

PRINCIPAL OFFICIALS

At September 30, 2020

Shelly Petrolia
Mayor

Ryan Boylston
Vice-Mayor

Shirley Johnson
Deputy Vice-Mayor

Adam Frankel
Commissioner

Juli Casale
Commissioner

Jennifer Alvarez
Interim City Manager

Marie Kalka
Finance Director

**We appreciate the opportunity to serve
the City of Delray Beach, Florida.**

*Should you have a question on the City's
Audited Financial Statements or any other
matters, please feel free to call me directly at
832-9292.*

Scott Porter
Audit Partner

The information presented has been derived from the City's Financial Statements and information provided by the City. It is not intended to be a complete financial report under U.S. generally accepted accounting principles.



**CALER, DONTEN, LEVINE,
COHEN, PORTER & VEIL, P.A.**

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CITY OF DELRAY BEACH, FLORIDA



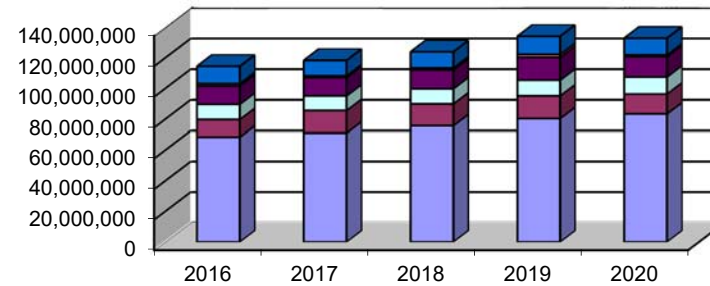
2020 FINANCIAL HIGHLIGHTS

REVENUE AND EXPENSES

REVENUE

The following graph presents General Fund revenues of the City by source for the last five (5) years.

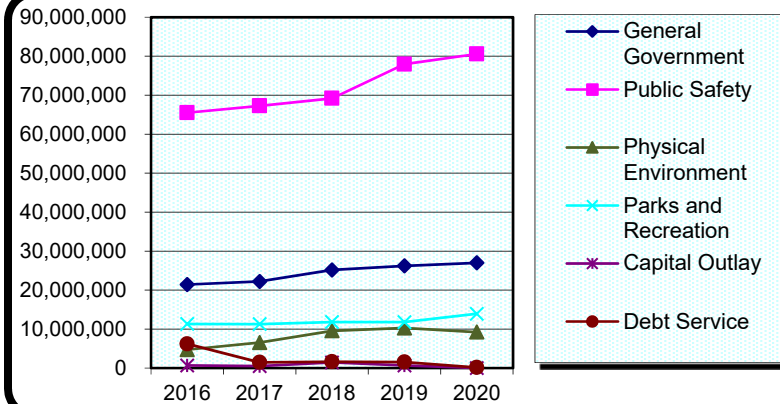
■ Taxes ■ Licenses and Permits ■ Intergovernmental
■ Charges for Services ■ Fines and forfeitures ■ Miscellaneous



- Total General Fund revenues for the year ended September 30, 2020 were approximately \$132.9 million. This represents a decrease of \$1.2 million, or 0.9%, compared with the prior year.
- Total General Fund revenues have increased approximately \$18.3 million, or 16.0%, from 2016. Increases in taxes (\$14,980,000), licenses and permits (\$1,578,000), intergovernmental revenues (\$1,287,000), and charges for services (\$1,300,000), and decreases in fines and forfeitures (\$439,000) and miscellaneous (\$358,000); account for the net increase in total revenues.
- The total assessed value of real and personal property was \$14.859 billion for 2020, an increase of \$3.727 billion, or 33.5%, from 2016.
- The General Fund millage rate adopted for the 2019/2020 fiscal year (6.6611) has decreased 5.7% from 2016 (7.0611). The debt service millage rate decreased from .2756 in 2016 to .2034 in 2020.

