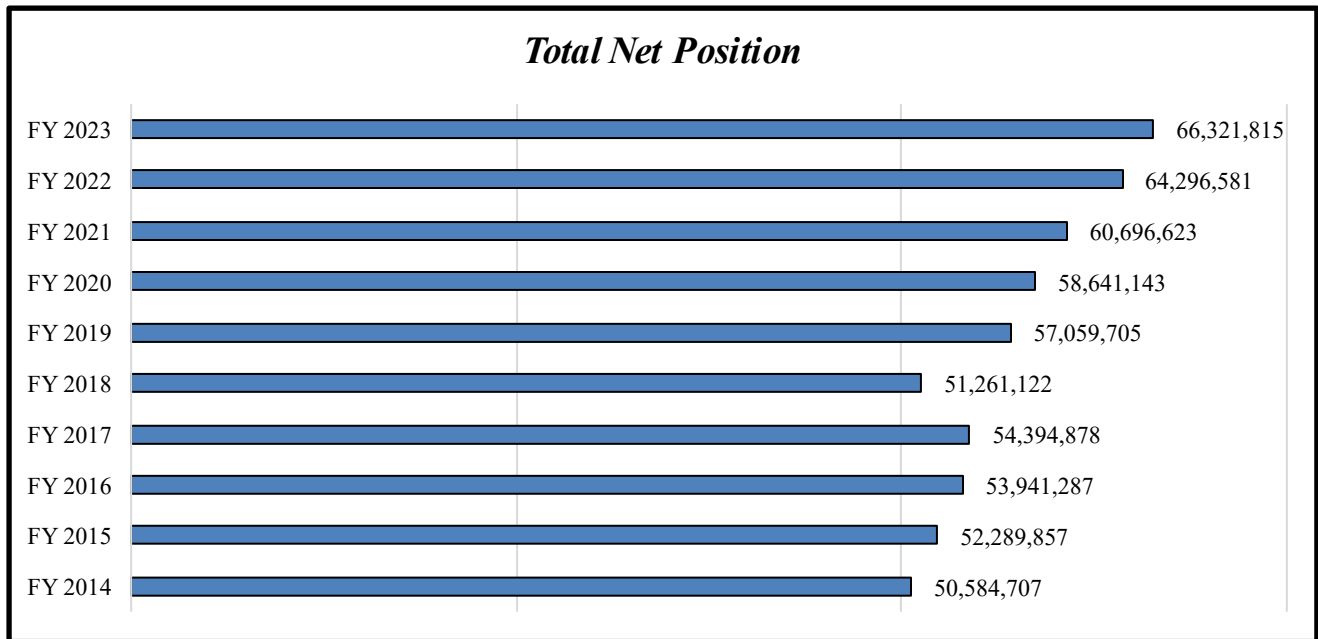
FINANCIAL ANALYSIS OF THE TOWN AS A WHOLE

The Town’s net position at fiscal year-end is \$66,321,815. The table below presents a summary of net position for the years ended September 30, 2023, and 2022.

	Summary of Net Position					
	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Assets:						
Current assets	\$ 16,148,186	\$ 14,674,548	\$ 1,085,359	\$ 994,875	\$ 17,233,545	\$ 15,669,423
Non-current assets:						
Lease receivable	648,261	687,248	-	-	648,261	687,248
Assets held for resale	359,210	359,210	-	-	359,210	359,210
Capital assets	61,940,604	61,884,492	-	-	61,940,604	61,884,492
Total assets	<u>79,096,261</u>	<u>77,605,498</u>	<u>1,085,359</u>	<u>994,875</u>	<u>80,181,620</u>	<u>78,600,373</u>
Deferred Outflows of Resources:						
Deferred amount on refunding	11,520	17,278	-	-	11,520	17,278
Liabilities:						
Current liabilities	6,203,601	5,990,328	222,732	132,751	6,426,333	6,123,079
Long-term liabilities	6,834,536	7,526,496	-	-	6,834,536	7,526,496
Total liabilities	<u>13,038,137</u>	<u>13,516,824</u>	<u>222,732</u>	<u>132,751</u>	<u>13,260,869</u>	<u>13,649,575</u>
Deferred Inflows of Resources:						
Deferred amount on lease receivables	610,456	671,495	-	-	610,456	671,495
Net position:						
Net investment in capital assets	54,425,629	53,668,511	-	-	54,425,629	53,668,511
Restricted	1,619,380	2,310,774	-	-	1,619,380	2,310,774
Unrestricted	9,414,179	7,455,172	862,627	862,124	10,276,806	8,317,296
Total net position	<u>\$ 65,459,188</u>	<u>\$ 63,434,457</u>	<u>\$ 862,627</u>	<u>\$ 862,124</u>	<u>\$ 66,321,815</u>	<u>\$ 64,296,581</u>

Town of Southwest Ranches, Florida
Management Discussion and Analysis (Unaudited)
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The following chart reports the Town’s total net position balances from fiscal year 2014 through 2023 and shows an increase of \$15,737,108 in this ten-year span.



Current assets in governmental activities (cash, investments, and receivables) and business-type activities increased \$1,564,122 in fiscal year September 30, 2023, going from \$15,669,423 to \$17,233,545.

The current ratio compares current assets to current liabilities and is an indication of the ability to pay the Town’s current obligations. The Town continues to maintain high current ratios as reflected in the current fiscal year ratio of 2.68 as compared to 2.56 at September 30, 2022. The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. The current ratio for governmental activities is 2.60 to 1 as compared to 2.45 to 1 at September 30, 2022. The current ratio for business-type activities is 4.87 to 1 as compared to 7.49 to 1 at September 30, 2022.

The Town reported a positive balance in net position for both governmental and business-type activities. During 2023, changes in net position increased \$2,024,731 and \$503 for governmental activities and business-type activities, respectively. The former is primarily due to continued strong revenue and an increase in investment income attributable to stricter cash management policy combined with high interest yields. Accordingly, the Town Council and management continue to conduct Town business in a prudent and fiscally responsible manner during this period of economic uncertainty and high inflation.

Note that approximately 68.81% of the governmental activities’ total assets are tied up in capital assets (net investment). The Town uses these capital assets to provide services to its citizens. The business-type activities do not have capital assets. By combining governmental activities with business-type activities, the Town has invested approximately 82.06% of its total net position in capital assets, as presented in the government-wide statement of net position.

Town of Southwest Ranches, Florida
Management Discussion and Analysis (Unaudited)
September 30, 2023

The following table provides a summary of the Town’s changes in net position:

Summary of Changes in Net Position

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>		<u>Percentage of Total</u>
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>
Revenues:							
Program:							
Charges for services	\$ 5,845,945	\$ 5,603,482	\$ 2,833,652	\$ 1,751,289	\$ 8,679,597	\$ 7,354,771	40.6%
Operating grants and contributions	241,076	111,698	-	-	241,076	111,698	1.1%
Capital grants and contributions	703,600	2,140,874	-	-	703,600	2,140,874	3.3%
General:							
Ad valorem taxes	7,205,693	6,924,854	-	-	7,205,693	6,924,854	33.7%
Other taxes	2,548,896	2,208,800	-	-	2,548,896	2,208,800	11.9%
Intergovernmental	1,166,551	960,165	-	-	1,166,551	960,165	5.5%
Investment income	580,748	51,798	122,756	2,614	703,504	54,412	3.3%
Miscellaneous	131,691	156,550	-	-	131,691	156,550	0.6%
Total revenues	18,424,200	18,158,221	2,956,408	1,753,903	21,380,608	19,912,124	100.0%
Program Expenses:							
General government	3,466,807	2,844,355	-	-	3,466,807	2,844,355	17.9%
Public safety	7,911,018	7,378,553	-	-	7,911,018	7,378,553	40.9%
Community services and development	2,515,673	2,193,755	-	-	2,515,673	2,193,755	13.0%
Parks and recreation	837,393	796,509	-	-	837,393	796,509	4.3%
Transportation	1,744,570	1,404,892	-	-	1,744,570	1,404,892	9.0%
Emergency services	-	71,940	-	-	-	71,940	0.0%
Interest							
fiscal charges	207,133	178,050	-	-	207,133	178,050	1.1%
Solid waste	-	-	2,672,780	1,444,112	2,672,780	1,444,112	13.8%
Total expenses	16,682,594	14,868,054	2,672,780	1,444,112	19,355,374	16,312,166	100.0%
Changes in net position before transfers	1,741,606	3,290,167	283,628	309,791	2,025,234	3,599,958	
Transfers	283,125	243,032	(283,125)	(243,032)	-	-	
Changes in net position	2,024,731	3,533,199	503	66,759	2,025,234	3,599,958	
Beginning net position	63,434,457	59,901,258	862,124	795,365	64,296,581	60,696,623	
Ending net position	\$ 65,459,188	\$ 63,434,457	\$ 862,627	\$ 862,124	\$ 66,321,815	\$ 64,296,581	

Governmental Activity Revenues

The Town is heavily reliant on Ad valorem (property) taxes to support governmental operations. Property taxes provided 39.11% of the Town’s total governmental revenues as compared to 38.14% in fiscal year 2022. Other taxes, which includes franchise and utility taxes, provided 13.83% of the Town’s total governmental revenues for fiscal years 2023 compared to 12.16% in 2022.

Governmental activities program revenues covered 40.70% of governmental activities operating expenditures as compared to 52.84% in fiscal year 2022. This means that the government’s taxpayers and the Town’s other general revenues normally fund 59.30% of the governmental activities, primarily from property taxes, other taxes, and unrestricted intergovernmental revenue.

Governmental Activity Expenses

The following table presents the cost of each of the Town’s services, including the net costs (i.e., total cost less program revenues generated by the activities). The net costs illustrate the financial burden that is placed on the Town’s taxpayers by each of these services.

	Governmental Activities			
	<u>Total Cost of Services</u>	<u>Percentage of Total</u>	<u>Net Cost of Services</u>	<u>Percentage of Total</u>
General government	\$ 3,466,807	20.8%	\$ (3,466,807)	35.0%
Public safety	7,911,018	47.4%	(4,677,664)	47.3%
Community services and development	2,515,673	15.1%	138,746	-1.4%
Parks and recreation	837,393	5.0%	(638,145)	6.5%
Transportation	1,744,570	10.5%	(1,040,970)	10.5%
Interest and other fiscal charges	207,133	1.2%	(207,133)	2.1%
Total	<u>\$ 16,682,594</u>	<u>100.0%</u>	<u>\$ (9,891,973)</u>	<u>100.0%</u>

The public safety expenses total was 47.4% while net of program revenues totaled 47.3% of costs. The public safety function generated revenues of \$3,181,256 in user charges, \$52,098 in operating grant revenues which offsets program costs. The community services and development expenditures total were 15.1% while net of program revenues total -1.4%. The community services and development function generated \$2,654,419 in user charges, primarily from building permits, planning/zoning, engineering, fire review fees and code compliance ultimately resulting in a net program cost of a positive \$138,746. The transportation expenses total gross of 10.5% while net of program revenues total 10.5%. The transportation function, which includes the eighth year of TSDOR capital improvements, was aided by capital grant revenues, which also offsets capital program costs. Other total cost and net costs do not differ substantially by percentage or by dollars for each service.

Business-type Activities

The Town reports one major enterprise fund, Solid Waste.

Total operating revenues increased \$1,082,363 or about 61.80% primarily due to a change in the solid waste service provider that resulted in a significantly higher cost with a much-anticipated improvement in services. As a result, the Town increased its solid waste assessment residential rates thus higher revenue.

In total, the year-to-year change in operating income decreased \$26,163 and net position increased by \$503. This resulted in a current year ending net of position of \$862,627 (Surplus).

FUND ANALYSIS

Governmental Funds

Governmental funds are reported in the fund statements with a short-term inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of \$11,083,854 compared to \$9,825,739 at September 30, 2022.

The total governmental revenues exceeded expenditures by \$974,990.

The General Fund revenues exceeded its expenditures by \$2,747,281 as compared to \$2,976,524 for fiscal year 2022. Transfers in from Solid Waste of \$283,125 as well as transfers to other funds totaling \$1,595,841 offset most of this excess. The details of the General Fund's financial operations are discussed below.

The Governmental fund balance of \$11,083,854 is comprised of \$417,522 in non-spendable; \$1,619,380 that is legally restricted for Transportation, Fire Control and Rescue services, Public Safety, and Building; \$2,114,584 that is committed for Capital Projects, Transportation, and Tree Preservation; \$277,492 that has been assigned for Debt Service and Capital Projects, and \$6,654,876 is unassigned and available for future appropriation within the General Fund.

The total ending fund balances of governmental funds show an increase of \$1,258,115 compared to \$731,642 the prior year. The increase of \$526,437 or 72% is due to an increase in investment income mostly on the General Fund.

Major Governmental Funds

The Town reports three major governmental funds, the General Fund, Transportation Fund, and Capital Projects Fund.

General Fund - The General Fund is the Town's primary operating fund and the largest source of day-to-day service delivery. The General Fund's fund balance of \$8,766,040 increased by \$1,434,565 or 19.57% as compared to \$7,331,475 in 2022. The ending unassigned fund balance of \$6,654,876, is considered more than adequate, representing the equivalent of 35.2% of total FY 2024 General Fund revenues adopted budget. This percentage compares to \$5,423,565 or 28.8% of the total FY 2023 General Fund revenues adopted at September 30, 2022.

Ad valorem (property) taxes increased \$280,839 or 4.06% year over year. Licenses and permits also increased by \$370,678 or 16.2% compared to 2022 due to an increase in construction and renovations activity.

Overall, total General Fund expenditures increased by \$1,703,106 or 13.27%. The most significant changes, by department, from fiscal year 2022 are described below.

General government costs, consisting of legislative, legal, executive and clerk administration, finance and budget, and non-departmental departments were \$604,754 higher than the FY 2022 amount due to a settlement with the City of Pembroke Pines for \$725,000 combined with overall increased personnel and operating expenses net savings/reduction.

In total, public safety costs increased \$252,486 or 3.47% over FY 2022 amount. This increase is due to a new public safety restructured contract that calls for a higher annual escalator.

Community services and development which consists of building, planning, code & zoning, and public works increased \$321,918 or 14.67% compared with 2022. This was primarily due to a slight increase in building, zoning permitting activity and application fee volume.

The FY 2023 parks and recreation expenditures were \$73,951 higher than the FY 2022 amount. The major portion of this increase is attributable to an increase in maintenance costs and replacement of dated equipment supported by Council mainly at Equestrian Park.

In this fiscal year, the General Fund transferred \$1,595,841 to other funds, which included \$826,950 to the Transportation Fund, \$417,965 to the Debt Service Fund, and \$281,426 to the Volunteer Fire Department Fund (a component unit) and \$69,500 to the Capital Project Fund. The Solid Waste Fund transferred \$283,125 to the General Fund.

Transportation Fund – This fund accounts for the Town’s share of the state gasoline and local option gas taxes, which are restricted to transportation purposes, a state transportation appropriation grant, and an on-going long-term transportation surface and ongoing rehabilitation (TSDOR) capital program.

In fiscal year 2023, \$872,245 of intergovernmental revenue was earned as compared to \$2,267,076 in fiscal year 2022. The reduction in revenue of \$1,394,831 is mainly due to Surtax funded projects: 1) Transportation Surface Drainage BS-SWRANCHES-FY2020-00002 \$737,005; and 2) Transportation Surface Drainage BS-SWRANCHES-FY2020-00003 \$917,373 that were completed in FY 2022 versus only one in FY 2023 (SWRA-022 \$43,000). The Town follows its application process of Surtax funded projects as soon as the window opens from the Mobility Advancement Program (MAP) of Broward. The total legally restricted and committed transportation fund balance at fiscal year-end 2023 was \$281,965 and \$1,748,908, respectively.

Capital Projects Fund - This fund is primarily financed from transfers from the General Fund. During fiscal year 2023, revenue increased by \$179,601 due to FEMA Hurricane Irma funds earned for the Town’s parking lot project completed in FY 2023.

This fund spent \$280,2023 on capital outlay, which includes:

- Infrastructure improvements for Town Hall parking lot \$223,348
- Infrastructure improvements for Calusa Corners \$56,855

Committed and assigned fund balance was \$1,131 and \$168,120, respectively. The total capital project fund balance at fiscal year-end 2023 was \$294,190.

Proprietary Fund

Proprietary fund statements share the same focus as the government-wide statements, reporting both short-term and long-term information about financial status. The business-type activities analysis listed on this report discusses the Town’s Enterprise Fund. The Town’s Solid Waste Fund is classified as an enterprise fund.

The Enterprise Fund net position at September 30, 2023, was \$862,627, an increase of \$503 from the prior year.

GENERAL FUND BUDGETARY HIGHLIGHTS

The General Fund’s budget was amended in this fiscal year to reflect Departmental line item reclassifications and new Town Council initiatives. During the year, revenues were lower than budgetary estimates and expenditures were substantially less than budgetary estimates, resulting in the net increase to fund balance of approximately \$1,434,565.

Actual revenues of \$17,288,757 was lower than final budgeted revenues of \$18,268,158 by \$979,401. This was mainly due to ARPA funded projects budgeted in FY 2023 for \$3,239,243 (net) and not yet completed combined with increases in licenses and permits \$916,333, investment income \$515,597, utility taxes \$323,498, charges for services \$152,203, and franchise fees of \$223,135. There are other revenue items that experienced increases but on a smaller scale.

Actual expenditures of \$14,541,476 were lower than final budgeted expenditures of \$18,388,581 by \$3,847,105. This was mainly attributable to a reduction in capital outlay of ARPA funded projects budgeted in FY 2023 for the Public Safety Facility and Land Acquisition (\$1,730,500) and the Southwest Meadows Sanctuary Park facilities (\$1,300,000) not completed. A detailed breakdown of the General Fund budgetary variances is available at the “Required Supplementary Information” section of this report.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The Town's investment in capital assets, net of accumulated depreciation, for governmental activities as of September 30, 2023, was \$61,940,604. See Note 6 for additional information about changes in capital assets during the fiscal year and outstanding at the end of the year.

The following table provides a summary of capital asset activity:

Capital Assets		
	Governmental Activities	
	2023	2022
Non-depreciable assets:		
Land	\$ 42,357,954	\$ 42,341,811
Construction in progress	1,862,336	1,644,999
Total non-depreciable	<u>44,220,290</u>	<u>43,986,810</u>
Depreciable assets:		
Infrastructure	29,594,757	28,873,424
Improvements other than buildings	6,107,967	6,001,612
Buildings and building improvements	3,739,817	3,726,523
Furniture and equipment	2,807,519	2,469,592
Total depreciable assets	<u>42,250,060</u>	<u>41,071,151</u>
Less: accumulated depreciation	<u>24,529,746</u>	<u>23,173,469</u>
Net book value - depreciable assets	<u>17,720,314</u>	<u>17,897,682</u>
Percentage depreciated	<u>58%</u>	<u>56%</u>
Total Capital Asset Net Book Value	<u>\$ 61,940,604</u>	<u>\$ 61,884,492</u>

**Town of Southwest Ranches, Florida
 Management Discussion and Analysis (Unaudited)
 September 30, 2023**

At September 30, 2023, the depreciable capital assets for governmental activities were 58% depreciated. This compares to 56% at September 30, 2022.

Debt

The Series 2021 Land Acquisition Note Payable, Series 2013 as well as equipment and other loan payable with financial institutions are in governmental activities only. Overall, the Town of Southwest Ranches lowered its total debt by \$706,764 or 8.58% through normal amortization.

The following table reports long-term debt balances at September 30, 2023, and 2022:

Outstanding Long-Term Debt		
Governmental Activities:	2023	2022
TD Note Payable, 2021	\$ 6,840,895	\$ 7,299,997
TD Note Payable, 2013	685,600	904,500
TD Note Payable, Rosenbauer	-	28,762
Grand Total	\$ <u>7,526,495</u>	\$ <u>8,233,259</u>

The Series 2016 was refinanced with the Series 2021 which guaranteed to save the Town \$666,529 in loan interest expense over 10 years or \$746,587 over the entire 15-year amortization term if a bank call provision is not exercised. The equipment note payable (Rosenbauer) matured in FY 2023. Additionally, the Town had no emergency line of credit draws during or outstanding at 9/30/2023 or 9/30/2022.

Detailed information on long-term debt activity is found on pages 36 – 38.

The Town provides an optional single employer defined benefit post-employment health care plan to eligible employees. The Town does not make contributions to the Plan on behalf of retirees. In accordance with GASB Statement No. 75, the Town has evaluated and determined that it is not necessary to record the total OPEB liability of \$51,614 as it is insignificant to the Town.

A SUMMARY OF THE ECONOMIC CONDITIONS AFFECTING THE TOWN

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 (towns and cities, counties, school boards) primarily rely on property and an array of permitted other taxes (utility taxes, franchise fees and local business taxes) as well as intergovernmental revenues, including a new County shared sales surtax restricted for transportation, for their governmental activities. For business-type activities and certain governmental activities (building/construction services and parks, recreation, and open space programs), the user pays a related fee or charge associated with the service.

In 2023, the state of Florida population increased to \$22.6 million (Census.gov 07/01/2023) or approximately 3.2% compared to last year with an annualized rate of 5% during the last three (3) years. Florida’s unemployment rate remained at a steady 2.7 percent in August 2023 while the national rate climbed 0.3 percentage point to 3.8 percent. August 2023 marked the 34th consecutive month Florida’s unemployment rate has remained below the nation’s. The Broward County unemployment rate at August 2023 was 3.1%.

The Town of Southwest Ranches continues to experience in FY 2023 an increase in home market value (26.89%) as a whole whereas the median home value increased to \$1,046,160 from \$838,192 or by 24.81% (bcpa.net). Additionally, as per the Broward County Property Appraiser certified total taxable value, the aggregate increase to the Town's assessed valuation when compared to last year's is 16.39%. This increase places the Town as the 3rd highest percentage increase among Broward County's 31 municipalities.

In the FY 2023-2024 adopted budget, the Town continues operating in a conservative economic environment due to the Federal Reserve tight monetary policy and uncertainty in future rate reductions (cuts) or increase given the stubborn inflation.

Some of the key elements affecting the fiscal year 2023-2024 budget include:

- Maintaining a conservative approach in revenue projections while closely monitoring future expenses.
- Maintaining existing millage in FY 2022-2023 the same in FY 2023-2024.
- Modest growth rates of building construction and rehabilitation considering tight monetary policy and still high interest rates.
- Although not at the same pace as previous year, consumer prices continue with an uptrend trajectory. The consumer prices for all items rose 3.4% from calendar year 2022 to calendar year 2023.

All of these factors may present the Town with many budget challenges in fiscal year 2023-2024 and beyond. Additionally, the Town carefully monitors Florida Legislative initiatives and their future impact on the Town's ability to function at its present level.

CONTACTING THE TOWN'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the Town's finances, comply with finance-related laws and regulations, and demonstrate the Town's commitment to public accountability and transparency. Questions concerning any of the information provided in this report or a request for additional information should be addressed to the Town Financial Administrator, Town of Southwest Ranches, 13400 Griffin Road, Southwest Ranches, Florida 33330-2628.

BASIC FINANCIAL STATEMENTS

**These basic financial statements contain Government-wide Financial Statements,
Fund Financial Statements, Notes to Basic Financial Statements
and Required Supplementary Information**

Town of Southwest Ranches, Florida
Statement of Net Position
September 30, 2023

	Governmental Activities	Business-type Activities	Total
Assets			
Cash	\$ 4,617,615	\$ 1,032,989	\$ 5,650,604
Investments	10,332,532	-	10,332,532
Account receivables	516,744	49,680	566,424
Lease receivables	648,261	-	648,261
Intergovernmental receivables	660,788	2,690	663,478
Prepaid items	20,507	-	20,507
Assets held for resale	359,210	-	359,210
Capital assets not being depreciated	44,220,289	-	44,220,289
Capital assets being depreciated, net	17,720,315	-	17,720,315
Total Assets	79,096,261	1,085,359	80,181,620
Deferred Outflows of Resources			
Deferred charge on refunding	11,520	-	11,520
Liabilities			
Accounts payable and accrued liabilities	1,613,897	222,732	1,836,629
Accrued interest payable	50,295	-	50,295
Unearned revenues	3,847,450	-	3,847,450
Noncurrent liabilities:			
Due within one year	691,959	-	691,959
Due in more than one year	6,834,536	-	6,834,536
Total Liabilities	13,038,137	222,732	13,260,869
Deferred Inflows of Resources:			
Deferred amount on lease receivables	610,456	-	610,456
Total Deferred Inflows of Resources	610,456	-	610,456
Net Position			
Net investment in capital assets	54,425,629	-	54,425,629
Restricted for:			
Transportation	281,965	-	281,965
Fire control and rescue services	333,847	-	333,847
Public safety	4,175	-	4,175
Building	999,393	-	999,393
Unrestricted	9,414,179	862,627	10,276,806
Total Net Position	\$ 65,459,188	\$ 862,627	\$ 66,321,815

The accompanying notes to basic financial statements are an integral part of these statements.

Town of Southwest Ranches, Florida
Statement of Activities
For the Fiscal Year Ended September 30, 2023

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities							
General government	\$ 3,466,807	\$ -	\$ -	\$ -	\$ (3,466,807)	\$ -	\$ (3,466,807)
Public safety	7,911,018	3,181,256	52,098	-	(4,677,664)	-	(4,677,664)
Community services and development	2,515,673	2,654,419	-	-	138,746	-	138,746
Parks and recreation	837,393	10,270	188,978	-	(638,145)	-	(638,145)
Transportation	1,744,570	-	-	703,600	(1,040,970)	-	(1,040,970)
Interest and fiscal charges	207,133	-	-	-	(207,133)	-	(207,133)
Total Governmental Activities	<u>16,682,594</u>	<u>5,845,945</u>	<u>241,076</u>	<u>703,600</u>	<u>(9,891,973)</u>	<u>-</u>	<u>(9,891,973)</u>
Business-type Activities							
Solid waste	<u>2,672,780</u>	<u>2,833,652</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>160,872</u>	<u>160,872</u>
Total Business-type Activities	<u>2,672,780</u>	<u>2,833,652</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>160,872</u>	<u>160,872</u>
Total Primary Government	<u>\$ 19,355,374</u>	<u>\$ 8,679,597</u>	<u>\$ 241,076</u>	<u>\$ 703,600</u>	<u>(9,891,973)</u>	<u>160,872</u>	<u>(9,731,101)</u>
General Revenues							
Ad valorem taxes					7,205,693	-	7,205,693
Franchise fees					969,325	-	969,325
Unrestricted intergovernmental revenue					1,166,551	-	1,166,551
Utility taxes					1,579,571	-	1,579,571
Unrestricted investment					580,748	122,756	703,504
Miscellaneous					131,691	-	131,691
Transfers					<u>283,125</u>	<u>(283,125)</u>	<u>-</u>
Total General Revenues and Transfers					<u>11,916,704</u>	<u>(160,369)</u>	<u>11,756,335</u>
Changes in Net Position					<u>2,024,731</u>	<u>503</u>	<u>2,025,234</u>
Net Position - Beginning of Year					<u>63,434,457</u>	<u>862,124</u>	<u>64,296,581</u>
Net Position - End of Year					<u>\$ 65,459,188</u>	<u>\$ 862,627</u>	<u>\$ 66,321,815</u>

The accompanying notes to basic financial statements are an integral part of these statements.

Town of Southwest Ranches, Florida
Balance Sheet - Governmental Funds
September 30, 2023

	General Fund	Transportation Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets					
Cash	\$ 2,496,358	\$ 1,896,121	\$ 105,212	\$ 119,924	\$ 4,617,615
Investments	10,332,532	-	-	-	10,332,532
Account receivables	516,744	-	-	-	516,744
Lease receivables	648,261	-	-	-	648,261
Intergovernmental receivables	147,847	323,963	188,978	-	660,788
Due from other funds	-	-	-	9,328	9,328
Prepaid items	18,451	-	-	2,056	20,507
Assets held for resale	359,210	-	-	-	359,210
Total Assets	\$ 14,519,403	\$ 2,220,084	\$ 294,190	\$ 131,308	\$ 17,164,985
Liabilities and Fund Balances					
Liabilities:					
Accounts payable and accrued liabilities	\$ 1,286,129	\$ 189,211	\$ 124,939	\$ 13,618	\$ 1,613,897
Due to other funds	9,328	-	-	-	9,328
Unearned revenues	3,847,450	-	-	-	3,847,450
Total Liabilities	5,142,907	189,211	124,939	13,618	5,470,675
Deferred Inflows of Resources:					
Deferred amount on lease receivables	610,456	-	-	-	610,456
Total Deferred Inflows of Resources	610,456	-	-	-	610,456
Fund Balances					
Non-spendable:					
Prepaid items	18,451	-	-	2,056	20,507
Leases	37,805	-	-	-	37,805
Assets held for resale	359,210	-	-	-	359,210
Restricted for:					
Transportation	-	281,965	-	-	281,965
Fire control and rescue services	292,585	-	-	41,262	333,847
Public safety	4,175	-	-	-	4,175
Building	999,393	-	-	-	999,393
Committed for:					
Capital projects	363,316	1,492,842	1,131	-	1,857,289
Transportation	-	256,066	-	-	256,066
Tree preservation	1,229	-	-	-	1,229
Assigned for:					
Debt service	-	-	-	74,372	74,372
Capital projects	35,000	-	168,120	-	203,120
Unassigned	6,654,876	-	-	-	6,654,876
Total Fund Balances	8,766,040	2,030,873	169,251	117,690	11,083,854
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 14,519,403	\$ 2,220,084	\$ 294,190	\$ 131,308	\$ 17,164,985

The accompanying notes to basic financial statements are an integral part of these statements.

Town of Southwest Ranches, Florida
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
September 30, 2023

Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because:

Fund Balances - Total Governmental Funds	\$	11,083,854
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Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Capital assets	\$	86,470,350	
Accumulated depreciation		<u>(24,529,746)</u>	61,940,604

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds:

Long-term debt	\$	(7,526,495)	
Accrued interest payable		(50,295)	
Deferred charge on refunding (amortized as interest expense)		<u>11,520</u>	<u>(7,565,270)</u>

Net Position of Governmental Activities	\$	<u><u>65,459,188</u></u>
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The accompanying notes to basic financial statements are an integral part of these statements.

Town of Southwest Ranches, Florida
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Year Ended September 30, 2023

	General Fund	Transportation Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues					
Ad valorem taxes	\$ 7,205,693	\$ -	\$ -	\$ -	\$ 7,205,693
Utility taxes	1,579,571	-	-	-	1,579,571
Franchise fees	969,325	-	-	-	969,325
Licenses and permits	2,654,419	-	-	-	2,654,419
Intergovernmental	997,906	872,245	188,978	-	2,059,129
Charges for services	2,954,866	-	-	-	2,954,866
Fines and forfeitures	236,660	-	-	-	236,660
Investment income	532,109	42,791	4,012	1,836	580,748
Miscellaneous	158,208	-	-	25,581	183,789
Total Revenues	17,288,757	915,036	192,990	27,417	18,424,200
Expenditures					
Current:					
General government	3,337,862	-	-	-	3,337,862
Public safety:					
Law enforcement	3,297,471	-	-	-	3,297,471
Fire control and rescue services	4,233,905	-	-	280,431	4,514,336
Total public safety	7,531,376	-	-	280,431	7,811,807
Community services and development	2,515,673	-	-	-	2,515,673
Parks and recreation	584,448	-	-	-	584,448
Transportation	-	869,393	-	-	869,393
Capital outlay	572,117	560,070	280,203	-	1,412,390
Debt service:					
Principal	-	-	-	706,764	706,764
Interest and fiscal charges	-	-	-	210,873	210,873
Total Expenditures	14,541,476	1,429,463	280,203	1,198,068	17,449,210
Excess (deficiency) of revenues over expenditures	2,747,281	(514,427)	(87,213)	(1,170,651)	974,990
Other Financing Sources (Uses)					
Transfers in	283,125	826,950	69,500	699,391	1,878,966
Transfers out	(1,595,841)	-	-	-	(1,595,841)
Total Other Financing Sources (Uses)	(1,312,716)	826,950	69,500	699,391	283,125
Changes in Fund Balances	1,434,565	312,523	(17,713)	(471,260)	1,258,115
Fund Balances - Beginning of Year	7,331,475	1,718,350	186,964	588,950	9,825,739
Fund Balances - End of Year	\$ 8,766,040	\$ 2,030,873	\$ 169,251	\$ 117,690	\$ 11,083,854

The accompanying notes to basic financial statements are an integral part of these statements.

Town of Southwest Ranches, Florida
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of
Governmental Funds to the Statement of Activities
For the Year Ended September 30, 2023

Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:

Net changes in fund balance - total governmental funds \$ 1,258,115

Governmental funds report capital outlay as expenditures.

However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives and reported as depreciation expense:

Expenditures for capital outlay	\$ 1,412,390	
Less: current year provision for depreciation expense	<u>(1,356,278)</u>	56,112

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts (other than direct issuance costs) are deferred and amortized in the statement of activities.

This detail of the difference is as follows:

Repayment of principal	706,764
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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:

Amortization of deferred amount on refunding	(5,758)
Change in accrued interest payable	<u>9,498</u>

Change in Net Position of Governmental Activities	\$ <u><u>2,024,731</u></u>
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The accompanying notes to basic financial statements are an integral part of these statements.

Town of Southwest Ranches, Florida
Statement of Net Position - Proprietary Fund
September 30, 2023

	<u>Solid Waste Fund</u>
Assets	
Current Assets	
Cash	\$ 1,032,989
Accounts receivable	49,680
Intergovernmental receivables	<u>2,690</u>
Total Assets	<u>1,085,359</u>
Liabilities	
Current Liabilities	
Accounts payable and accrued liabilities	<u>222,732</u>
Total Liabilities	<u>222,732</u>
Net Position	
Unrestricted	<u>862,627</u>
Total Net Position	<u>\$ 862,627</u>

The accompanying notes to basic financial statements are an integral part of these statements.

Town of Southwest Ranches, Florida
Statement of Revenues, Expenses and Changes in Net Position - Proprietary Fund
For the Fiscal Year Ended September 30, 2023

	<u>Solid Waste Fund</u>
Operating Revenues	
Charges for services	\$ 2,833,652
Total Operating Revenues	<u>2,833,652</u>
Operating Expenses	
Contractual services	2,359,829
Recycling	288,795
Other	24,156
Total Operating Expenses	<u>2,672,780</u>
Operating Income	<u>160,872</u>
Nonoperating Revenues (Expenses)	
Investment income	39,560
Miscellaneous	83,196
Total Nonoperating Revenues (Expenses)	<u>122,756</u>
Income Before Transfers	<u>283,628</u>
Transfers:	
Transfers out	<u>(283,125)</u>
Total net transfers	<u>(283,125)</u>
Change in Net Position	503
Net Position - Beginning of Year	<u>862,124</u>
Net Position - End of Year	<u>\$ 862,627</u>

The accompanying notes to basic financial statements are an integral part of these statements.

Town of Southwest Ranches, Florida
Statement of Cash Flows
Proprietary Fund
For the Year Ended September 30, 2023

	Solid Waste Fund
Cash Flows from Operating Activities	
Cash received from customers and users	\$ 2,833,652
Cash paid to suppliers	<u>(2,582,799)</u>
Net Cash Provided by (Used in) Operating Activities	<u>250,853</u>
Cash Flows from Non-Capital Financing Activities	
Transfers out	<u>(283,125)</u>
Net Cash Provided by (Used in) Non-Capital Financing Activities	<u>(283,125)</u>
Cash Flows from Investing Activities	
Investment income	39,560
Miscellaneous	<u>83,196</u>
Net Cash Provided by (Used in) Investing Activities	<u>122,756</u>
Net Increase (Decrease) in Cash	90,484
Cash - Beginning	<u>942,505</u>
Cash - Ending	<u>\$ 1,032,989</u>
Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities	
Operating income	\$ <u>160,872</u>
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:	
Changes in operating assets and liabilities:	
Increase (Decrease) in accounts payable and accrued liabilities	<u>89,981</u>
Total adjustments	<u>89,981</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ 250,853</u>

The accompanying notes to basic financial statements are an integral part of these statements.

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**NOTES TO BASIC
FINANCIAL STATEMENTS**

Town of Southwest Ranches, Florida
Notes to Basic Financial Statements
September 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of the Town of Southwest Ranches, Florida’s (the Town) significant accounting policies is presented to assist the reader in interpreting the basic financial statements. The policies are considered essential and should be read in conjunction with the basic financial statements.

The Town is an instrumentality of the State of Florida, incorporated in accordance with House Bill No. 1777 on June 6, 2000, to carry on a centralized government. The Town Council, which is comprised of four elected Council members and the elected Mayor, is responsible for legislative and fiscal control of the Town. The Town is governed under a Council/Administrator form of government. A Town Administrator is appointed by the Council and is responsible for administrative and fiscal control of the resources of the Town maintained in the funds.

The accounting policies of the Town conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental 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 Town’s accounting policies are described below.

A. FINANCIAL REPORTING ENTITY

The accompanying financial statements present the Town and its component unit, the Southwest Ranches Volunteer Fire-Rescue, Inc. (the Department).

The Department became a blended component unit of the Town of Southwest Ranches on January 28, 2010 when the members of the Town Council became the Board of Directors of the Department. The Department is a legally separate, tax-exempt, 501(c)(4) organization that provides for the protection of human and animal life and property against fire, disaster, natural catastrophe or other calamity within the Town limits of Southwest Ranches. The Town is financially responsible (benefit/burden) and has operational responsibility for the Department. There are no separately issued financial statements for this component unit.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all the activities of the Town and its component unit. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support.

Town of Southwest Ranches, Florida
Notes to Basic Financial Statements
September 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (CONTINUED)

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

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

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days from the end of the current fiscal year.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Property (Ad valorem) taxes, franchise fees, utility taxes, charges for services, intergovernmental revenues and interest associated with the current fiscal period are all considered to be measurable and available and have been recognized as revenues of the current fiscal period. Revenues for expenditure driven grants are recognized when the qualifying expenditures are incurred, and eligibility requirements imposed by the provider have been met. All other revenue items, such as fines and forfeitures and licenses and permits are considered to be measurable and available when cash is received by the Town.

The reporting practices of the proprietary fund type closely parallel comparable commercial financial reporting, which recognize revenue when earned and expenses when incurred (the accrual basis) including, in the case of the enterprise fund, depreciation on its exhaustible capital assets, if any. Earned, but unbilled service receivables, if any, would be accrued as revenue in the enterprise fund.

Town of Southwest Ranches, Florida
Notes to Basic Financial Statements
September 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (CONTINUED)

The Town reports the following major governmental funds:

The *General Fund* is the Town's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

The *Transportation Fund* accounts for the receipt of the Town's portion of the state revenue sharing of the gasoline and local option gas taxes which are restricted for transportation related expenditures.

The *Capital Projects Fund* is used to account for the capital projects of the Town which have received the approval of the Town Council. Transfers from the General and other funds are made to this fund to cover such expenditures.

The Town reports the following major proprietary fund:

The *Solid Waste Fund* (Enterprise Fund) accounts for the operation of the Town's solid waste collection, disposal, and recycling services.

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

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

Proprietary fund type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net position. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the proprietary fund are charges to customers for sales and services. Operating expenses for the proprietary fund include the costs of sales and services, administrative expenses and depreciation on capital assets, as applicable. All revenues and expenses that do not meet this definition are reported as non-operating revenues or expenses.

Town of Southwest Ranches, Florida
Notes to Basic Financial Statements
September 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. DEPOSITS AND INVESTMENTS

The Town utilizes a pooled cash account for cash of all Town funds other than those that are required to be physically segregated. The pooled cash account concept allows each participating fund to benefit from the economies of scale and improved yield which are inherent to a larger investment pool. Formal accounting records detail the individual equities of the participating funds. The pooled cash system utilizes a single checking account for Town receipts and all disbursements including payroll.

Investments are in the Florida PRIME administered by the State Board of Administration. The Town's investments in the Florida PRIME are stated at amortized cost.

E. PREPAID ITEMS

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepaid items of governmental funds are recorded as expenditures when consumed rather than when purchased.

F. CAPITAL ASSETS

Capital assets, which include land, construction in progress, infrastructure improvements other than buildings, buildings and building improvements, and furniture and equipment are reported in the applicable governmental columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value on the date of donation.

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

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

Assets	Years
Infrastructure	10-40
Improvements other than buildings	10-50
Buildings and building improvements	10-50
Furniture and equipment	3-30

Town of Southwest Ranches, Florida
Notes to Basic Financial Statements
September 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. IMPAIRMENT OF LONG-LIVED ASSETS

The Town records impairment losses on long-lived assets used in operations when events and circumstances indicate the assets might be impaired. No impairment losses have been recorded.

H. LONG-TERM OBLIGATIONS

In the government-wide financial statements and the proprietary fund type in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net position. Bond premiums and discounts, if applicable, are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Bond issue costs are expensed at issuance. Bonds payable are reported net of the applicable premiums and discounts.

In the fund financial statements, governmental fund types recognize debt premiums and discounts, as well as debt issuance costs, in the year of issuance. The face amount of debt issued is reported as another financing source. Premiums received on debt issuance are reported as another financing source while discounts on debt issuances are reported as another financing use. Issuance costs, whether or not withheld from the actual debt proceeds received, and principal payments, are reported as debt service expenditures.

I. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town only has one item that qualifies for reporting in this category. It is the deferred charge on refunding reported in the 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 of the life of the refunded or refunding debt.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Town only has one item that qualifies for reporting in this category. The Town's deferred inflow of resources related to lease and is disclosed in Note 8.

J. UNEARNED REVENUE

Unearned revenue represents increases in assets prior to the eligibility criteria being met for recognition of revenue. Included in the balance is approximately \$3,800,000 relating to the American Rescue Plan Act (ARPA) funding.

Town of Southwest Ranches, Florida
Notes to Basic Financial Statements
September 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. FUND BALANCE

The Town follows the below criteria for categorizing governmental fund balances into specifically defined classifications. Classifications are hierarchical and are based primarily on the extent to which the Town is bound to honor constraints on the specific purposes for which amounts may be spent. The Town's accounting and financial policies are used to interpret the nature and/or requirements of the funds and their corresponding classification of nonspendable, restricted, committed, assigned or unassigned.

The following are the fund balance classifications:

Nonspendable fund balance. Nonspendable fund balances are amounts that are (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted fund balance. Restricted fund balances are amounts that can be spent only for specific purposes stipulated by (a) external resource providers, such as creditors (by debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance. These amounts can only be used for the specific purposes determined by a formal action (ordinance or resolution) of the Town Council, the Town's highest level of decision-making authority. Ordinances and resolutions constitute the most binding constraints and are deemed equally binding and enforceable within the Town. Commitments may be changed or lifted only by the Town Council taking the same formal action (ordinance or resolution) that imposed the constraint originally. Resources accumulated pursuant to stabilization arrangements sometimes are reported in this category.