EXPENDITURES

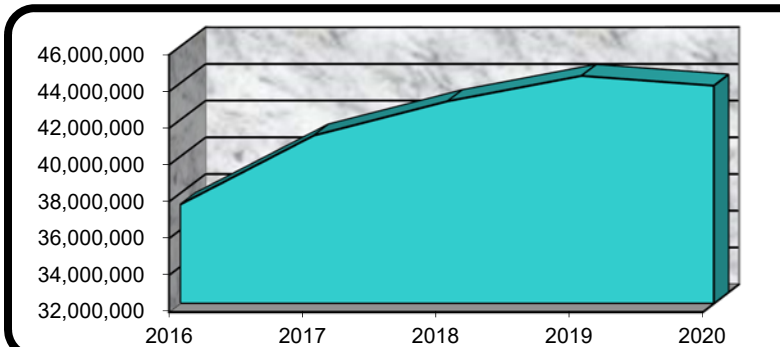
The following graph presents General Fund expenditures of the City by function for the last five (5) years.



- Total General Fund expenditures for the year ended September 30, 2020 were approximately \$130.9 million. This represents an increase of approximately \$2.4 million, or 1.9%, compared with 2019.
- Expenditures over the last five years increased \$21.0 million or 19.1% in total and the City's population increased 10.6%. The increases from 2016 were \$5,567,000 in General Government (26.0%), \$15.1 million in Public Safety (23.0%), \$4.5 million in Physical Environment (95.2%) and \$2.6 million in Parks and Recreation (23.0%). Capital Outlay decreased \$647,000 (96.8%) and Debt Service decreased \$6.1 million (97.5%).
- Public Safety expenditures represent 61.5% of the General Fund total expenditures for 2020 as compared to 59.6% in 2016.
- Expenditures for debt service principal and interest represented 5.9% of total governmental expenditures for all funds in 2020 as compared to 6.8% in 2019 and 10.4% in 2016.

FUND BALANCE

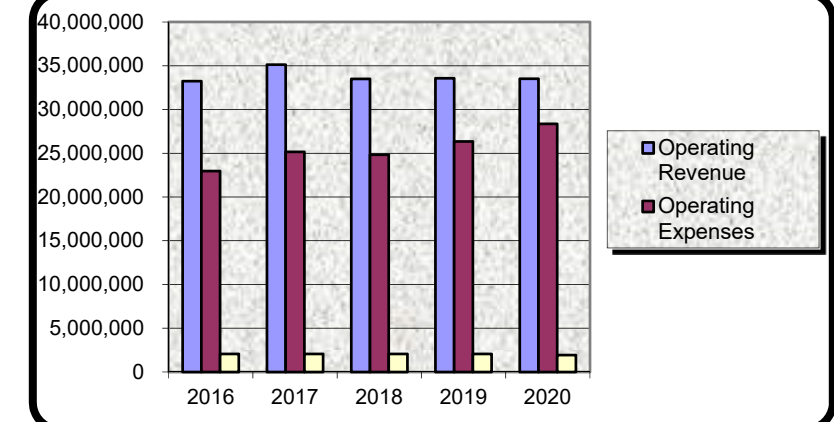
The following graph presents the trend in assigned and unassigned fund balance of the General Fund for the last five (5) years.



- Assigned and unassigned fund balance at September 30, 2020 was \$43,868,522 compared to \$44,403,323 at September 30, 2019.
- Unassigned fund balance was \$37,992,606 and represents 29.0% of the 2020 General Fund expenditures (33.1% in 2019), or approximately 106 days of working capital (121 days in 2019).
- Assigned and unassigned fund balance at September 30, 2020 increased \$6.5 million (17.3%) from 2016 and decreased \$535,000 (1.2%) from 2019.

WATER SYSTEM OPERATIONS

Operations of the water system are financed primarily by revenue from customer charges. The graph provided below compares water revenue, operating expenses, and debt service over the last five (5) years.



- The operating revenue of the utility system for 2020 decreased \$47,000 (0.1%) and operating expenses increased \$2.0 million (7.7%).
- The utility net revenue (excluding depreciation) was 5.2 times debt service for 2020, compared to required debt service coverage of 1.10. Coverage has typically exceeded the required debt service by 5 times since 2016.
- The net cash provided by operations was approximately \$8.5 million for 2020, as compared to \$10.2 million for 2019.
- The water system received cash of approximately \$474,000 for new connections in 2020, as compared to \$386,000 for 2019.
- Cash invested in capital facilities was approximately \$2.4 million in 2020 (\$4.5 million in 2019), which was financed primarily from the existing assets and revenue of the water and sewer system.
- The utility capital assets at September 30, 2020 were approximately \$92.8 million, an increase of \$2.9 million (3.2%) since 2016.