Assigned fund balance. Assigned fund balances are amounts that are constrained by the Town's intent to be used for specific purposes, but are neither restricted nor committed. Intent is established by the Town Administrator and Town Financial Administrator who have the discretionary authority as charter officers of the Town and to which the Council has delegated the authority to assign, modify or rescind amounts to be used for specific purposes. There is no formal policy which has been established by Council delegating this authority. This balance includes (a) all remaining amounts that are reported in governmental funds (other than the General Fund) that are not classified as nonspendable, restricted, or committed, and (b) amounts in the General Fund that are intended to be used for a specific purpose. Specific amounts that are not restricted or committed in a special revenue or capital projects fund are assigned for the purposes in accordance with the nature of their fund type. Assignment within the General Fund conveys that the intended use of those amounts is for a specific purpose that is narrower than the general purposes of the Town itself.

Unassigned fund balance. This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

Town of Southwest Ranches, Florida
Notes to Basic Financial Statements
September 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. 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 is categorized as a (a) net investments in capital assets, (b) restricted, or (c) unrestricted. The first category represents net investment in capital assets reduced by depreciation and any outstanding debt incurred to acquire, construct and improve those assets and deferred inflows and outflows of resources related to debt, and excluding unexpended proceeds.

Restricted net position is that portion of net position that has been restricted for general use by external parties (creditors, grantors, contributors, or laws and regulations of other governments) or imposed by law through constitutional provisions enabling legislation.

Unrestricted net position consists of the net position that does not meet the definition of either of the other two categories.

M. FLOW ASSUMPTIONS

Net Position Flow Assumption

Sometimes the Town will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted - net position and unrestricted – net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Town’s policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

Fund Balance Flow Assumption

Sometimes the Town will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Town’s policy to consider restricted fund balance to have been depleted before using any other components of unrestricted fund balance. Further, when the components of unrestricted fund balance may be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

N. USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred inflows/outflows, liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results may differ from management’s estimates.

Town of Southwest Ranches, Florida
Notes to Basic Financial Statements
September 30, 2023

NOTE 2 – DEPOSITS AND INVESTMENTS

DEPOSITS

The Town maintains a cash pool that is available for use by all funds. In addition to insurance provided by the Federal Deposit Insurance Corporation (FDIC), all deposits are held in banking institutions approved by the State of Florida, State Treasurer to hold public funds. Under the Florida Statutes Chapter 280, *Florida Security for Public Deposits Act*, the State Treasurer requires all qualified public depositories to deposit with the Treasurer or banking institution eligible collateral of the depository. In the event of a failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses. Since the Town uses only authorized public depositories, all funds deposited with financial institutions are FDIC insured and/or are fully collateralized and treated as insured.

INVESTMENTS

The Town is authorized to invest in direct obligations of the U.S. Treasury, Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency, and the Local Government Surplus Funds Trust Fund, or any other intergovernmental investment pool authorized by Florida Statutes, including the Florida PRIME administered by the State Board of Administration. The investment policy defined in the statutes attempts to promote, through state assistance, the maximization of net interest earnings on invested surplus funds of local units of governments while limiting the risk to which the funds are exposed.

Florida PRIME is governed by Chapter 19-7 of the Florida Administrative Code and Chapters 215 and 218 of the Florida Statutes. These rules provide guidance and establish the policies and general operating procedures for the administration of the Florida PRIME. Florida PRIME invests in a pool of investments whereby the Town owns a share of the respective pool, not the underlying securities. GASB issued Statement No. 79, *Certain External Investment Pools and Pool Participants* establishing criteria for an external investment pool to qualify to report at amortized cost. Florida PRIME is reported at amortized cost.

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

The Town had the following investments as of September 30, 2023:

Investments	<u>Value</u>	<u>Weighted Average Maturity</u>
Florida PRIME	\$ <u><u>10,332,532</u></u>	35 days

INTEREST RATE RISK

The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates nor do they have any investments that are subject to interest rate risk.

Town of Southwest Ranches, Florida
Notes to Basic Financial Statements
September 30, 2023

NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)

CREDIT RISK

The Town does not have a written investment policy and, therefore, follows Florida Statute 218.415(17). The Town invests surplus funds in the State Board of Administration Investment Pool. The Florida PRIME is rated by Standard and Poor's. The current rating is AAAm.

CONCENTRATION OF CREDIT RISK

Disclosure is required when the percentage of investments is 5% or more of total investments. At September 30, 2023, the Town only invests in an external investment pool, the Florida PRIME.

INVESTMENT POOLS AND POOL PARTICIPANTS

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

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

As of September 30, 2023, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100 percent of their account value.

Town of Southwest Ranches, Florida
Notes to Basic Financial Statements
September 30, 2023

NOTE 3 – PROPERTY TAXES

Property values are assessed as of January 1 of each year. Tax bills are mailed for the Town by Broward County on or about October 1 of each year and are payable with discounts of up to 4% offered for early payment. Taxes become delinquent on April 1 of the year following the year of assessment and state law provides for enforcement of collection of property taxes by seizure of the personal property or by the sale of interest-bearing tax certificates to satisfy unpaid property taxes. Assessed values are established by the Broward County Property Appraiser. In November 1992, a Florida constitutional amendment was approved by the voters which provided for limiting increases in homestead property valuations for ad valorem tax purposes to a maximum of 3% annually and also provides for reassessment of market values upon changes in ownership. The County bills and collects all property taxes and remits them to the Town. Procedures for the collection of delinquent taxes by Broward County are provided for in the Laws of Florida. There were no material delinquent property taxes at September 30, 2023.

State statutes permit municipalities to levy property taxes at a rate of up to 10 mills (\$10 per \$1,000 of assessed taxable valuation). The tax levy of the Town is established by the Town Council and the Broward County Property Appraiser, who incorporates the Town's millage into the total tax levy, which includes the County, County School Board and other agencies tax requirements. The total millage rate assessed by the Town for the fiscal year ended September 30, 2023 was 3.900 mills.

NOTE 4 - RECEIVABLES

Receivables as of September 30, 2023 for the Town's funds are as follows:

	<u>Intergovernmental</u>	<u>Taxes and Fees</u>	<u>Leases</u>	<u>Total</u>
Governmental Activities:				
General Fund	\$ 147,847	\$ 516,744	\$ 648,261	\$ 1,312,852
Transportation Fund	323,963	-	-	323,963
Capital Projects Fund	188,978	-	-	188,978
Total	<u>\$ 660,788</u>	<u>\$ 516,744</u>	<u>\$ 648,261</u>	<u>\$ 1,825,793</u>
Business-Type Activities:				
Solid Waste Fund	<u>2,690</u>	<u>49,680</u>	<u>-</u>	<u>52,370</u>
Total Receivables	<u>\$ 663,478</u>	<u>\$ 566,424</u>	<u>\$ 648,261</u>	<u>\$ 1,878,163</u>

NOTE 5 – INTERFUND TRANSFERS

Interfund transfers during fiscal year ended September 30, 2023 are as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 283,125	\$ 1,595,841
Transportation Fund	826,950	-
Capital Projects Fund	69,500	-
Volunteer Fire Department Fund	281,426	-
Debt Service Fund	417,965	-
Solid Waste Fund	<u>-</u>	<u>283,125</u>
Total Interfund Transfers	<u>\$ 1,878,966</u>	<u>\$ 1,878,966</u>

Town of Southwest Ranches, Florida
Notes to Basic Financial Statements
September 30, 2023

NOTE 5 – INTERFUND TRANSFERS (CONTINUED)

General Fund Transfers In consisted of \$283,125 from the Town’s Solid Waste Fund providing an annual subsidy to the General Fund for administrative, finance and contractual compliance management and legal expenses.

General Fund Transfers Out consisted of \$826,950 and \$69,500 to the Transportation Fund and Capital Projects Fund, respectively, to fund capital projects including the Transportation and Surface Drainage On-Going Rehabilitation (TSDOR), drainage and operating needs; \$281,426 to the Volunteer Fire Department Fund to fund volunteer fire operations; and \$417,965 to the Debt Service Fund as debt service principal and interest payments become due in accordance with debt service arrangements, as well as to increase fund balance.

NOTE 6 – CAPITAL ASSETS

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

	Balance October 1, 2022	Increases	Decreases	Transfers	Balance September 30, 2023
Governmental Activities:					
Capital assets, not being depreciated:					
Land	\$ 42,341,811	\$ 16,143	\$ -	\$ -	\$ 42,357,954
Construction in progress	1,644,999	378,382	-	(161,045)	1,862,336
Total capital assets, not being depreciated	<u>43,986,810</u>	<u>394,525</u>	<u>-</u>	<u>(161,045)</u>	<u>44,220,290</u>
Capital assets, being depreciated:					
Infrastructure	28,873,424	560,289	-	161,044	29,594,757
Improvements other than buildings	6,001,612	106,355	-	-	6,107,967
Buildings and building improvements	3,726,523	13,294	-	-	3,739,817
Furniture and equipment	2,469,592	337,927	-	-	2,807,519
Total capital assets being depreciated	<u>41,071,151</u>	<u>1,017,865</u>	<u>-</u>	<u>161,044</u>	<u>42,250,060</u>
Total capital assets	<u>85,057,961</u>	<u>1,412,390</u>	<u>-</u>	<u>-</u>	<u>86,470,350</u>
Less: accumulated depreciation for:					
Infrastructure	16,620,291	889,285	-	-	17,509,576
Improvements other than buildings	4,277,391	217,320	-	-	4,494,711
Buildings and building improvements	657,863	81,375	-	-	739,238
Furniture and equipment	1,617,924	168,297	-	-	1,786,221
Total accumulated depreciation	<u>23,173,469</u>	<u>1,356,277</u>	<u>-</u>	<u>-</u>	<u>24,529,746</u>
Total capital assets, being depreciated, net	<u>17,897,682</u>	<u>(338,412)</u>	<u>-</u>	<u>161,044</u>	<u>17,720,314</u>
Governmental activities					
Capital assets, net	<u>\$ 61,884,492</u>	<u>\$ 56,113</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 61,940,604</u>

Town of Southwest Ranches, Florida
Notes to Basic Financial Statements
September 30, 2023

NOTE 6 – CAPITAL ASSETS (CONTINUED)

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

General Government	\$	128,944	
Public Safety		99,211	
Parks and Recreation		252,945	
Transportation		875,177	
Total Depreciation - Governmental Activities	\$	1,356,277	

NOTE 7 – LONG-TERM DEBT

The following is a summary of changes in long-term liabilities of the Town for the fiscal year ended September 30, 2023.

	Balance October 1, 2022	Additions	Reductions	Balance September 30, 2023	Due Within One Year
Governmental Activities:					
<i>Notes from Direct Borrowing and Private Placements:</i>					
Note Payable Series 2013	\$ 904,500	\$ -	\$ (218,900)	\$ 685,600	\$ 224,000
Note Payable Series 2021	7,299,997	-	(459,102)	6,840,895	467,959
Rosenbauer Payable	28,762	-	(28,762)	-	-
Total Governmental Activities	\$ 8,233,259	\$ -	\$ (706,764)	\$ 7,526,495	\$ 691,959

REVENUE REFUNDING NOTE, SERIES 2013

On June 1, 2013 the Town entered into a \$2,659,800 note with a financial institution for the purpose of refunding a portion of the Town’s Florida Municipal Loan Council Revenue Bonds, Series 2001A and to finance the cost of certain capital projects. The note requires annual payments of principal and semi-annual payments of interest beginning November 1, 2013 and matures on November 1, 2025. The note bears interest on the outstanding principal amount thereof at a rate of 2.85%, subject to taxability event, calculated on the basis of twelve 30-day months and a 360-day year. As security for loan repayment, the Town covenants and agrees to appropriate in its annual budget amounts of non-ad valorem revenues sufficient to satisfy its annual debt service requirements under the loan agreement.

The annual requirements to pay principal and interest on this obligation as of September 30, 2023 are as follows:

Fiscal Year Ending September 30,	Principal	Interest	Total
2024	\$ 224,000	\$ 14,468	\$ 238,468
2025	228,700	6,369	235,069
2026	232,900	6,254	239,154
Total	\$ 685,600	\$ 27,091	\$ 712,691

Town of Southwest Ranches, Florida
Notes to Basic Financial Statements
September 30, 2023

NOTE 7 – LONG-TERM DEBT (CONTINUED)

IMPROVEMENT REVENUE REFUNDING BOND, TAXABLE SERIES 2021

In April 2021, the Town issued \$7,750,000 Improvement Revenue Refunding Bond, Taxable Series 2021 for the purpose of currently refunding the Improvement Revenue Bond, Series 2016. The retirement of the Series 2016 Bonds will reduce the Town’s debt service payments by \$666,529 in loan interest expense over 10 years (call option) and to provide an economic gain of \$746,587 (difference between the present value of the debt service payments on the old and new debt; \$9,953,896 - \$9,207,309) over the 15-year term of the bond.

Unless early redeemed, the Bond is expected to be repaid by March 1, 2036; at a fixed interest rate of 1.92%. Assuming that the Bond is not tendered by the financial institution on May 1, 2031, total interest paid over the life of the Bond is estimated to be \$1,206,030. The Bond may be prepaid in whole or in part upon thirty (30) days prior written notice by the Town, with no prepayment penalty. Principal and interest is payable semiannually on the first day of May and November, respectively.

The Bond shall not be or constitute a general obligation or bonded indebtedness of the Town within the meaning of the Constitution of Florida and the Charter of the Town but shall be payable from and secured solely by the covenant of the Town to budget and appropriate Legally Derived or Available Non-Ad Valorem Revenues. Nothing in the Bond or its agreement shall be deemed to pledge ad valorem tax revenues or to permit or constitute a mortgage or lien upon any assets owned by the Town. The debt holder acknowledges that it shall have no lien upon any real or tangible personal property of the Town.

The annual requirements to pay principal and interest on this obligation as of September 30, 2023 are as follows:

Fiscal Year Ending September 30,	Principal	Interest	Total
2024	\$ 467,959	\$ 129,110	\$ 597,069
2025	476,987	120,082	597,069
2026	486,189	110,880	597,069
2027	495,569	101,500	597,069
2028	505,129	91,939	597,069
2029-2033	2,675,636	309,707	2,985,343
2034-2036	1,733,426	57,780	1,791,206
Total	\$ 6,840,895	\$ 920,998	\$ 7,761,893

The Series 2013 and 2021 arrangements discussed previously include other financial provisions as follows: 1) a 6% late charge on overdue payments in excess of fifteen days; 2) events of defaults such as violation of covenants, payment defaults, bankruptcy, insolvency, and uncured final non-appealable judgements may declare any unpaid principal and interest (acceleration of maturity) due immediately and bearing a default rate equal to the interest rate on the Note at the time of such default plus an additional spread ranging from 4% to 6% but never to exceed the maximum rate permitted by law; and 3) an anti-dilution test of 1.30X and 1.50X as defined in the respective debt agreements – See the Debt Service Anti-Dilution Coverage table in the Statistical Section of this report.

Town of Southwest Ranches, Florida
Notes to Basic Financial Statements
September 30, 2023

NOTE 7 – LONG-TERM DEBT (CONTINUED)

ROSENBAUER PAYABLE

On July 15, 2015, the Town entered into a financing arrangement for the acquisition of a Rosenbauer Pumper Apparatus for the Volunteer Fire Department in the amount of \$206,500. The loan called for annual interest and principal payments at a fixed rate of 2.56% and the loan matured on June 11, 2023.

EMERGENCY LINE OF CREDIT

On May 23, 2018, the Town entered into a revolving line of credit agreement with a financial institution in an amount not to exceed \$10,000,000 for the purpose of expenditures for extraordinary, nonrecurring items the Town desires or needs to undertake subsequent to and as a result of natural, technological or civil emergencies. The line of credit bears a variable interest rate calculated at 80.25% of the prime rate less 125 basis points (3.77% as of September 30, 2023). Payments of accrued interest are due on the first day of each February, May, August and November, beginning on November 1, 2018, based on the amount drawn and repaid by the Town from time to time. The outstanding principal of this Line of Credit and any accrued and unpaid interest is payable on the maturity date unless renewed. In June 2023, the Town extended the agreement and the maturity of the Line of Credit from May 23, 2023 to May 23, 2028, as provided in Section 16 of the agreement, and increased the capacity of the line from \$10,000,000 to \$20,000,000. The maturity date of the line of credit is May 23, 2028. The Town had no outstanding balance and available balance was \$20,000,000 at September 30, 2023.

The Town covenants to budget from legally available non-ad valorem revenues in each fiscal year sufficient funds to pay any principal and interest outstanding on the note. Any outstanding balance on the line of credit is secured by an irrevocable lien on revenues from FEMA and State proceeds, which shall be used to pay down the outstanding balance within 30 days of receipt. This note may be extended by the lender, at its sole discretion, for additional periods, each to not exceed five years. At such time, the Town is responsible for an extension fee of \$25,000 plus legal fees associated with the renewal.

In addition, this arrangement includes other financial provisions as follows: 1) a 6% late charge on overdue payments in excess of fifteen days; and 2) events of defaults such as violation of covenants, payment defaults, bankruptcy, insolvency, and certain uncured final non-appealable judgements may declare any unpaid principal and interest (acceleration of maturity) due immediately and bear a default rate equal to prime rate plus 6% but never to exceed the maximum rate permitted by law.

NOTE 8 – LEASES

Previously, the Town implemented Governmental Accounting Standards Board (GASB) Statement No. 87, Leases. GASB No. 87 enhances the relevance and consistency of information of the Town's leasing activities. It establishes requirements for lease accounting based on the principle that leases are financing the right to use an underlying asset. A lessee is required to recognize a lease liability and an intangible right to use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

Town of Southwest Ranches, Florida
Notes to Basic Financial Statements
September 30, 2023

NOTE 8 – LEASES (CONTINUED)

The Town, as a lessor, previously entered into a lease agreement involving land for the use of a company to construct and operate a cell tower. Payments on the lease are approximately \$ 61,000 annually, through September 2033. The payments are set to increase annually by 4.00%. For the year ended September 30, 2023, the Town received rental revenue of \$ 38,987 and interest revenue of \$ 24,219, recorded as miscellaneous revenues on the statement of revenues, expenditures, and changes in fund balances in the General Fund.

At September 30, 2023, the City has lease receivables in the General Fund of \$ 648,261. Future minimum payments under this lease due to the Town through maturity are as follows:

Fiscal Year Ending September 30,	Principal	Interest	Total
2024	\$ 42,889	\$ 22,845	\$ 65,734
2025	47,030	21,333	68,363
2026	51,421	19,676	71,097
2027	56,077	17,864	73,941
2028	61,011	15,888	76,899
2029-2033	389,833	43,339	433,172
Total	\$ 648,261	\$ 140,945	\$ 789,206

NOTE 9 – RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, errors and omissions and natural disasters for which the Town carries commercial insurance. There were no reductions in insurance coverage from coverage requirements in the prior year. Settled claims did not exceed coverage requirements for each of the past three years.

NOTE 10 – COMMITMENTS AND CONTINGENCIES

INTERLOCAL AGREEMENT FOR PUBLIC SAFETY SERVICES

In June 2023, the Town entered into an agreement with the Town of Davie for public safety services, including emergency medical, fire protection, fire and life safety, and police service effective October 1, 2023 through September 30, 2033. The Town paid approximately \$7,361,000 under this agreement for the fiscal year ended September 30, 2023.

AGREEMENT FOR PLANS REVIEW AND BUILDING INSPECTION SERVICES

In 2012, the Town entered a service agreement through March 2015 for plan review and building inspection services. The agreement was last extended on April 12, 2022, for an additional two years to April 12, 2024, with similar terms and conditions. The amount of compensation is based on rates and schedules set forth in the agreement with a maximum percentage of 75% of actual revenue received by the Town. For the fiscal year ended September 30, 2023, the Town paid approximately \$1,719,000 for these services.

Town of Southwest Ranches, Florida
Notes to Basic Financial Statements
September 30, 2023

NOTE 10 – COMMITMENTS AND CONTINGENCIES (CONTINUED)

AGREEMENT FOR PLANNING SERVICES

In 2014, the Town entered into a renegotiated agreement with a consultant to provide planning, zoning and land use services on an hourly rate fee structure. This agreement, which was set to expire September 30, 2017, was extended through September 30, 2020, and was renewable upon the consent of both parties. The current agreement is now effective/renewed through September 30, 2023. The current arrangement is with a new professional corporation, which acquired the prior service provider. For the fiscal year ended September 30, 2023, the Town paid approximately \$83,000 for these services. Subsequent to September 30, 2023, the Town entered into a new agreement under substantially the same terms through April 28, 2025.

AGREEMENT FOR CODE COMPLIANCE AND ZONING SERVICES

The Town entered into a service agreement with a provider for the provision of code compliance and zoning, including services, as the Code Compliance Official. This agreement, which was set to expire September 2022, was extended commencing December 1, 2023. Either party may terminate this agreement upon providing 90 days written notice. For the fiscal year ended September 30, 2023, the Town paid approximately \$373,000 for code compliance and zoning services. Subsequent to September 30, 2023, the Town entered into a new agreement under substantially the same terms through December 31, 2024.

LITIGATION

From time to time, the Town is a defendant in various suits and claims incidental to its operations. Although the outcome of such litigation is not presently determinable, it is the opinion of the Town attorney and Town management that resolution of such matters, if any, will not have a material adverse effect on the financial position and results of operations of the Town.

GRANTS AND AWARDS

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the Town. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Town expects such amounts, if any, would not have a material adverse effect on the financial position of the Town.

NOTE 11 – DEFINED CONTRIBUTION PLAN

All regular full-time employees are eligible to be covered by the Town's 401(a) Plan (the Plan), a defined contribution pension plan, administered by an independent agent, MissionSquare Retirement, and authorized by resolution effective March 27, 2014. The Town's policy is to fund the annual pension costs in each department during the annual budget process.

Town of Southwest Ranches, Florida
Notes to Basic Financial Statements
September 30, 2023

NOTE 11 – DEFINED CONTRIBUTION PLAN (CONTINUED)

Under the Plan, the Town matches, and therefore contributes, up to 7% or 12% (as a percentage of employees' regular wages) of the employees' annual elective contribution to an MissionSquare Retirement 457 Plan (see Note 12) for both General and Management personnel, respectively. Each personnel group receives a 20% graduated vesting over various periods of time by completing one through five years of full-time employment. Additionally, age 62, with 5 years of service, is the earliest age that personnel may elect to receive retirement benefits upon separation of service.

Under the Plan, benefits depend solely on amounts contributed to the Plan plus investment earnings. Fourteen employees for both personnel groups participated in the Plan during fiscal year 2023. The assets of the Plan are held in trust and are the sole property of the participants; therefore, no balances or financial information are included in the Town's basic financial statements. For the fiscal year ended September 30, 2023, the employer pension expense was approximately \$157,000.

NOTE 12 – DEFERRED COMPENSATION PLAN

The Town offers its employees a deferred compensation plan created in accordance with Internal Revenue Service ("IRS") Code Section 457. The Plan, administered by the MissionSquare Retirement, which is available to all Town employees, permits them to defer a portion of their salaries until future years. Participation in the Plan is optional. The deferred compensation plan is generally not available to employees until termination, retirement, death or the hardship distribution criteria as defined in IRS Code Section 457. The assets of the Plan are held in trust and are the sole property of the participants; therefore, no balances or financial information is included in the Town's basic financial statements.

NOTE 13 – DATE OF MANAGEMENT REVIEW

The Town's management has evaluated subsequent events through March 26, 2024, the date which the financial statements were available for issuance.

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REQUIRED SUPPLEMENTARY INFORMATION



2023 Town of Southwest Ranches Rural Public Arts and Design
Advisory Board Photo Contest
Submitted by: Elaine Ojeda

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Town of Southwest Ranches, Florida
Required Supplementary Information
Budgetary Comparison Schedule - General Fund
For the Fiscal Year Ended September 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Ad valorem taxes	\$ 7,115,870	\$ 7,115,870	\$ 7,205,693	\$ 89,823
Utility taxes	1,256,073	1,256,073	1,579,571	323,498
Franchise fees	746,190	746,190	969,325	223,135
Licenses and permits	1,738,086	1,738,086	2,654,419	916,333
Intergovernmental	4,237,149	4,237,149	997,906	(3,239,243)
Charges for services	2,802,663	2,802,663	2,954,866	152,203
Fines and forfeitures	224,131	224,131	236,660	12,529
Investment income	16,512	16,512	532,109	515,597
Miscellaneous	125,882	131,484	158,208	26,724
Total Revenues	<u>18,262,556</u>	<u>18,268,158</u>	<u>17,288,757</u>	<u>(979,401)</u>
Expenditures				
Current:				
General government:				
Town Council	163,537	163,537	174,914	(11,377)
Town Administrator and administrative services	1,221,959	1,221,959	1,002,536	219,423
Town Clerk	383,533	383,533	384,701	(1,168)
Town Attorney and legal Finance	620,000	1,345,000	1,170,145	174,855
Finance	624,405	624,405	605,566	18,839
Total general government	<u>3,013,434</u>	<u>3,738,434</u>	<u>3,337,862</u>	<u>400,572</u>
Public safety:				
Law enforcement	3,388,162	3,388,162	3,297,471	90,691
Fire control and rescue services	4,295,448	4,318,668	4,233,905	84,763
Total public safety	<u>7,683,610</u>	<u>7,706,830</u>	<u>7,531,376</u>	<u>175,454</u>
Community services and development:				
Planning, public works, and engineering	596,226	596,226	411,209	185,017
Code enforcement, zoning, and building services	1,545,020	1,545,020	2,104,464	(559,444)
Total community service and development	<u>2,141,246</u>	<u>2,141,246</u>	<u>2,515,673</u>	<u>(374,427)</u>
Parks and recreation	544,424	613,876	584,448	29,428
Capital outlay	3,836,432	4,188,195	572,117	3,616,078
Total Expenditures	<u>17,219,146</u>	<u>18,388,581</u>	<u>14,541,476</u>	<u>3,847,105</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>1,043,410</u>	<u>(120,423)</u>	<u>2,747,281</u>	<u>2,867,704</u>
Other Financing Sources (Uses)				
Transfers in	283,125	283,125	283,125	-
Transfers out	(1,596,049)	(1,803,975)	(1,595,841)	208,134
Total Other Financing Sources (Uses)	<u>(1,312,924)</u>	<u>(1,520,850)</u>	<u>(1,312,716)</u>	<u>208,134</u>
Change in Fund Balance	<u>\$ (269,514)</u>	<u>\$ (1,641,273)</u>	<u>\$ 1,434,565</u>	<u>\$ 3,075,838</u>
Appropriated (Reserve) Fund Balance	<u>\$ 269,514</u>	<u>\$ 1,641,273</u>		

Town of Southwest Ranches, Florida
Required Supplementary Information
Budgetary Comparison Schedule - Transportation Fund
For the Fiscal Year Ended September 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 2,525,791	\$ 2,525,791	\$ 872,245	\$ (1,653,546)
Investment income	5,253	5,253	42,791	37,538
Miscellaneous	-	-	-	-
Total Revenues	<u>2,531,044</u>	<u>2,531,044</u>	<u>915,036</u>	<u>(1,616,008)</u>
Expenditures				
Current:				
Transportation	857,339	972,205	869,393	102,812
Capital outlay	<u>3,005,745</u>	<u>3,143,578</u>	<u>560,070</u>	<u>2,583,508</u>
Total Expenditures	<u>3,863,084</u>	<u>4,115,783</u>	<u>1,429,463</u>	<u>2,686,320</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(1,332,040)</u>	<u>(1,584,739)</u>	<u>(514,427)</u>	<u>1,070,312</u>
Other Financing Sources (uses)				
Transfers in	<u>826,950</u>	<u>975,949</u>	<u>826,950</u>	<u>(148,999)</u>
Total Other Financing Sources (uses)	<u>826,950</u>	<u>975,949</u>	<u>826,950</u>	<u>(148,999)</u>
Change in Fund Balance	<u>\$ (505,090)</u>	<u>\$ (608,790)</u>	<u>\$ 312,523</u>	<u>\$ 921,313</u>
Appropriated (Reserve) Fund Balance	<u>\$ 505,090</u>	<u>\$ 608,790</u>		

**Town of Southwest Ranches, Florida
 Required Supplementary Information
 Note to Budgetary Comparison Schedules
 For the Fiscal Year Ended September 30, 2023**

The Town follows the procedures below in establishing the budgetary data reflected in the accompanying financial statements.

NOTE 1 - BUDGETS AND BUDGETARY ACCOUNTING

- a. Prior to September 1, the Town Administrator submits to the Town Council a proposed operating budget for the ensuing fiscal year, commencing October 1. The operating budget includes proposed expenditures and the means of funding them.
- b. Public hearings are conducted to obtain taxpayer comments.
- c. Prior to October 1, the budget is legally enacted through passage of an ordinance.
- d. Upon request of the Town Administrator or Town Financial Administrator, the Town Council, in the form of a ordinance, may amend the budget, make changes between funds or from a reserve, and increase or decrease a fund. The Town Administrator or Town Financial Administrator may make changes within a department. Therefore, the legal level of control is at the department level. At the close of each fiscal year, the unencumbered balance of each appropriation reverts to the fund from which it was appropriated and is subject to future appropriations.
- e. Annual appropriated budgets are adopted for the General Fund, Transportation Fund, Capital Projects Fund, and Debt Service Fund on a basis consistent with accounting principles generally accepted in the United States of America.
- f. The reported budgetary data represents the final approved budgets after amendments (supplemental appropriations) adopted by the Town Council. The Volunteer Fire Department Fund's Budget is not legally adopted by the Town Council.
- g. For the year ended September 30, 2023, expenditures exceed the legally authorized budget as follows:

General Fund

Town Council	\$11,377
Town Clerk	\$1,168
Code enforcement, zoning, and building services	\$559,444

Debt Service Fund

Principal	\$15
Interest and Fiscal Charges	\$43,511

The excess expenditures were covered by excess revenues or available fund balance in the funds.

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SUPPLEMENTARY INFORMATION



*2022 Town of Southwest Ranches Rural Public Arts and Design Board
Photo Contest Submitted by: Alfredo Avello, Jr.*

**COMBINING AND INDIVIDUAL FUND STATEMENTS
AND SCHEDULES**

Town of Southwest Ranches, Florida
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2023

	Volunteer Fire Department	Debt Service Fund	Total Nonmajor Governmental Funds
Assets			
Cash	\$ 45,552	\$ 74,372	\$ 119,924
Due from other funds	9,328	-	9,328
Prepaid items	<u>2,056</u>	<u>-</u>	<u>2,056</u>
Total Assets	<u>\$ 56,936</u>	<u>\$ 74,372</u>	<u>\$ 131,308</u>
Liabilities and Fund Balances			
Liabilities:			
Accounts payable and accrued liabilities	<u>\$ 13,618</u>	<u>\$ -</u>	<u>\$ 13,618</u>
Total Liabilities	<u>13,618</u>	<u>-</u>	<u>13,618</u>
Fund Balances			
Non-spendable:			
Prepaid items	2,056	-	2,056
Restricted for:			
Fire control and rescue services	41,262	-	41,262
Assigned for:			
Debt service	<u>-</u>	<u>74,372</u>	<u>74,372</u>
Total Fund Balances	<u>43,318</u>	<u>74,372</u>	<u>117,690</u>
Total Liabilities and Fund Balances	<u>\$ 56,936</u>	<u>\$ 74,372</u>	<u>\$ 131,308</u>

Town of Southwest Ranches, Florida
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended September 30, 2023

	Volunteer Fire Department	Debt Service Fund	Total Nonmajor Governmental Funds
Revenues			
Investment income	\$ 198	\$ 1,638	\$ 1,836
Miscellaneous	25,581	-	25,581
Total Revenues	<u>25,779</u>	<u>1,638</u>	<u>27,417</u>
Expenditures			
Current:			
Fire control and rescue services	280,431	-	280,431
Debt service:			
Principal	-	706,764	706,764
Interest and fiscal charges	-	210,873	210,873
Total Expenditures	<u>280,431</u>	<u>917,637</u>	<u>1,198,068</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(254,652)</u>	<u>(915,999)</u>	<u>(1,170,651)</u>
Other Financing Sources (Uses)			
Transfers in	281,426	417,965	699,391
Total Other Financing Sources (Uses)	<u>281,426</u>	<u>417,965</u>	<u>699,391</u>
Change in Fund Balances	26,774	(498,034)	(471,260)
Fund Balances - Beginning	<u>16,544</u>	<u>572,406</u>	<u>588,950</u>
Fund Balances - Ending	<u>\$ 43,318</u>	<u>\$ 74,372</u>	<u>\$ 117,690</u>

Town of Southwest Ranches, Florida
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Debt Service Fund
For the Fiscal Year Ended September 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment income	\$ -	\$ -	\$ 1,638	\$ 1,638
Total Revenues	<u>-</u>	<u>-</u>	<u>1,638</u>	<u>1,638</u>
Expenditures				
Debt service:				
Principal	706,749	706,749	706,764	(15)
Interest and fiscal charges	<u>167,362</u>	<u>167,362</u>	<u>210,873</u>	<u>(43,511)</u>
Total Expenditures	<u>874,111</u>	<u>874,111</u>	<u>917,637</u>	<u>(43,526)</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(874,111)</u>	<u>(874,111)</u>	<u>(915,999)</u>	<u>(41,888)</u>
Other Financing Sources (Uses)				
Transfers in	<u>417,965</u>	<u>417,965</u>	<u>417,965</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>417,965</u>	<u>417,965</u>	<u>417,965</u>	<u>-</u>
Change in Fund Balance	\$ <u>(456,146)</u>	\$ <u>(456,146)</u>	\$ <u>(498,034)</u>	\$ <u>(41,888)</u>
Appropriated (Reserve) Fund Balance	\$ <u>456,146</u>	\$ <u>456,146</u>		

Town of Southwest Ranches, Florida
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Capital Projects Fund
For the Fiscal Year Ended September 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 180,000	\$ 180,000	\$ 188,978	\$ 8,978
Investment income	-	-	4,012	4,012
Miscellaneous	-	-	-	-
Total Revenues	<u>180,000</u>	<u>180,000</u>	<u>192,990</u>	<u>12,990</u>
Expenditures				
Capital outlay	<u>294,500</u>	<u>366,528</u>	<u>280,203</u>	<u>86,325</u>
Total Expenditures	<u>294,500</u>	<u>366,528</u>	<u>280,203</u>	<u>86,325</u>
Excess (Deficiency) of Revenues				
Over Expenditures	<u>(114,500)</u>	<u>(186,528)</u>	<u>(87,213)</u>	<u>99,315</u>
Other Financing Sources (uses)				
Transfers in	<u>69,500</u>	<u>128,427</u>	<u>69,500</u>	<u>(58,927)</u>
Total Other Financing Sources (uses)	<u>69,500</u>	<u>128,427</u>	<u>69,500</u>	<u>(58,927)</u>
Change in Fund Balance	<u>\$ (45,000)</u>	<u>\$ (58,101)</u>	<u>\$ (17,713)</u>	<u>\$ 40,388</u>
Appropriated (Reserve)				
Fund Balance	<u>\$ 45,000</u>	<u>\$ 58,101</u>		

STATISTICAL SECTION



Submitted by: Bob Hartmann

This part of the Town of Southwest Ranches' annual comprehensive financial report presents detailed information as a context for understanding this year's financial statements, note disclosures, and supplementary information. This information is unaudited.

Contents

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Financial Trends

These tables contain trend information that may assist the reader in assessing the Town's current financial performance by placing it in historical perspective. 49-64

Revenue Capacity

These tables contain information that may assist the reader in assessing the Town's most significant local revenue source, the property taxes. 65-71

Debt Capacity

These tables contain information that may assist the reader in analyzing the affordability of the Town's current levels of outstanding debt and the Town's ability to issue debt in the future. 72-74

Demographic and Economic Information

These tables present demographic and economic information intended (1) to assist users in understanding the socioeconomic environment within which the Town operates and (2) to provide information that facilitates comparisons of financial statement information over time and among municipalities. 75-77

Operating Information

These tables contain service and infrastructure indicators that can assist one's understanding of how the information in the Town's financial statements relates to the services the Town provides and the activities it performs. 78-79

Data Source:

Unless otherwise noted, the information in these tables is derived from the annual comprehensive financial report for the applicable year.

Town of Southwest Ranches, Florida
Changes in Net Position - Governmental Activities (Unaudited)
Last Ten Fiscal Years
(accrual basis of accounting)

	For the Fiscal Year Ended September 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses:										
General government	\$ 1,885,010	\$ 1,943,608	\$ 2,074,739	\$ 2,736,901	\$ 2,904,188	\$ 2,190,153	\$ 2,343,760	\$ 2,455,138	\$ 2,844,355	\$ 3,466,807
Public safety	5,688,914	5,363,076	5,372,525	5,471,550	6,428,569	6,417,516	6,784,682	6,988,834	7,378,553	7,911,018
Community services and development	777,301	859,056	1,020,328	936,647	1,258,271	1,451,377	1,731,518	2,302,502	2,193,755	2,515,673
Parks and recreation	482,289	825,673	672,817	656,412	638,991	668,951	700,734	733,192	796,509	837,393
Transportation	767,872	641,501	907,415	592,730	553,546	1,132,102	1,165,497	1,274,391	1,404,892	1,744,570
Emergency services ¹	-	-	-	-	51,742	4,244	12,094	39,066	71,940	-
Interest and fiscal charges	240,636	188,650	237,838	383,975	353,162	439,232	321,442	299,939	178,050	207,133
Total Expenses	9,842,022	9,821,564	10,285,662	10,778,215	12,188,469	12,303,575	13,059,727	14,093,062	14,868,054	16,682,594
Program Revenues:										
Charges for services:										
Public safety	2,031,296	2,140,874	2,013,942	2,133,982	2,396,108	2,636,628	2,446,458	3,520,536	3,309,815	3,181,256
Community services and development	1,001,627	975,302	1,121,522	759,959	1,175,057	1,345,851	1,696,926	2,477,363	2,283,741	2,654,419
Parks and recreation	-	-	11,047	10,197	11,317	10,210	2,908	1,065	9,926	10,270
Operating grants and contributions	28,003	13,049	22,694	18,842	58,116	124,974	12,143	113,029	111,698	241,076
Capital grants and contributions	161,293	328,924	649,412	343,013	450,950	157,173	560,206	367,465	2,140,874	703,600
Total Program Revenues	3,222,219	3,458,149	3,818,617	3,265,993	4,091,548	4,274,836	4,718,641	6,479,458	7,856,054	6,790,621
Net (Expenses) Revenues	(6,619,803)	(6,363,415)	(6,467,045)	(7,512,222)	(8,096,921)	(8,028,739)	(8,341,086)	(7,613,604)	(7,012,000)	(9,891,973)
General Revenues:										
Taxes:										
Ad valorem	4,245,717	4,788,463	5,106,037	5,495,085	5,847,614	6,549,630	6,633,543	6,402,259	6,924,854	7,205,693
Utility	1,169,184	1,212,320	1,226,602	1,234,734	1,238,664	1,200,916	1,221,282	1,265,533	1,389,563	1,579,571
Franchise fees based on gross receipts	616,559	621,659	614,039	643,968	642,005	676,184	668,534	702,961	819,237	969,325
Unrestricted intergovernmental revenues	734,438	771,930	777,914	777,213	824,180	830,865	757,808	843,802	960,165	1,166,551
Unrestricted investment income	5,598	19,660	20,640	48,853	102,685	170,060	106,353	24,456	51,798	580,748
Miscellaneous	94,659	89,589	91,794	129,202	2,430	148,308	165,179	130,113	156,550	131,691
Total General Revenues	6,866,155	7,503,621	7,837,026	8,329,055	8,657,578	9,575,963	9,552,699	9,369,124	10,302,167	11,633,579
Net Transfers	183,327	168,833	185,828	205,427	225,765	141,060	221,292	263,917	243,032	283,125
Total General Revenues, Net of Transfers	7,049,482	7,672,454	8,022,854	8,534,482	8,883,343	9,717,023	9,773,991	9,633,041	10,545,199	11,916,704
Changes in Net Position	\$ 429,679	\$ 1,309,039	\$ 1,555,809	\$ 1,022,260	\$ 786,422	\$ 1,688,284	\$ 1,432,905	\$ 2,019,437	\$ 3,533,199	\$ 2,024,731

Notes:

¹ Emergency services comprise expenditures resulting from Hurricane Irma for 2018, Hurricane Dorian for 2019 and Covid-19 pandemic for 2020 and 2021.

The Town implemented GASB Statement No. 63 during the fiscal year ended September 30, 2013 and utilized the new terminology for all years presented.

Data Source:

Applicable years' annual comprehensive financial report.

Town of Southwest Ranches, Florida
Changes in Net Position - Governmental Activities - Percentage of Total (Unaudited)
Last Ten Fiscal Years
(accrual basis of accounting)

	For the Fiscal Year Ended September 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses:										
General government	19.2%	19.8%	20.2%	25.4%	23.8%	17.8%	17.9%	17.4%	19.1%	20.8%
Public safety	57.8%	54.6%	52.2%	50.8%	52.7%	52.2%	52.0%	49.6%	49.6%	47.4%
Community services and development	7.9%	8.7%	9.9%	8.7%	10.3%	11.8%	13.3%	16.3%	14.8%	15.1%
Parks and recreation	4.9%	8.4%	6.5%	6.1%	5.2%	5.4%	5.4%	5.2%	5.4%	5.0%
Transportation	7.8%	6.5%	8.8%	5.5%	4.5%	9.2%	8.9%	9.0%	9.4%	10.5%
Emergency services ¹	0.0%	0.0%	0.0%	0.0%	0.4%	0.0%	0.1%	0.3%	0.5%	0.0%
Interest and fiscal charges	2.4%	1.9%	2.3%	3.6%	2.9%	3.6%	2.5%	2.1%	1.2%	1.2%
Total Expenses	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Program Revenues:										
Charges for services:										
Public safety	63.0%	61.9%	52.7%	65.3%	58.6%	61.7%	51.8%	54.3%	42.1%	46.8%
Community services and development	31.1%	28.2%	29.4%	23.3%	28.7%	31.5%	36.0%	38.2%	29.1%	39.1%
Parks and recreation	0.0%	0.0%	0.3%	0.3%	0.3%	0.2%	0.1%	0.0%	0.1%	0.2%
Operating grants and contributions	0.9%	0.4%	0.6%	0.6%	1.4%	2.9%	0.3%	1.7%	1.4%	3.6%
Capital grants and contributions	5.0%	9.5%	17.0%	10.5%	11.0%	3.7%	11.9%	5.7%	27.3%	10.4%
Total Program Revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
General Revenues:										
Taxes:										
Ad valorem	61.8%	63.8%	65.2%	66.0%	67.5%	68.4%	69.4%	68.3%	67.2%	61.9%
Utility	17.0%	16.2%	15.7%	14.8%	14.3%	12.5%	12.8%	13.5%	13.5%	13.6%
Franchise fees based on gross receipts	9.0%	8.3%	7.8%	7.7%	7.4%	7.1%	7.0%	7.5%	8.0%	8.3%
Unrestricted intergovernmental revenues	10.7%	10.3%	9.9%	9.3%	9.5%	8.7%	7.9%	9.0%	9.3%	10.0%
Unrestricted investment earnings	0.1%	0.3%	0.3%	0.6%	1.2%	1.8%	1.1%	0.3%	0.5%	5.0%
Miscellaneous	1.4%	1.2%	1.2%	1.6%	0.0%	1.5%	1.7%	1.4%	1.5%	1.1%
Total General Revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Notes:

¹ Emergency services comprise expenditures resulting from Hurricane Irma for 2018, Hurricane Dorian for 2019 and Covid-19 pandemic for 2020 and 2021.

Data Source:

Applicable years' annual comprehensive financial report.

Town of Southwest Ranches, Florida
Changes in Net Position - Business-type Activities (Unaudited)
Last Ten Fiscal Years
(accrual basis of accounting)

Source	For the Fiscal Year Ended September 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses:										
Solid waste	\$ 781,764	\$ 761,680	\$ 776,993	\$ 782,436	\$ 1,313,812	\$ 1,388,587	\$ 1,418,887	\$ 1,437,043	\$ 1,444,112	\$ 2,672,780
Solid waste emergency services ¹	-	-	-	655,340	3,699,068	126,668	16,590	-	-	-
Total expenses	<u>781,764</u>	<u>761,680</u>	<u>776,993</u>	<u>1,437,776</u>	<u>5,012,880</u>	<u>1,515,255</u>	<u>1,435,477</u>	<u>1,437,043</u>	<u>1,444,112</u>	<u>2,672,780</u>
Program Revenues:										
Charges for services:										
Solid waste	1,050,476	1,045,547	1,053,295	1,064,311	1,309,516	1,795,973	1,714,527	1,732,833	1,751,289	2,833,652
Solid waste emergency services ¹	-	-	-	-	-	3,949,263	70,612	39	-	-
Operating grants and contributions	-	-	-	-	-	-	-	-	-	-
Total Program Revenues	<u>1,050,476</u>	<u>1,045,547</u>	<u>1,053,295</u>	<u>1,064,311</u>	<u>1,309,516</u>	<u>5,745,236</u>	<u>1,785,139</u>	<u>1,732,872</u>	<u>1,751,289</u>	<u>2,833,652</u>
Net Revenue (Loss)	<u>268,712</u>	<u>283,867</u>	<u>276,302</u>	<u>(373,465)</u>	<u>(3,703,364)</u>	<u>4,229,981</u>	<u>349,662</u>	<u>295,829</u>	<u>307,177</u>	<u>160,872</u>
General Revenues:										
Investment income	476	1,498	5,147	10,223	8,951	21,248	20,098	3,936	2,614	39,560
Miscellaneous	16,634	279,579	-	-	-	130	65	195	-	83,196
Total General Revenues	<u>17,110</u>	<u>281,077</u>	<u>5,147</u>	<u>10,223</u>	<u>8,951</u>	<u>21,378</u>	<u>20,163</u>	<u>4,131</u>	<u>2,614</u>	<u>122,756</u>
Income (Expense) Before Transfers	<u>285,822</u>	<u>564,944</u>	<u>281,449</u>	<u>(363,242)</u>	<u>(3,694,413)</u>	<u>4,251,359</u>	<u>369,825</u>	<u>299,960</u>	<u>309,791</u>	<u>283,628</u>
Net Transfers	<u>(183,327)</u>	<u>(168,833)</u>	<u>(185,828)</u>	<u>(205,427)</u>	<u>(225,765)</u>	<u>(141,060)</u>	<u>(221,292)</u>	<u>(263,917)</u>	<u>(243,032)</u>	<u>(283,125)</u>
Changes in Net Position	<u>\$ 102,495</u>	<u>\$ 396,111</u>	<u>\$ 95,621</u>	<u>\$ (568,669)</u>	<u>\$ (3,920,178)</u>	<u>\$ 4,110,299</u>	<u>\$ 148,533</u>	<u>\$ 36,043</u>	<u>\$ 66,759</u>	<u>\$ 503</u>

Notes:

¹ Solid waste emergency services comprise expenditures & revenues resulting from Hurricane Irma for 2018, Hurricane Dorian for 2019 and Covid-19 pandemic for 2020 and 2021.

Data Source:

Applicable years' annual comprehensive financial report.

Town of Southwest Ranches, Florida
Changes in Total Net Position (Unaudited)
Last Ten Fiscal Years
(accrual basis of accounting)

	For the Fiscal Year Ended September 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses:										
Governmental activities ¹	\$ 9,842,022	\$ 9,821,564	\$ 10,285,662	\$ 10,778,215	\$ 12,188,469	\$ 12,303,575	\$ 13,059,727	\$ 14,093,062	\$ 14,868,054	\$ 16,682,594
Business-type activities ²	781,764	761,680	776,993	1,437,776	5,012,880	1,515,255	1,435,477	1,437,043	1,444,112	2,672,780
Total Expenses	<u>10,623,786</u>	<u>10,583,244</u>	<u>11,062,655</u>	<u>12,215,991</u>	<u>17,201,349</u>	<u>13,818,830</u>	<u>14,495,204</u>	<u>15,530,105</u>	<u>16,312,166</u>	<u>19,355,374</u>
Program Revenues:										
Governmental activities ¹	3,222,219	3,458,149	3,818,617	3,265,993	4,091,548	4,274,836	4,718,641	6,479,458	7,856,054	6,790,621
Business-type activities ²	1,050,476	1,045,547	1,053,295	1,064,311	1,309,516	5,745,236	1,785,139	1,732,872	1,751,289	2,833,652
Total Program Revenues	<u>4,272,695</u>	<u>4,503,696</u>	<u>4,871,912</u>	<u>4,330,304</u>	<u>5,401,064</u>	<u>10,020,072</u>	<u>6,503,780</u>	<u>8,212,330</u>	<u>9,607,343</u>	<u>9,624,273</u>
Net (Expenses) Revenues	<u>(6,351,091)</u>	<u>(6,079,548)</u>	<u>(6,190,743)</u>	<u>(7,885,687)</u>	<u>(11,800,285)</u>	<u>(3,798,758)</u>	<u>(7,991,424)</u>	<u>(7,317,775)</u>	<u>(6,704,823)</u>	<u>(9,731,101)</u>
General Revenues and Transfers:										
Governmental activities ¹	7,049,482	7,672,454	8,022,854	8,534,482	8,883,343	9,717,023	9,773,991	9,633,041	10,545,199	11,916,704
Business-type activities ²	(166,217)	112,244	(180,681)	(195,204)	(216,814)	(119,682)	(201,129)	(259,786)	(240,418)	(160,369)
Total General Revenues and Transfers	<u>6,883,265</u>	<u>7,784,698</u>	<u>7,842,173</u>	<u>8,339,278</u>	<u>8,666,529</u>	<u>9,597,341</u>	<u>9,572,862</u>	<u>9,373,255</u>	<u>10,304,781</u>	<u>11,756,335</u>
Changes in Net Position	<u>\$ 532,174</u>	<u>\$ 1,705,150</u>	<u>\$ 1,651,430</u>	<u>\$ 453,591</u>	<u>\$ (3,133,756)</u>	<u>\$ 5,798,583</u>	<u>\$ 1,581,438</u>	<u>\$ 2,055,480</u>	<u>\$ 3,599,958</u>	<u>\$ 2,025,234</u>

Notes:

¹ See Exhibit I

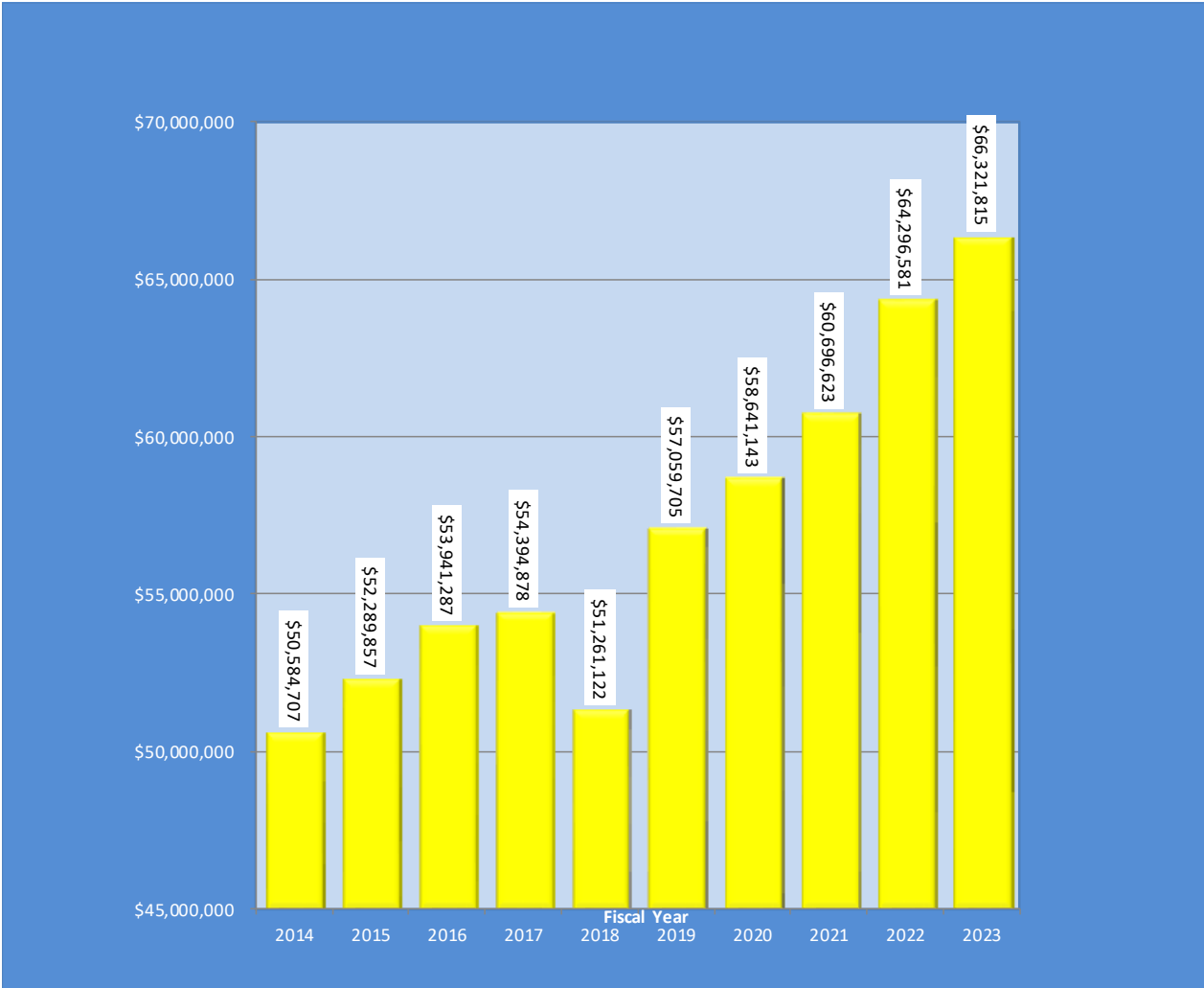
² See Exhibit III

Town of Southwest Ranches, Florida
Government-wide Net Position by Category¹ (Unaudited)
Last Ten Fiscal Years
(accrual basis of accounting)

	For the Fiscal Year Ended September 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental Activities:										
Net investment in capital assets	\$ 44,619,097	\$ 45,134,927	\$ 48,086,199	\$ 48,346,598	\$ 49,262,430	\$ 49,695,775	\$ 50,076,903	\$ 50,876,586	\$ 53,668,511	\$ 54,425,629
Restricted	599,649	935,161	1,349,124	1,378,035	1,444,305	1,305,241	948,304	933,900	2,310,774	1,619,380
Unrestricted	4,868,356	5,326,053	3,516,627	4,249,577	4,053,897	5,447,900	6,856,614	8,090,772	7,455,172	9,414,179
Governmental Activities Net Position	<u>50,087,102</u>	<u>51,396,141</u>	<u>52,951,950</u>	<u>53,974,210</u>	<u>54,760,632</u>	<u>56,448,916</u>	<u>57,881,821</u>	<u>59,901,258</u>	<u>63,434,457</u>	<u>65,459,188</u>
Business-type Activities:										
Unrestricted	497,605	893,716	989,337	420,668	(3,499,510)	610,789	759,322	795,365	862,124	862,627
Primary Government:										
Net investment in capital assets	44,619,097	45,134,927	48,086,199	48,346,598	49,262,430	49,695,775	50,076,903	50,876,586	53,668,511	54,425,629
Restricted	599,649	935,161	1,349,124	1,378,035	1,444,305	1,305,241	948,304	933,900	2,310,774	1,619,380
Unrestricted	5,365,961	6,219,769	4,505,964	4,670,245	554,387	6,058,689	7,615,936	8,886,137	8,317,296	10,276,806
Primary Government Net Position	<u>\$ 50,584,707</u>	<u>\$ 52,289,857</u>	<u>\$ 53,941,287</u>	<u>\$ 54,394,878</u>	<u>\$ 51,261,122</u>	<u>\$ 57,059,705</u>	<u>\$ 58,641,143</u>	<u>\$ 60,696,623</u>	<u>\$ 64,296,581</u>	<u>\$ 66,321,815</u>

Notes:
¹ Accounting standards require that net assets be reported in three components in the financial statements: net investment in capital assets; restricted and unrestricted. Net position is considered restricted only when (1) an external party, such as the State of Florida or the federal government, places a restriction on how the resources may be used, or (2) enabling legislation is enacted by the Town. There are no restrictions currently reported as a result of enabling legislation.

Town of Southwest Ranches, Florida
Chart-Total Government-wide Net Position (Unaudited)
Last Ten Fiscal Years
(accrual basis of accounting)



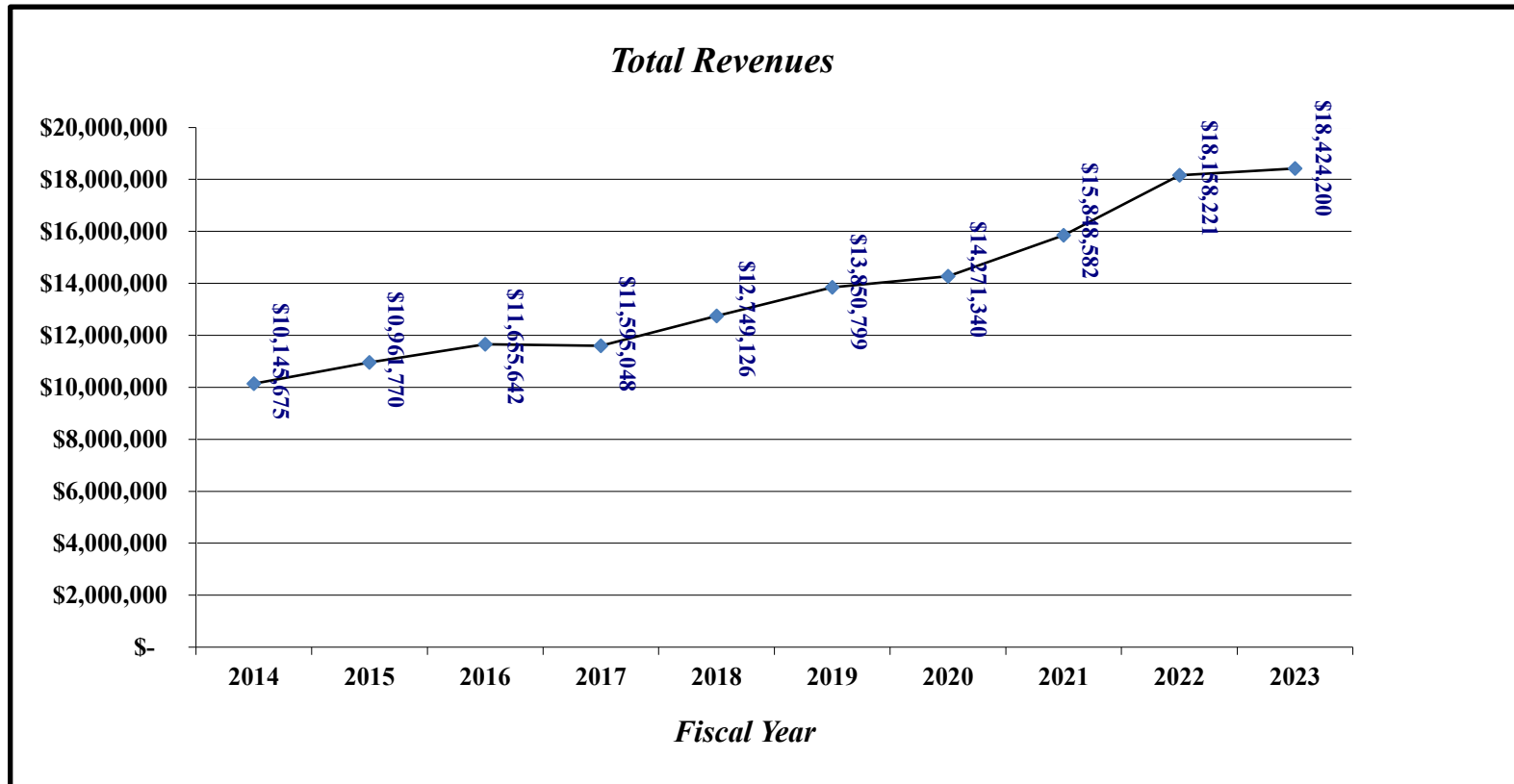
Town of Southwest Ranches, Florida
General Governmental Revenues by Source (Unaudited) ¹
Last Ten Fiscal Years
(modified accrual basis of accounting)

Revenue Source	For the Fiscal Year Ended September 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Taxes	\$ 6,031,460	\$ 6,622,442	\$ 6,946,678	\$ 7,373,787	\$ 7,728,283	\$ 8,426,730	\$ 8,523,359	\$ 8,370,753	\$ 9,133,654	\$ 9,754,589
Licenses and permits	604,935	757,924	939,212	759,959	1,175,057	1,345,851	1,696,926	2,477,363	2,283,741	2,654,419
Intergovernmental	707,938	758,881	721,220	399,969	730,464	814,601	752,045	808,425	874,221	1,114,456
Charges for services	1,939,651	1,984,906	1,912,887	1,920,617	2,204,001	2,322,379	2,155,792	2,840,638	2,763,483	2,954,866
Fines and forfeitures	488,337	373,346	302,296	213,365	212,231	350,639	306,019	680,963	556,258	236,660
Grants	189,296	341,973	672,106	686,428	509,066	285,147	572,349	480,494	2,252,572	944,676
Investment income	5,598	19,660	20,640	48,853	102,685	170,060	106,353	24,456	51,798	580,748
Miscellaneous	178,460	102,638	140,603	192,070	87,339	135,392	158,497	165,490	242,494	183,786
Total Revenues	\$ 10,145,675	\$ 10,961,770	\$ 11,655,642	\$ 11,595,048	\$ 12,749,126	\$ 13,850,799	\$ 14,271,340	\$ 15,848,582	\$ 18,158,221	\$ 18,424,200
% Change from Prior Year	-0.3%	8.0%	6.3%	-0.5%	10.0%	8.6%	3.0%	11.1%	14.6%	1.5%
	Percentage of Total									
Taxes	59.4%	60.4%	59.6%	63.6%	60.6%	60.8%	59.7%	52.8%	50.3%	52.9%
Licenses and permits	6.0%	6.9%	8.1%	6.6%	9.2%	9.7%	11.9%	15.6%	12.6%	14.4%
Intergovernmental	7.0%	6.9%	6.2%	3.4%	5.7%	5.9%	5.3%	5.1%	4.8%	6.0%
Charges for services	19.1%	18.1%	16.4%	16.6%	17.3%	16.8%	15.1%	17.9%	15.2%	16.0%
Fines and forfeitures	4.8%	3.4%	2.6%	1.8%	1.7%	2.5%	2.1%	4.3%	3.1%	1.3%
Grants	1.9%	3.1%	5.8%	5.9%	4.0%	2.1%	4.0%	3.0%	12.4%	5.1%
Investment income	0.1%	0.2%	0.2%	0.4%	0.8%	1.2%	0.7%	0.2%	0.3%	3.2%
Miscellaneous	1.8%	0.9%	1.2%	1.7%	0.7%	1.0%	1.1%	1.0%	1.3%	1.0%
Total Revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Notes:
¹ Includes all governmental fund types.

Data Source:
Applicable years' annual comprehensive financial report.

Town of Southwest Ranches, Florida
Chart-Total General Governmental Revenues (Unaudited)
Last Ten Fiscal Years
(modified accrual basis of accounting)



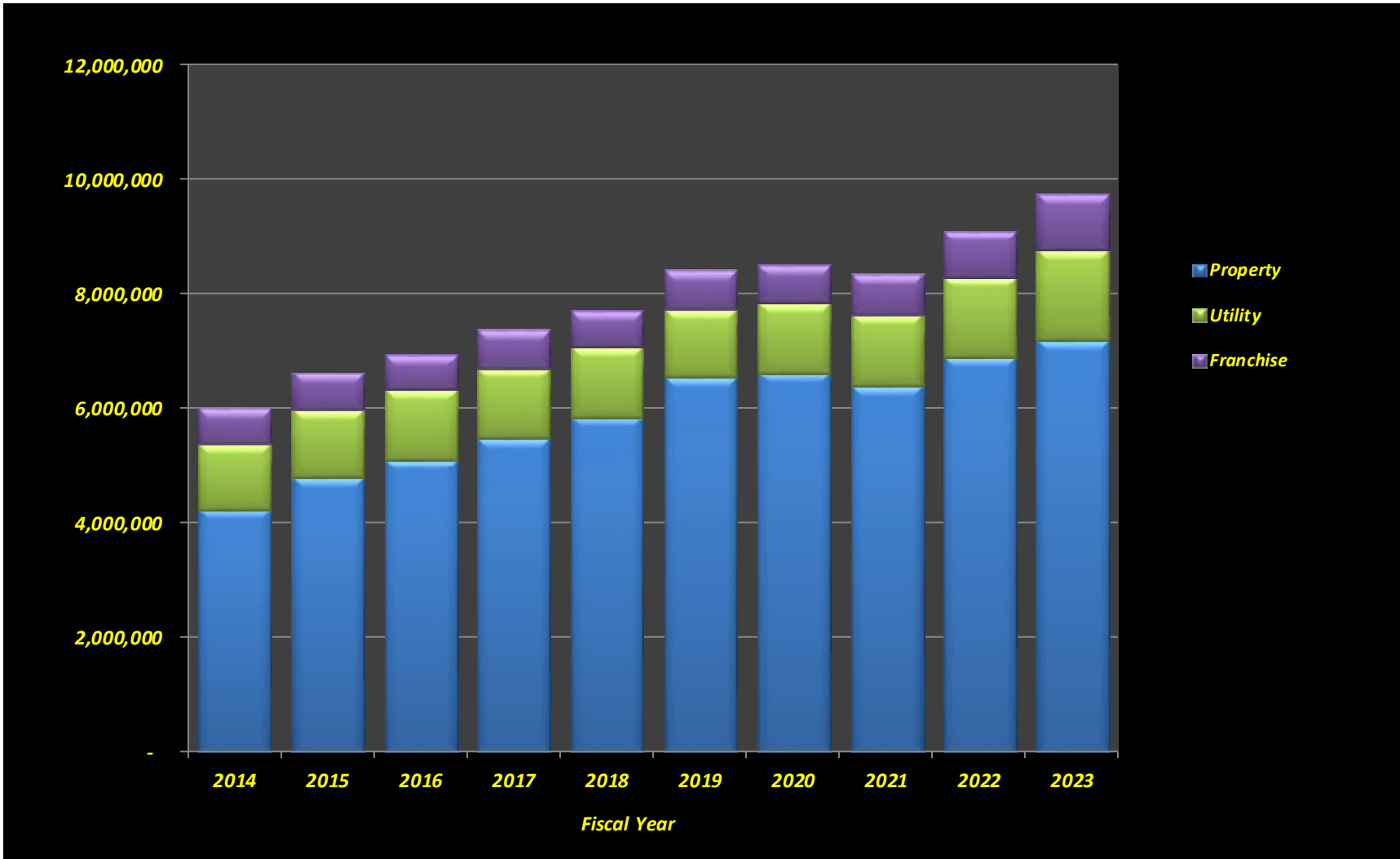
Town of Southwest Ranches, Florida
Tax Revenues by Source - Governmental Funds (Unaudited)
Last Ten Fiscal Years
(modified accrual basis of accounting)

For The Fiscal Year Ended September 30,	Property	Utility	Franchise	Total
Amounts				
2014	\$ 4,245,717	\$ 1,169,184	\$ 616,559	\$ 6,031,460
2015	\$ 4,788,463	\$ 1,212,320	\$ 621,659	\$ 6,622,442
2016	\$ 5,106,037	\$ 1,226,602	\$ 614,039	\$ 6,946,678
2017	\$ 5,495,085	\$ 1,234,734	\$ 643,968	\$ 7,373,787
2018	\$ 5,847,614	\$ 1,238,664	\$ 642,005	\$ 7,728,283
2019	\$ 6,549,630	\$ 1,200,916	\$ 676,184	\$ 8,426,730
2020	\$ 6,633,543	\$ 1,221,282	\$ 668,534	\$ 8,523,359
2021	\$ 6,402,259	\$ 1,265,533	\$ 702,961	\$ 8,370,753
2022	\$ 6,924,854	\$ 1,389,563	\$ 819,237	\$ 9,133,654
2023	\$ 7,205,693	\$ 1,579,571	\$ 969,325	\$ 9,754,589
<i>% Change in Dollars Over 10 Years</i>	69.7%	35.1%	57.2%	61.7%
Percentage of Total				
2014	70.4%	19.4%	10.2%	100.0%
2015	72.3%	18.3%	9.4%	100.0%
2016	73.5%	17.7%	8.8%	100.0%
2017	74.5%	16.7%	8.7%	100.0%
2018	75.7%	16.0%	8.3%	100.0%
2019	77.7%	14.3%	8.0%	100.0%
2020	77.8%	14.3%	7.8%	100.0%
2021	76.5%	15.1%	8.4%	100.0%
2022	75.8%	15.2%	9.0%	100.0%
2023	73.9%	16.2%	9.9%	100.0%

Data Source:

Applicable years' annual comprehensive financial report.

Town of Southwest Ranches, Florida
Chart-Tax Revenues by Source - Governmental Funds (Unaudited)
Last Ten Fiscal Years
(modified accrual basis of accounting)



Town of Southwest Ranches, Florida
General Governmental Expenditures by Function (Unaudited) ¹
Last Ten Fiscal Years
(modified accrual basis of accounting)

Function	For the Fiscal Year Ended September 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Current:										
General government	\$ 1,807,017	\$ 1,866,731	\$ 1,994,770	\$ 2,103,392	\$ 2,253,537	\$ 2,105,598	\$ 2,252,910	\$ 2,364,678	\$ 2,733,108	\$ 3,337,862
Public safety	5,542,038	5,204,208	5,240,374	5,399,088	6,048,944	6,330,072	6,685,048	6,888,724	7,278,890	7,811,807
Community services and development	777,301	859,056	1,020,328	936,647	1,258,271	1,451,377	1,731,518	2,302,502	2,193,755	2,515,673
Parks and recreation	195,826	286,489	357,602	403,085	391,142	386,366	407,633	442,324	510,497	584,448
Transportation	239,077	327,491	342,722	439,493	426,294	451,249	467,192	560,782	614,392	869,393
Emergency services ²	-	-	-	-	51,742	4,244	12,094	39,066	71,940	-
Total Current	8,561,259	8,543,975	8,955,796	9,281,705	10,429,930	10,728,906	11,556,395	12,598,076	13,402,582	15,119,183
% Change From Prior Year	9.5%	-0.2%	4.8%	3.6%	12.4%	2.9%	7.7%	9.0%	6.4%	12.8%
Capital Outlay	606,880	1,059,565	9,854,607	818,929	1,925,534	811,561	980,344	1,393,446	3,265,460	1,412,390
% Change From Prior Year	-43.3%	74.6%	830.1%	-91.7%	135.1%	-57.9%	20.8%	42.1%	134.3%	-56.7%
Debt Service:										
Principal	502,068	509,226	2,164,128	545,808	623,585	650,965	588,432	607,042	819,645	706,764
Interest	219,162	215,478	235,814	379,352	344,898	333,432	317,535	347,153	181,924	210,873
Total Debt Service	721,230	724,704	2,399,942	925,160	968,483	984,397	905,967	954,195	1,001,569	917,637
% Change From Prior Year	-76.8%	0.5%	231.2%	-61.5%	4.7%	1.6%	-8.0%	5.3%	5.0%	-8.4%
Ratio of Total Debt Service to Total Non-Capital Expenditures	7.8%	7.8%	21.1%	9.1%	8.5%	8.4%	7.3%	7.0%	7.0%	5.7%
Total Expenditures	\$ 9,889,369	\$ 10,328,244	\$ 21,210,345	\$ 11,025,794	\$ 13,323,947	\$ 12,524,864	\$ 13,442,706	\$ 14,945,717	\$ 17,669,611	\$ 17,449,210
% Change From Prior Year	-17.5%	4.4%	105.4%	-48.0%	20.8%	-6.0%	7.3%	11.2%	18.2%	-1.2%

Notes:

¹ Includes all governmental fund types.

² Emergency services comprise expenditures resulting from Hurricane Irma for 2018, Hurricane Dorian for 2019 and Covid-19 pandemic for 2020 and 2021.

Data Source:

Applicable years' annual comprehensive financial report.

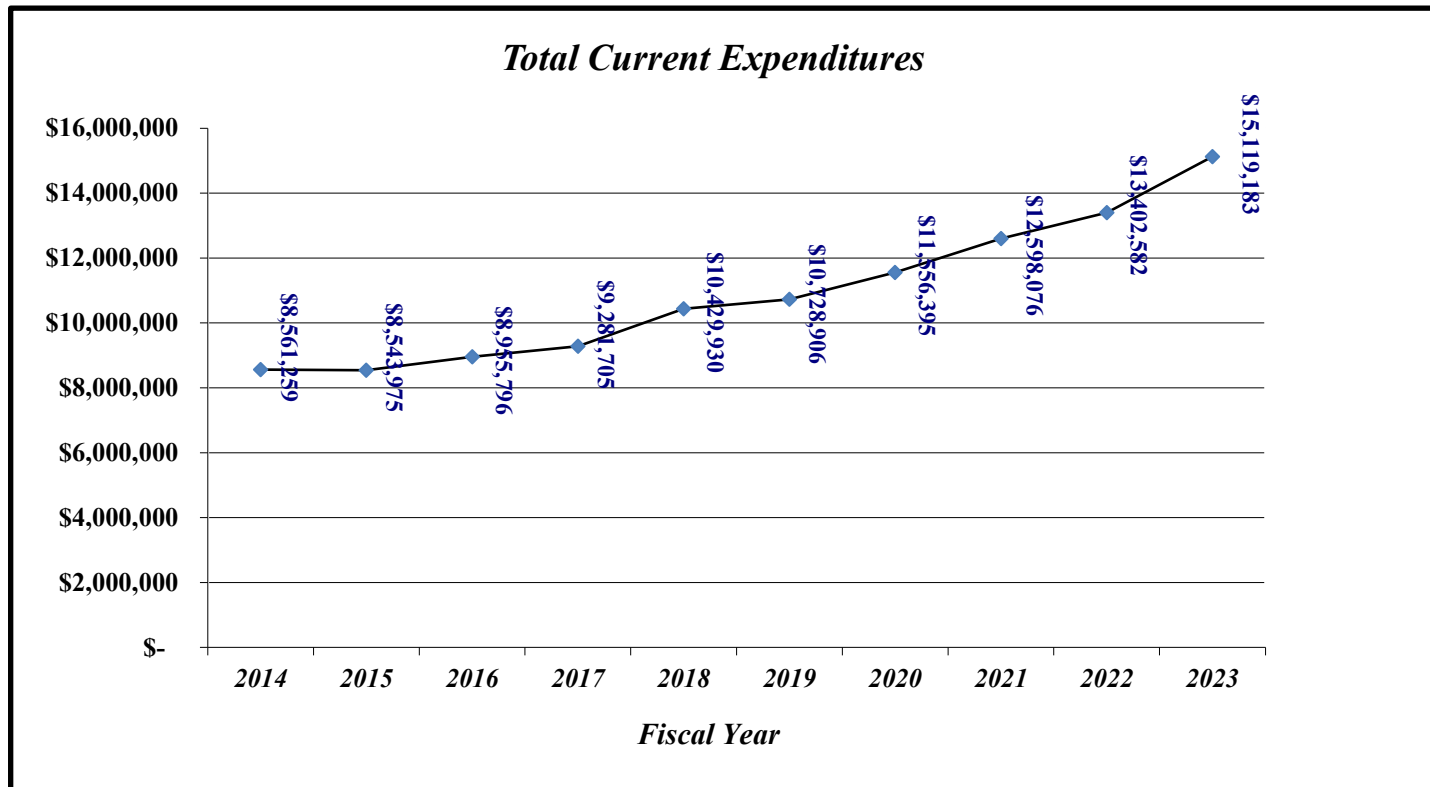
Town of Southwest Ranches, Florida
General Governmental Current Expenditures by Function (Unaudited) ¹
Last Ten Fiscal Years
(modified accrual basis of accounting)

Function	For the Fiscal Year Ended September 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Current Expenditures:										
General government	\$ 1,807,017	\$ 1,866,731	\$ 1,994,770	\$ 2,103,392	\$ 2,253,537	\$ 2,105,598	\$ 2,252,910	\$ 2,364,678	\$ 2,733,108	\$ 3,337,862
Public safety	5,542,038	5,204,208	5,240,374	5,399,088	6,048,944	6,330,072	6,685,048	6,888,724	7,278,890	7,811,807
Community services and development	777,301	859,056	1,020,328	936,647	1,258,271	1,451,377	1,731,518	2,302,502	2,193,755	2,515,673
Parks and recreation	195,826	286,489	357,602	403,085	391,142	386,366	407,633	442,324	510,497	584,448
Transportation	239,077	327,491	342,722	439,493	426,294	451,249	467,192	560,782	614,392	869,393
Emergency services ²	-	-	-	-	51,742	4,244	12,094	39,066	71,940	-
Total Current Expenditures	\$ 8,561,259	\$ 8,543,975	\$ 8,955,796	\$ 9,281,705	\$ 10,429,930	\$ 10,728,906	\$ 11,556,395	\$ 12,598,076	\$ 13,402,582	\$ 15,119,183
Percentage of Total										
Current Expenditures:										
General government	21.1%	21.8%	22.3%	22.7%	21.6%	19.6%	19.5%	18.8%	20.4%	22.1%
Public safety	64.7%	60.9%	58.5%	58.2%	58.0%	59.0%	57.8%	54.7%	54.3%	51.7%
Community services and development	9.1%	10.1%	11.4%	10.1%	12.1%	13.5%	15.0%	18.3%	16.4%	16.6%
Parks and recreation	2.3%	3.4%	4.0%	4.3%	3.8%	3.6%	3.5%	3.5%	3.8%	3.9%
Transportation	2.8%	3.8%	3.8%	4.7%	4.1%	4.2%	4.0%	4.5%	4.6%	5.8%
Emergency services ²	0.0%	0.0%	0.0%	0.0%	0.5%	0.0%	0.1%	0.3%	0.5%	0.0%
Total Current Expenditures	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Notes:
¹ Includes all governmental fund types.
² Emergency services comprise expenditures resulting from Hurricane Irma for 2018, Hurricane Dorian for 2019 and Covid-19 pandemic for 2020 and 2021.

Data Source:
Applicable years' annual comprehensive financial report.

Town of Southwest Ranches, Florida
Chart-Total General Governmental Current Expenditures by Function (Unaudited)
Last Ten Fiscal Years
(modified accrual basis of accounting)



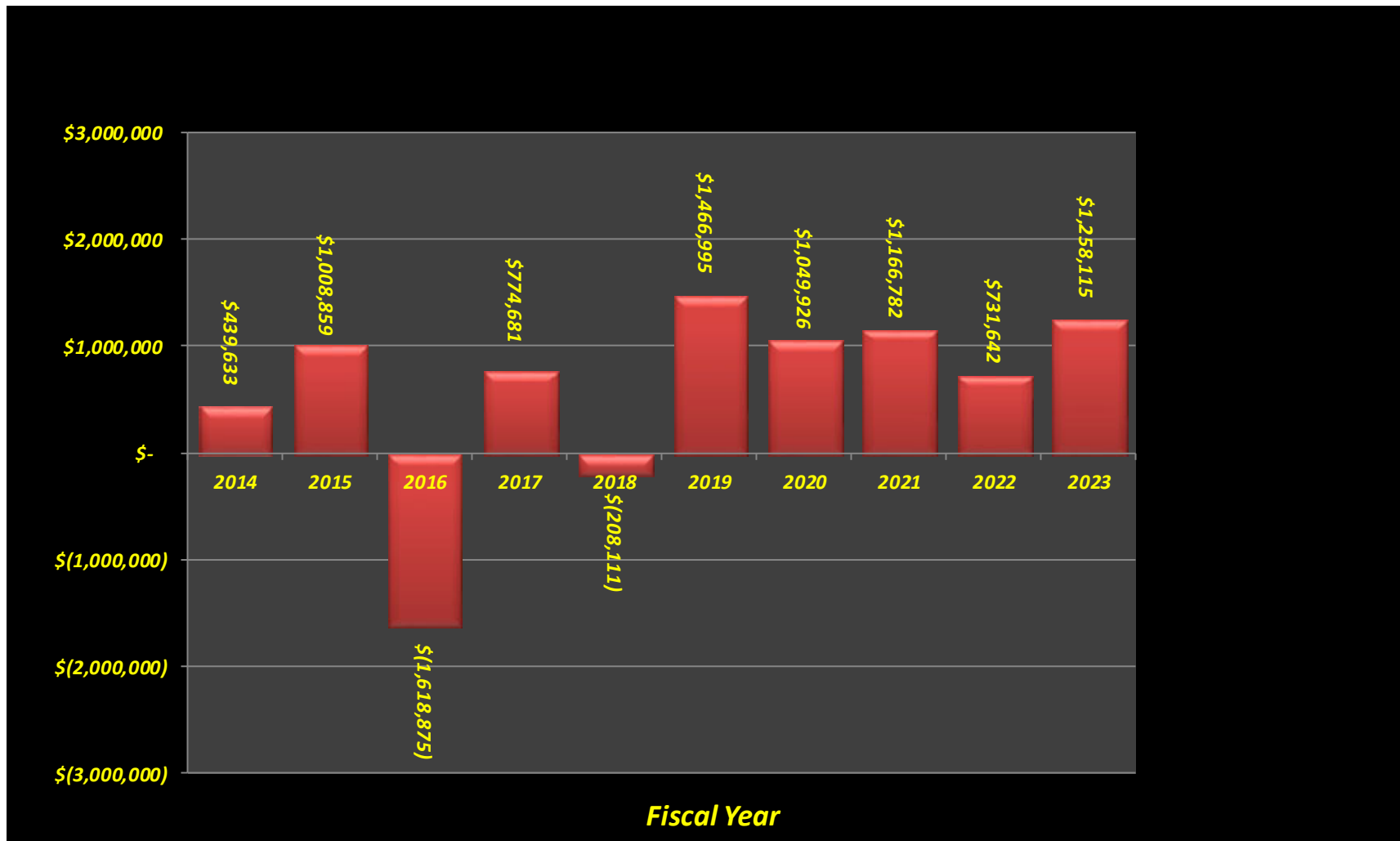
Town of Southwest Ranches, Florida
Summary of Changes in Fund Balances - Governmental Funds (Unaudited)
Last Ten Fiscal Years
(modified accrual basis of accounting)

	For the Fiscal Year Ended September 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Total Revenues	\$ 10,145,675	\$ 10,961,770	\$ 11,655,642	\$ 11,595,048	\$ 12,749,126	\$ 13,850,799	\$ 14,271,340	\$ 15,848,582	\$ 18,158,221	\$ 18,424,200
Total Expenditures	9,889,369	10,328,244	21,210,345	11,025,794	13,323,947	12,524,864	13,442,706	14,945,717	17,669,611	17,449,210
Excess (Deficiency) of Revenues Over (Under) Expenditures	256,306	633,526	(9,554,703)	569,254	(574,821)	1,325,935	828,634	902,865	488,610	974,990
Other Financing Sources (Uses):										
Other items, net	-	206,500	7,750,000	-	140,945	-	-	-	-	-
Transfers in	1,557,874	1,938,626	4,287,055	2,346,797	2,697,346	2,643,210	2,869,368	2,562,424	2,465,087	1,878,966
Transfers out	(1,374,547)	(1,769,793)	(4,101,227)	(2,141,370)	(2,471,581)	(2,502,150)	(2,648,076)	(2,298,507)	(2,222,055)	(1,595,841)
Total Other Financing Sources (Uses)	183,327	375,333	7,935,828	205,427	366,710	141,060	221,292	263,917	243,032	283,125
Net Change in Fund Balances	\$ 439,633	\$ 1,008,859	\$ (1,618,875)	\$ 774,681	\$ (208,111)	\$ 1,466,995	\$ 1,049,926	\$ 1,166,782	\$ 731,642	\$ 1,258,115

Data Source:

Applicable years' annual comprehensive financial report.

Town of Southwest Ranches, Florida
Chart-Changes in Fund Balances - Governmental Funds (Unaudited)
Last Ten Fiscal Years
(modified accrual basis of accounting)



**Town of Southwest Ranches, Florida
Fund Balances - Governmental Funds (Unaudited)
Fiscal Year 2023 and Nine Years Prior
(modified accrual basis of accounting)**

	September 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund:										
Nonspendable:										
Prepaid items	\$ 27,058	\$ 28,763	\$ 28,382	\$ 29,569	\$ 30,250	\$ 30,858	\$ 48,517	\$ 36,944	\$ 44,515	\$ 18,451
Leases										
Inventory/assets held for resale	482,720	482,720	482,720	482,720	359,210	359,210	359,210	359,210	15,753	37,805
Total nonspendable	509,778	511,483	511,102	512,289	389,460	390,068	407,727	396,154	419,478	415,466
Restricted for:										
Fire control and rescue services	128,291	308,982	363,897	484,719	423,679	335,061	292,113	91,977	375,742	292,585
Public safety	11,020	12,550	6,470	7,579	7,579	8,553	8,553	4,175	4,175	4,175
Building	-	-	181,033	178,979	196,796	204,859	210,004	253,675	364,136	999,393
Total restricted	139,311	321,532	551,400	671,277	628,054	548,473	510,670	349,827	744,053	1,296,153
Committed for:										
Tree preservation	3,086	3,086	-	-	1,229	1,229	1,229	1,229	1,229	1,229
Capital projects	-	-	-	20,324	20,324	20,324	4,380	60,894	322,800	363,316
Total committed	3,086	3,086	-	20,324	21,553	21,553	5,609	62,123	324,029	364,545
Assigned for:										
Capital projects	-	-	-	-	-	-	17,500	-	17,500	35,000
Total assigned	-	-	-	-	-	-	17,500	-	17,500	35,000
Unassigned	3,830,892	4,365,118	2,484,910	2,704,947	2,790,184	3,939,370	4,153,041	5,525,870	5,826,415	6,654,876
Total General Fund	\$ 4,483,067	\$ 5,201,219	\$ 3,547,412	\$ 3,908,837	\$ 3,829,251	\$ 4,899,464	\$ 5,094,547	\$ 6,333,974	\$ 7,331,475	\$ 8,766,040
<i>General Fund % Change From Prior Year</i>	<u>12.3%</u>	<u>16.0%</u>	<u>-31.8%</u>	<u>10.2%</u>	<u>-2.0%</u>	<u>27.9%</u>	<u>4.0%</u>	<u>24.3%</u>	<u>15.7%</u>	<u>19.6%</u>
All Other Governmental Funds:										
Nonspendable:										
Prepaid items	\$ 3,857	\$ 1,574	\$ 2,242	\$ 2,534	\$ 2,613	\$ 3,574	\$ 4,167	\$ 4,390	\$ 5,258	\$ 2,056
Total nonspendable	3,857	1,574	2,242	2,534	2,613	3,574	4,167	4,390	5,258	2,056
Restricted for:										
Transportation	389,361	331,973	636,587	537,821	758,804	710,632	398,610	550,549	1,152,585	281,965
Fire control and rescue services	70,977	281,656	161,137	168,937	37,036	46,136	39,024	33,524	11,286	41,262
Capital projects	-	-	-	-	20,411	-	-	-	-	-
Total restricted	460,338	613,629	797,724	706,758	816,251	756,768	437,634	584,073	1,163,871	323,227
Committed for:										
Capital projects	209,053	359,943	149,213	224,661	217,088	458,204	64,738	1,137,012	315,116	1,493,973
Transportation	-	-	129,678	593,825	291,955	522,639	1,922,934	276,725	259,341	256,066
Total committed	209,053	359,943	278,891	818,486	509,043	980,843	1,987,672	1,413,737	574,457	1,750,039
Assigned to:										
Debt service	28,448	36,534	12,079	25,266	168,819	124,143	217,623	568,639	572,406	74,372
Capital projects	269,077	249,800	205,476	156,624	84,417	112,597	185,672	189,284	178,272	168,120
Total assigned	297,525	286,334	217,555	181,890	253,236	236,740	403,295	757,923	750,678	242,492
Total All Other Governmental Funds	\$ 970,773	\$ 1,261,480	\$ 1,296,412	\$ 1,709,668	\$ 1,581,143	\$ 1,977,925	\$ 2,832,768	\$ 2,760,123	\$ 2,494,264	\$ 2,317,814
<i>All Other Governmental Funds % Change From Prior Year</i>	<u>-5.2%</u>	<u>29.9%</u>	<u>2.8%</u>	<u>31.9%</u>	<u>-7.5%</u>	<u>25.1%</u>	<u>43.2%</u>	<u>-2.6%</u>	<u>-9.6%</u>	<u>-7.1%</u>
Total Governmental Funds	\$ 5,453,840	\$ 6,462,699	\$ 4,843,824	\$ 5,618,505	\$ 5,410,394	\$ 6,877,389	\$ 7,927,315	\$ 9,094,097	\$ 9,825,739	\$ 11,083,854
<i>All Governmental Funds % Change From Prior Year</i>	<u>8.8%</u>	<u>18.5%</u>	<u>-25.0%</u>	<u>16.0%</u>	<u>-3.7%</u>	<u>27.1%</u>	<u>15.3%</u>	<u>14.7%</u>	<u>8.0%</u>	<u>12.8%</u>
Data Source:										
Applicable years' annual comprehensive financial report.										

**Town of Southwest Ranches, Florida
Taxable Assessed Value - Real and Personal Property (Unaudited)
Last Ten Fiscal Years**

Fiscal Year	Real Property				Personal Property	Less: Tax Exemptions	Total Taxable Assessed Value	Total Annual Percentage Change	Town Direct Tax Rate ²	Total Estimated Market Value	Total Taxable Assessed Value as a Percentage of Market Value
	Residential Property	Commercial Property	Agricultural Property	Other ¹							
2014	\$ 1,000,893,470	\$ 46,589,150	\$ 121,841,100	\$ 164,026,390	\$ 45,912,186	\$ 260,832,475	\$ 1,118,429,821	-0.71%	3.9042	\$ 1,730,622,616	64.63%
2015	\$ 1,051,905,200	\$ 49,605,590	\$ 113,472,180	\$ 176,639,690	\$ 42,117,640	\$ 253,470,692	\$ 1,180,269,608	5.53%	3.9404	\$ 1,813,245,860	65.09%
2016	\$ 1,115,305,220	\$ 47,143,840	\$ 103,491,530	\$ 185,956,010	\$ 45,036,741	\$ 266,153,221	\$ 1,230,780,120	4.28%	4.2719	\$ 1,880,663,050	65.44%
2017	\$ 1,173,456,760	\$ 49,986,360	\$ 109,225,190	\$ 178,296,050	\$ 48,718,150	\$ 274,686,748	\$ 1,284,995,762	4.40%	4.3354	\$ 2,048,999,020	62.71%
2018	\$ 1,226,324,800	\$ 52,081,760	\$ 120,626,080	\$ 186,344,830	\$ 52,742,316	\$ 277,947,879	\$ 1,360,171,907	5.85%	4.4629	\$ 2,207,484,810	61.62%
2019	\$ 1,275,280,790	\$ 50,405,780	\$ 131,012,770	\$ 184,158,150	\$ 58,308,572	\$ 289,659,456	\$ 1,409,506,606	3.63%	4.4629	\$ 2,284,562,510	61.70%
2020	\$ 1,351,611,690	\$ 48,184,430	\$ 126,926,360	\$ 183,769,350	\$ 56,521,526	\$ 291,616,499	\$ 1,475,396,857	4.67%	4.8311	\$ 2,331,197,510	63.29%
2021	\$ 1,402,057,710	\$ 51,034,590	\$ 150,030,100	\$ 185,377,390	\$ 63,033,998	\$ 291,732,929	\$ 1,559,800,859	5.72%	4.6564	\$ 2,420,182,200	64.45%
2022	\$ 1,512,985,920	\$ 50,840,730	\$ 159,211,400	\$ 188,024,290	\$ 63,123,561	\$ 297,724,788	\$ 1,676,461,113	7.48%	4.2500	\$ 2,612,747,240	64.16%
2023	\$ 1,752,956,050	\$ 54,726,140	\$ 158,560,690	\$ 195,638,200	\$ 66,951,439	\$ 313,495,090	\$ 1,915,337,429	14.25%	3.9000	\$ 3,198,771,260	59.88%
*	\$ 1,286,277,761	\$ 50,059,837	\$ 129,439,740	\$ 182,823,035	\$ 54,246,613	\$ 281,731,978	\$ 1,421,115,008			\$ 2,252,847,608	63.08%
**	75.1%	17.5%	30.1%	19.3%	45.8%	20.2%	71.3%				

* Dollar average for ten years.

** Percentage change in dollars over ten years.

Notes:

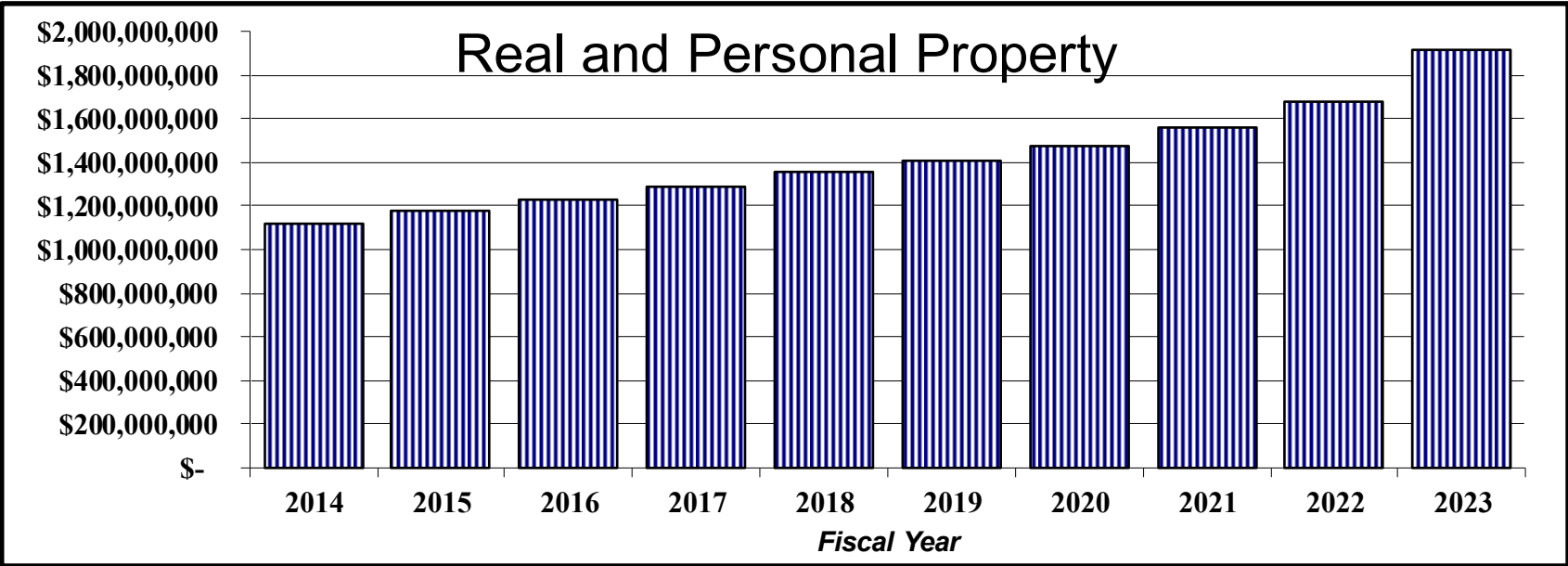
¹ Other includes: industrial, institutional, government, and miscellaneous.

² Tax rates expressed in rate per \$1,000.

Data Source:

Broward County Property Appraiser's Office.

Town of Southwest Ranches, Florida
Chart-Total Taxable Assessed Value (Unaudited)
Last Ten Fiscal Years
(modified accrual basis of accounting)



**Town of Southwest Ranches, Florida
Direct and Overlapping Property Tax Rates (Unaudited)
Last Ten Fiscal Years
(rate per \$1,000 of assessed taxable value)**

Fiscal Year	Overlapping Rates ¹													
	Town of Southwest Ranches			Broward County			Broward County School Board			South Florida Water	Children's Services	South Broward Hospital	Total Direct and Overlapping	
	Operating Millage	TSDOR Millage ²	Total Town Millage	Operating Millage	Debt Service Millage	Total County Millage	Operating Millage	Debt Service Millage	Total School Millage	Management District	FIN District ³	Council	District	Millage
2014	3.9404	-	3.9404	5.4400	0.2830	5.7230	7.4800	-	7.4800	0.4110	0.0345	0.4882	0.4000	18.4771
2015	3.9404	0.3315	4.2719	5.4584	0.2646	5.7230	7.4380	-	7.4380	0.3842	0.0345	0.4882	0.1863	18.5261
2016	3.9404	0.3950	4.3354	5.4741	0.2489	5.7230	7.2030	0.0710	7.2740	0.3551	0.0320	0.4882	0.1737	18.3814
2017	4.0579	0.4050	4.4629	5.4474	0.2216	5.6690	6.8360	0.0703	6.9063	0.3307	0.0320	0.4882	0.1615	18.0506
2018	4.1017	0.3612	4.4629	5.4623	0.2067	5.6690	6.4740	0.0654	6.5394	0.3100	0.0320	0.4882	0.1496	17.6511
2019	4.4969	0.3342	4.8311	5.4792	0.1898	5.6690	6.2750	0.1279	6.4029	0.2936	0.0320	0.4882	0.1414	17.8582
2020	4.2125	0.4439	4.6564	5.4878	0.1812	5.6690	6.6350	0.1043	6.7393	0.2795	0.0320	0.4882	0.1260	17.9904
2021	4.2500	-	4.2500	5.4999	0.1691	5.6690	6.4140	0.0912	6.5052	0.2675	0.0320	0.4882	0.1199	17.3318
2022	4.2500	-	4.2500	5.5134	0.1556	5.6690	6.3180	0.1441	6.4621	0.2572	0.0320	0.4699	0.1144	17.2546
2023	3.9000	-	3.9000	5.5306	0.1384	5.6690	5.9510	0.1873	6.1383	0.2301	0.0320	0.4500	0.1010	16.5204

Notes:

¹ Overlapping rates are those of governments that overlap the Town's geographic boundaries.

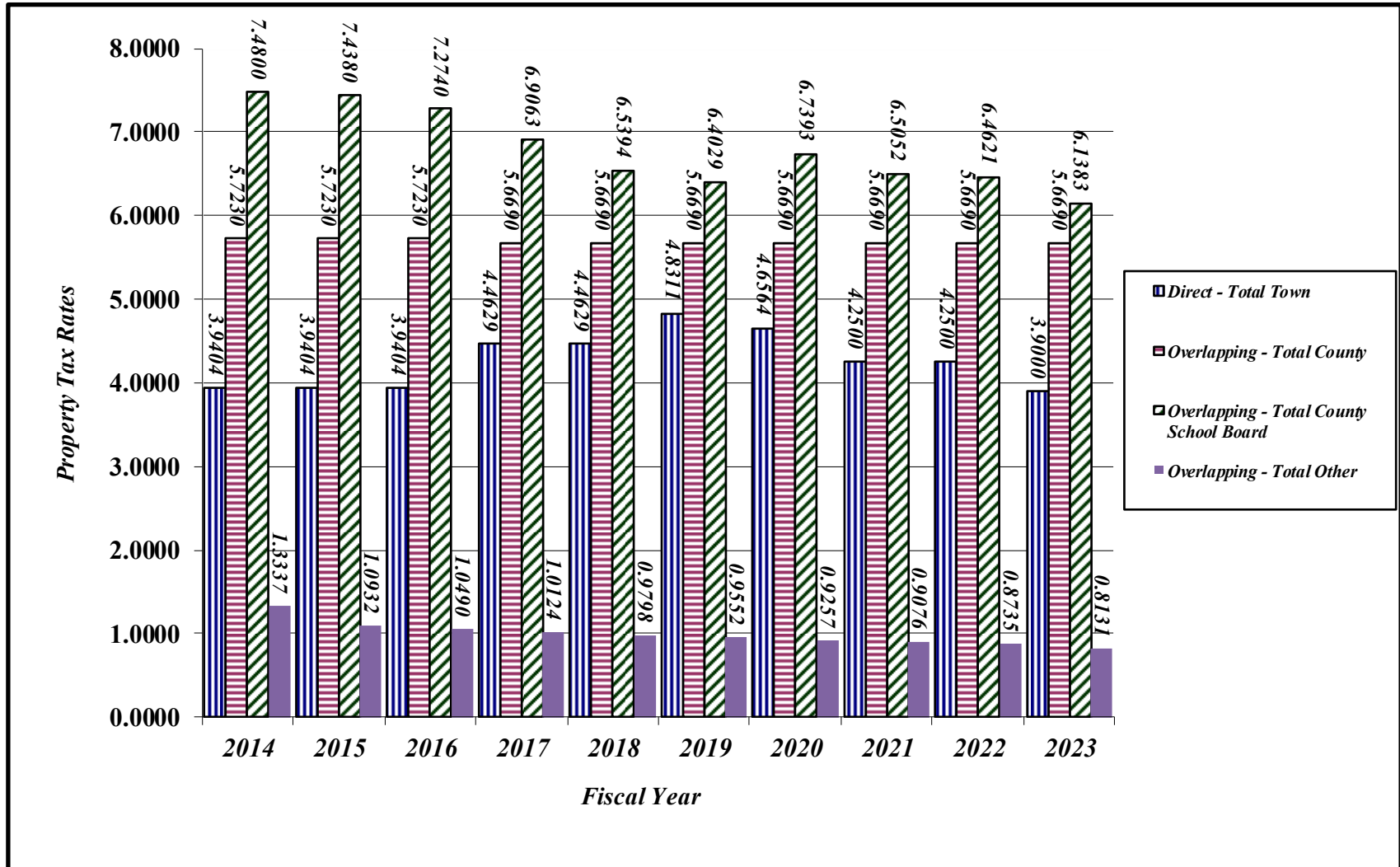
² TSDOR = Transportation Surface and Drainage Ongoing Rehabilitation Capital Improvement Project commenced in FY 2015.

³ Florida Inland Navigational District.

Data Source:

Broward County Property Appraiser's Office.

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Town of Southwest Ranches, Florida
Total Property Tax Levies and Collections (Unaudited)
Last Ten Fiscal Years

Fiscal Year	Total Taxes Levy for Fiscal Year	Collected Within the Fiscal Year of the Levy ¹		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount Collected	Percentage of Levy
2014	\$ 4,433,004	\$ 4,389,935	99.03%	\$ (9,075)	\$ 4,380,860	98.82%
2015	\$ 5,142,216	\$ 4,964,524	96.54%	\$ 4,778	\$ 4,969,302	96.64%
2016	\$ 5,412,895	\$ 5,285,675	97.65%	\$ 7,547	\$ 5,293,222	97.79%
2017	\$ 5,800,986	\$ 5,687,676	98.05%	\$ 17,984	\$ 5,705,660	98.36%
2018	\$ 6,181,457	\$ 6,045,637	97.80%	\$ 20,070	\$ 6,065,707	98.13%
2019	\$ 6,832,483	\$ 6,783,089	99.28%	\$ 33,210	\$ 6,816,299	99.76%
2020	\$ 6,913,163	\$ 6,838,577	98.92%	\$ 21,699	\$ 6,860,276	99.23%
2021	\$ 6,667,117	\$ 6,624,273	99.36%	\$ 24,930	\$ 6,649,203	99.73%
2022	\$ 7,161,529	\$ 7,132,588	99.60%	\$ -	\$ 7,132,588	99.60%
2023	\$ 7,509,698	\$ 7,465,259	99.41%	\$ -	\$ 7,465,259	99.41%

Notes:

¹ Includes discount taken for early payment of property taxes and current year refunds.

Data Source:

Broward County Property Appraiser's Office.

**Town of Southwest Ranches, Florida
Principal Real Property Taxpayers (Unaudited)
Current Year and Nine Years Prior**

FY 2023				FY 2014			
Principal Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Principal Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Coquina Station LLC	\$ 21,716,460	1	1.17%	Lowes Home Centers, Inc.	\$ 14,696,110	1	1.37%
Lowes Home Centers, Inc.	11,577,070	2	0.63%	US Retail Income Fund	10,988,400	2	1.02%
Cubessmart LP	10,043,300	3	0.54%	Cubessmart	5,004,280	3	0.47%
Moses, Raymond & Baidwatte	6,621,120	4	0.36%	Raymond and Baidwatte Moses	4,819,840	4	0.45%
Necuze, Gerrardo, & Marcia	6,458,190	5	0.35%	Wayne Peta, Gay & Reginald	4,338,240	5	0.40%
Pintaluga, Eric & Robyn	6,373,720	6	0.34%	Marshall, Brandon	4,051,220	6	0.38%
Asad, Ammad amd Ali	6,170,660	7	0.33%	Florida Power & Light	3,832,260	7	0.36%
White, Michael and Lamar	6,031,120	8	0.33%	MGT Southwest Ranches	3,681,030	8	0.34%
CC Homes	6,010,750	9	0.33%	Sci Funeral Services of Fla	3,453,690	9	0.32%
Capps, Charles & Gisele	5,393,920	10	0.29%	Finkel, Nathan & Jacqueline	3,393,460	10	0.32%
Total Principal Taxpayers	86,396,310		4.67%	Total Principal Taxpayers	58,258,530		5.43%
All Other Taxpayers	1,761,989,680		95.33%	All Other Taxpayers	1,014,259,105		94.57%
Total Taxable Assessed Value	\$ 1,848,385,990		100.00%	Total Taxable Assessed Value	\$ 1,072,517,635		100.00%

Data Source:

Broward County Records, Taxes and Treasury Division.

**Town of Southwest Ranches, Florida
Principal Personal Property Taxpayers (Unaudited)
Current Year and Nine Years Prior**

FY 2023				FY 2014			
Principal Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Principal Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Florida Power and Light Co.	\$ 57,716,397	1	86.21%	Florida Power and Light Co.	\$ 33,376,849	1	72.70%
AT&T Florida (formally Bellsouth Tele)	1,062,360	2	1.59%	Bellsouth Telecommunications	2,063,772	2	4.50%
Lowes Home Centers, Inc.	944,480	3	1.41%	Lowes Home Centers	1,251,727	3	2.73%
Comcast	848,273	4	1.27%	Publix Supermarkets # 619	840,852	4	1.83%
Publix Supermarkets # 619	837,950	5	1.25%	Shell	519,867	5	1.13%
Macquarie Equip Capital	753,332	6	1.13%	AT& T Mobility	382,561	6	0.83%
AT&T Mobility	573,412	7	0.86%	Kelly Tractor	260,363	7	0.57%
Crown Castle Fiber	416,592	8	0.62%	Applebees	246,727	8	0.54%
Shell Service Station	299,746	9	0.45%	Everbank Commercial	215,168	9	0.47%
Pink and Green	258,415	10	0.39%	Apple Tree Montessori School	208,471	10	0.45%
Total Principal Taxpayers	63,710,957		95.16%	Total Principal Taxpayers	39,366,357		85.74%
All Other Taxpayers	3,240,482		4.84%	All Other Taxpayers	6,545,829		14.26%
Total Taxable Assessed Value	\$ 66,951,439		100.00%	Total Taxable Assessed Value	\$ 45,912,186		100.00%

Data Source:
Broward County Records, Taxes and Treasury Division.

Town of Southwest Ranches, Florida
Ratios of Outstanding Debt by Type (Unaudited)
Last Ten Fiscal Years

Governmental Activity Debt:

September 30,	Florida Municipal Loan Council								TD LOC		Percentage of Personal Income ¹	Total Debt Per Capita
	Loan Series 2001	TD Note Series 2011	TD Note Series 2013	Centennial Loan Payable	Capital Lease	TD Note Payable	TD Note Series 2016	TD Note Series 2021	Series 2018 SW Fund & Gov't Funds	Total		
2014	\$ 1,640,000	\$ 1,878,854	\$ 2,475,100	\$ 634,217	\$ 16,476	\$ -	\$ -	\$ -	\$ -	\$ 6,644,647	0.0089%	\$ 866
2015	\$ 1,640,000	\$ 1,641,204	\$ 2,292,900	\$ 561,316	\$ -	\$ 206,500	\$ -	\$ -	\$ -	\$ 6,341,920	0.0082%	\$ 817
2016	\$ -	\$ 1,397,000	\$ 2,108,500	\$ 485,506	\$ -	\$ 186,786	\$ 7,750,000	\$ -	\$ -	\$ 11,927,792	0.0074%	\$ 1,519
2017	\$ -	\$ 1,146,061	\$ 1,917,300	\$ 406,540	\$ -	\$ 162,082	\$ 7,750,000	\$ -	\$ -	\$ 11,381,983	0.0137%	\$ 1,442
2018	\$ -	\$ 888,201	\$ 1,724,500	\$ 324,526	\$ -	\$ 136,746	\$ 7,750,000	\$ -	\$ 75,370	\$ 10,899,343	0.0125%	\$ 1,370
2019	\$ -	\$ 623,229	\$ 1,525,400	\$ 238,988	\$ -	\$ 110,761	\$ 7,750,000	\$ -	\$ -	\$ 10,248,378	0.0114%	\$ 1,284
2020	\$ -	\$ 350,949	\$ 1,324,900	\$ 149,986	\$ -	\$ 84,111	\$ 7,750,000	\$ -	\$ -	\$ 9,659,946	0.0100%	\$ 1,214
2021	\$ -	\$ 71,159	\$ 1,117,800	\$ 57,166	\$ -	\$ 56,779	\$ -	\$ 7,750,000	\$ -	\$ 9,052,904	0.0088%	\$ 1,139
2022	\$ -	\$ -	\$ 904,500	\$ -	\$ -	\$ 28,762	\$ -	\$ 7,299,997	\$ -	\$ 8,233,259	0.0064%	\$ 1,071
2023	\$ -	\$ -	\$ 685,600	\$ -	\$ -	\$ 0	\$ -	\$ 6,840,907	\$ -	\$ 7,526,507	{i}	\$ 999

Business-Type Activity Debt:²

2018	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,655,855	\$ 3,655,855	0.0038%	\$ 459
2021	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,761,698	\$ 1,761,698	0.0017%	\$ 221
2022	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -
2023	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -

Notes:

¹ The percentage of personal income is based on personal income for Broward County since personal income for the Town is not available.

² Business-Type Activity Debt did not exist prior to 2018 or after FY 2020

Data Source:

Applicable years' annual comprehensive financial report.

{i} Information not available from County.

**Town of Southwest Ranches, Florida
Debt Service Anti-Dilution Coverages (Unaudited)
(Amounts in thousands)**

Fiscal Years 2023, 2022, 2021, 2020, 2019, 2018, 2017, 2016, 2015, and 2014

TD 2021 Note Payable, 2018 Emergency Line of Credit, Notes Payable Series 2013 and 2011

Test of Prior Two Year Average of Non Advalorem Revenues:

										*****/Maximum Additional Bond Test/*****				
	Average Adjusted Non-Advalorem Revenues	Adjusted Essential Expenditures	Net Non-Advalorem Revenues Available for Debt Service	Total Annual Debt Service	Debt Service Coverage Ratio	Coverage Required	Excess Coverage	Total Max Annual Debt Service	Net Cash Flow	Debt Service Coverage Ratio	Coverage Required	Excess Coverage		
2023	\$ 9,365	\$ 3,263	\$ 6,102	\$ 868	7.03 %	1.30 %	5.73 %	\$ 868	\$ 5,234	7.03 %	1.50 %	5.53 %		
2022	\$ 8,948	\$ 2,742	\$ 6,206	\$ 998	6.22 %	1.30 %	4.92 %	\$ 998	\$ 5,208	6.22 %	1.50 %	4.72 %		
2021	\$ 7,952	\$ 2,338	\$ 5,614	\$ 907	6.19 %	1.30 %	4.89 %	\$ 998	\$ 4,616	5.63 %	1.50 %	4.13 %		

TD 2018 Emergency Line of Credit, Notes Payable Series 2016, 2013 and 2011

Test of Prior Two Year Average of Non Advalorem Revenues:

										*****/Maximum Additional Bond Test/*****				
	Average Adjusted Non-Advalorem Revenues	Adjusted Essential Expenditures	Net Non-Advalorem Revenues Available for Debt Service	Total Annual Debt Service	Debt Service Coverage Ratio	Coverage Required	Excess Coverage	Total Max Annual Debt Service	Net Cash Flow	Debt Service Coverage Ratio	Coverage Required	Excess Coverage		
2020	\$ 6,899	\$ 1,873	\$ 5,026	\$ 922	5.45 %	1.30 %	4.15 %	\$ 1,157	\$ 3,869	4.34 %	1.50 %	2.84 %		
2019	\$ 6,577	\$ 2,000	\$ 4,577	\$ 1,026	4.46 %	1.30 %	3.16 %	\$ 1,263	\$ 3,314	3.62 %	1.50 %	2.12 %		
2018	\$ 5,897	\$ 2,083	\$ 3,814	\$ 953	4.00 %	1.30 %	2.70 %	\$ 1,386	\$ 2,428	2.75 %	1.50 %	1.25 %		
2017	\$ 5,634	\$ 1,936	\$ 3,698	\$ 925	4.00 %	1.30 %	2.70 %	\$ 1,152	\$ 2,546	3.21 %	1.50 %	1.71 %		
2016	\$ 5,706	\$ 2,076	\$ 3,630	\$ 724	5.01 %	1.30 %	3.71 %	\$ 1,152	\$ 2,478	3.15 %	1.50 %	1.65 %		

TD Notes Payable Series 2013 and 2011 - modified above during FY 2016 pursuant to TD Series 2016 issuance

										*****/Maximum Additional Bond Test/*****				
	Non-Advalorem Revenues Available for Debt Service	Total Annual Debt Service	Net Cash Flow	Debt Service Coverage Ratio	Coverage Required	Excess Coverage	Total Max Annual Debt Service	Net Cash Flow	Debt Service Coverage Ratio	Coverage Required	Excess Coverage			
2015	\$ 1,937	\$ 723	\$ 1,214	2.68 %	1.30 %	1.38 %	\$ 734	\$ 1,203	2.64 %	1.50 %	1.14 %			
2014	\$ 1,524	\$ 720	\$ 804	2.12 %	1.30 %	0.82 %	\$ 723	\$ 801	2.11 %	1.50 %	0.61 %			
2013	\$ 1,842	\$ 712	\$ 1,130	2.59 %	1.30 %	1.29 %	\$ 723	\$ 1,119	2.55 %	1.50 %	1.05 %			

FMLC Loan Payable Series 2001 - retired during FY 2016

A. Test of Prior Two Year Average of Non Advalorem Revenues:

	Average Adjusted Non-Advalorem Revenues	Adjusted Essential Expenditures	Net Non-Advalorem Revenues Available for Debt Service	Total Max Annual Debt Service	Debt Service Coverage Ratio	Coverage Required	Excess Coverage
2015	\$ 5,792	\$ 2,488	\$ 3,304	\$ 734	450.12 %	150.00 %	300.12 %
2014	\$ 5,362	\$ 2,526	\$ 2,836	\$ 723	392.19 %	150.00 %	242.19 %
2013 ¹	\$ 4,970	\$ 2,368	\$ 2,602	\$ 723	359.89 %	150.00 %	209.89 %

B. Projected Maximum annual debt service does not exceed 20% of Governmental Fund Revenues:

	Two Year Avg. Net total Governmental Funds Revenue	Total Max Annual Debt Service	Debt Service Coverage Percentage	Maximum Allowed Percentage	Excess Percentage
2015	\$ 11,376	\$ 734	6.45 %	20.00 %	13.55 %
2014	\$ 10,192	\$ 723	7.09 %	20.00 %	12.91 %
2013 ¹	\$ 9,369	\$ 723	7.72 %	20.00 %	12.28 %

Notes:

¹ 2013 is the oldest data readily available.

Data Source:

Applicable years' annual comprehensive financial reports and appropriate loan documentation.

**Town of Southwest Ranches, Florida
Overlapping Governmental Activities Debt (Unaudited)
September 30, 2023**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ¹</u>	<u>Estimated Share of Underlying Debt</u>
Overlapping Debt^{1, 2}			
Broward County	\$ 40,973,605	0.719702%	\$ 294,888
Broward County School Board	2,284,559,000	0.007194%	<u>164,359</u>
Total Overlapping Debt			459,247
Town Direct Debt			<u>7,526,507</u>
Total Direct and Overlapping Debt			<u><u>\$ 7,985,754</u></u>

Notes:

¹ Applicable percentage was estimated by determining the portion of the Town's assessed value that is within the County's geographic boundaries.

Data Source:

² Each specific government.

Town of Southwest Ranches, Florida
Demographic and Economic Statistics (Unaudited)
Last Ten Calendar Years

Calendar Year	Population ¹	(in \$1,000) Total Personal Income ²	Per Capita Personal Income ³	Unemployment Rate		
				County ²	State of Florida ⁴	United States ⁵
2014	7,676	\$ 80,905,552	\$ 44,850	5.2%	6.0%	5.7%
2015	7,761	\$ 85,167,498	\$ 46,607	4.9%	5.3%	5.0%
2016	7,852	\$ 86,987,787	\$ 46,906	4.6%	5.0%	4.9%
2017	7,892	\$ 91,224,860	\$ 48,680	3.3%	3.8%	4.2%
2018	7,958	\$ 95,409,356	\$ 50,269	2.8%	3.5%	3.7%
2019	7,981	\$ 102,145,579	\$ 51,820	2.8%	3.2%	3.5%
2020	7,957	\$ 109,473,926	\$ 56,303	7.8%	7.2%	7.9%
2021	7,951	\$ 124,458,321	\$ 63,649	4.4%	4.8%	4.8%
2022	7,685	\$ 128,520,356	\$ 65,727	2.6%	2.5%	3.5%
2023	7,536	\$ {i}	\$ {i}	3.0%	2.8%	3.8%

Notes:

There are no public schools located within the Town.

Data Sources:

¹ Florida Legislative Office of Economic and Demographic Research
2020 per US Census Bureau.

² Broward County's annual comprehensive financial reports.

³ Broward County total personal income divided by the Broward County population.

⁴ Real Estate Center, <http://recenter.tamu.edu/data/emp/emps/st12.asp>.

⁵ U.S. Department of Labor, Bureau of Labor Statistics, <http://data.bls.gov/cgi-bin/surveymost> & US Census Quick Facts.

{i} Information not available from County

Town of Southwest Ranches, Florida
Principal Employers (Unaudited)
Year Ended September 30, 2023 and 2014

2023			
Employer	Type of Business	Number of Employees	Rank
Archbishop McCarthy High School	Private School	149	1
Lowe's Home Centers, Inc.	Retail	136	2
Publix Supermarkets	Retail	115	3
Romeus Cuban Restaurant	Restaurant	35	4
McDonald's	Restaurant	30	5
Starbucks Coffee Company	Restaurant	28	6
Walgreens	Retail	20	7
Original Pancake House	Restaurant	15	8
Apple Montessori School	Private School	13	9
Crazy Crab Restaurant	Restaurant	10	10
Total Principal Employers		551	

2014			
Employer	Type of Business	Number of Employees	Rank
Archbishop McCarthy High School	Private School	164	1
Lowe's Home Centers, Inc.	Retail	140	2
Publix Supermarkets	Retail	129	3
McDonald's	Restaurant	61	4
Applebee's Neighborhood Grill	Restaurant	40	5
Romeus Cuban Restaurant	Restaurant	39	6
Apple Montessori School	Private School	36	7
Original Pancake House	Restaurant	32	8
Starbucks Coffee Company	Restaurant	31	9
Walgreens	Retail	25	10
Total Principal Employers		697	

Data Source:

Town records.

Town of Southwest Ranches, Florida
Town Full-Time Funded Positions by Function/Program (Unaudited)
Last Ten Fiscal Years

Function/program	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Town Commission	5	5	5	5	5	5	5	5	5	5
General Government:										
Town management	3	3	3	3	3	3	3	3	3	3
Community services ¹ and development	13	13	15	13	13	13	13	13	13	15
Total General Government	16	16	18	16	16	16	16	16	16	18
Contracted Employees:										
General government, management services	4	4	4	4	4	4	4	4	4	4
Fire rescue	50	44	44	46	46	50	50	50	50	35
Emergency medical services	15	15	15	15	15	15	15	15	15	15
Police protection	16	16	16	16	16	16	16	16	16	16
Total Contracted Employees	85	79	79	81	81	85	85	85	85	70
Total	106	100	102	102	102	106	106	106	106	93
Percentage Change From Prior Year	0.0%	-5.7%	2.0%	0.0%	0.0%	3.9%	0.0%	0.0%	0.0%	-12.3%

Notes:

¹ Community services and development includes parks and recreation, community development, transportation, executive, clerk and finance & budget departments.

Data Source:

Town of Southwest Ranches Community Services and development and Finance and Budget Departments.

Town of Southwest Ranches, Florida
Operating Statistics by Function/Program (Unaudited) ¹
Last Ten Fiscal Years

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
GENERAL GOVERNMENT:										
Building Permits Issued ²	407	377	531	566	636	609	625	692	721	601
Building Permits Closed ²	-	-	475	396	533	611	656	567	481	529
Building Inspections Conducted:										
Electrical ²	417	471	472	683	732	1087	1674	1589	1308	1175
Fire ²	17	19	5	8	29	21	231	198	15	36
Mechanical ²	134	246	249	251	201	264	643	663	399	321
Plumbing ²	414	538	482	590	527	843	1618	1647	1311	1266
Structural ²	1526	1818	1624	1965	2282	2824	4425	4928	3624	3070
Zoning ²	74	75	104	153	213	246	573	520	314	357
Other ²	28	24	20	39	109	83	332	205	149	278
Total building inspections	2,610	3,191	2,956	3,689	4,093	5,368	9,496	9,750	7,120	6,503
Certificates of Use Registrations ³	14	2	4	17	1	20	14	13	21	19
Planning & Zoning Permits Issued ³	148	196	230	318	238	317	279	574	375	409
FIRE:										
Emergency Responses ⁴	747	791	912	789	799	648	546	658	831	863
Station 112 Average Response Time ⁴	6:13	5:52	5:10	5:17	5:57	6:42	7:19	7:03	7:20	6:50
Inspections	98	165	84	146	185	202	170	61	168	159
POLICE: ⁵										
Physical arrests	43	43	33	29	33	43	38	38	16	33
Parking violations	-	-	-	3	-	-	71	-	1	-
Traffic violations	2,174	2,416	1,773	1,369	1,673	1,824	1,568	1,571	1,384	2,008
REFUSE COLLECTION: ⁶										
Residential SW- mo. avg in tons	262.29	258.71	257.34	344.16	261.58	257.77	282.79	275.39	342.86	309.13
Residential Recycling - mo. avg in tons	51.20	62.98	64.01	67.46	78.41	76.79	76.35	66.28	64.03	65.16
Residential Bulk - mo. avg in tons	698.53	790.07	719.54	1,283.00	707.96	687.68	736.01	662.29	557.71	610.00
OTHER PUBLIC WORKS:										
Street resurfacing (in miles)	-	-	2.28	-	2.95	-	-	2.50	5.96	0.22
Potholes repaired	93	107	222	224	255	183	164	207	218	193
WATER: ⁷										
New connections	1	3	4	3	10	5	3	4	2	6
Average daily consumption (thousands of gallons)	10.26	10.66	12.16	13.63	13.26	14.46	13.52	-	-	-
Peak monthly consumption (thousands of gallons)	428	417	420	483	502	526	485	-	-	-
General Government Tax Rates:										
Utility Services:										
Electric	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
Communication Services	5.22%	5.22%	5.22%	5.22%	5.22%	5.22%	5.22%	5.22%	5.22%	5.22%
Gas	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
Franchises:										
Electric	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%	5.90%
Solid Waste (commercial)	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
Towing	13%	15%	15%	15%	15%	18%	18%	18%	18%	18%

Notes:¹ Information not presented is unavailable.² Information provided by CAP Government Services Inc.³ Information provided by Code Services Inc. for 2013-2018 and JA Medina LLC for thereafter.⁴ Information since 2013 provided by Town of Davie.⁵ Information provided by Town of Davie (2014-Present) and BSO.⁶ Information provided by Town Contractors. 2013 change from daily average to monthly pertaining to refuse collection.⁷ Information provided by City of Sunrise and Cooper City Public Works. Certain residents obtain their water supply from wells and septic tanks except if they have privately connected with the City of Sunrise or Cooper City.

Town of Southwest Ranches, Florida
Capital Asset Statistics by Function/Program (Unaudited)
Last Ten Fiscal Years

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
FIRE:										
Stations ¹	1	1	1	1	1	1	1	1	1	1
Vehicles owned ¹	3	3	3	3	3	3	3	3	3	3
POLICE:										
Stations ¹	-	-	-	-	-	-	-	-	-	-
Patrol units	16	16	16	16	16	16	16	16	16	16
OTHER PUBLIC WORKS:										
Streets (miles)	82	82	82	82	82	82	82	82	82	82
Streetlights ²	13	13	13	13	13	13	13	13	13	13
Vehicles owned ¹	-	-	2	2	2	2	2	2	2	2
PARKS AND RECREATION:										
Acreage	149.01	149.01	149.01	149.01	149.01	149.01	149.01	149.01	149.01	149.01
Community Center	-	1	1	1	1	1	1	1	1	1
Playgrounds	2	2	2	3	3	3	3	3	3	3
Equestrian ring	2	2	2	2	2	2	2	2	2	2
Picnic pavilion	1	2	2	4	4	5	5	5	5	5
Restroom facilities	1	3	3	3	3	3	3	3	3	3
Nature trails (miles)	1.5	1.5	5	5	5	5	5	5	5	5
Multi-use trails (miles)	17.35	17.35	17.35	17.35	17.35	17.35	17.35	17.35	17.35	17.35
Vehicles owned ¹	-	-	1	1	1	1	1	1	1	1
WATER:										
Water mains (miles) ³	12	12	12	12	12	12	12	12	12	12
Fire wells	286	286	286	286	284	284	291	291	291	309
Fire hydrants ⁴	-	-	-	95	95	95	117	117	117	117
Lakes (acres) ⁵	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0
Canals (miles) ⁶	42.0	42.0	42.0	42.0	42.0	42.0	42.0	42.0	42.0	42.0

Data Sources:

Various Town departments unless otherwise noted.

Notes:

¹ Items not presented, provided by a contractor.

² Only streetlights and traffic signals are on Griffin Road which is owned and maintained by Broward County.

³ Information provided by City of Sunrise Utilities Department. Unable to determine how many miles of water mains have been added since 2005.

⁴ Information provided by Town of Davie Fire Marshall. Fire hydrants owned and maintained by City of Sunrise.

⁵ Information provided by South Broward Drainage District. Unable to obtain information from Central Broward Water Control District.

⁶ Information provided by South Broward Drainage District and Central Broward Water Control District.

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REPORTING SECTION



Submitted by: Karen French

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

To the Honorable Mayor, and Town Council
Town of Southwest Ranches, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Southwest Ranches, Florida (the “Town”), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Town’s basic financial statements, and have issued our report thereon dated March 26, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Town’s internal control.

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town’s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

KEEFE McCULLOUGH

Fort Lauderdale, FL
March 26, 2024

MANAGEMENT LETTER IN ACCORDANCE WITH THE RULES OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

To The Honorable Mayor and Town Council
Town of Southwest Ranches, Florida

Report on the Financial Statements

We have audited the financial statements of the Town of Southwest Ranches, Florida (the “Town”), as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated March 26, 2024.

Auditor’s Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountant’s Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated March 26, 2024, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. There were no findings and recommendations made in the preceding financial audit report.

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. This information is disclosed in Note 1 to the financial statements.

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the Town has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the Town did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for the Town. It is management's responsibility to monitor the Town's financial condition, and our financial condition assessment was based in part on representations made by management and review of financial information provided by same.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, Members of the Town Council, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

KEEFE McCULLOUGH

Fort Lauderdale, FL
March 26, 2024

**INDEPENDENT ACCOUNTANT’S REPORT ON COMPLIANCE WITH
SECTION 218.415, FLORIDA STATUTES**

To The Honorable Mayor and Town Council
Town of Southwest Ranches, Florida

We have examined the Town of Southwest Ranches, Florida’s (the “Town”) compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2023. Management is responsible for the Town’s compliance with the specified requirements. Our responsibility is to express an opinion on the Town’s compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Town complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Town complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on the Town’s compliance with specified requirements.

In our opinion, the Town complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2023.

This report is intended solely for the information and use of Members of the Town Council, management, and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

KEEFE McCULLOUGH

Fort Lauderdale, FL
March 26, 2024

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TOWN OF SOUTHWEST RANCHES, FLORIDA
13400 GRIFFIN ROAD
SOUTHWEST RANCHES, FL 33330
(954) 434-0008
www.southwestranches.org