APPROVED

AUDIT ADVISORY BOARD REGULAR MEETING
CITY OF FORT LAUDERDALE
7th Floor Conference Room
Monday, April 23, 2018, 5:00 PM

		Cumulative Attendance 10/1/17 – 9/30/18	
Board Member	**Attendance**	**Present**	**Absent**
Martin Kurtz, Chair	P	3	0
D. Keith Cobb	P	3	0
Paul Czerwonka	P	2	1
Thomas Bradley	P	3	0

Staff Present

Kirk Buffington, Director of Finance
Linda Logan-Short, CFO and Deputy Director, Finance
John Herbst, City Auditor
Laura Garcia, Controller
Laura Reece, Budget Manager
Mike Maier, Director of Information Technology Services
Stacy Spates, Administrative Assistant II, Parks
Dawn Johnson, Senior Accountant, Finance
Pamela Winston, Senior Accountant, Finance
Ashley Feely, Management Analyst, Finance
Linda Picciolo, Board Liaison

Other Attendees

Michelle Blackstock, Crowe Horwath
John Weber, Crowe Horwath

Call to Order

Chairman Kurtz called the meeting to order at 5:00 PM.

Roll Call

At the time of roll call, four (4) appointed members to the Board were present, allowing for a quorum.

Unfinished Business

Chairman Kurtz asked for a motion to move the April 26, 2018 meeting to April 23, 2018. Tom Bradley made the motion and Keith Cobb seconded. The motion passed unanimously and the meeting progressed.

Review of Meeting Minutes for Approval

Chairman Kurtz directed the review of the previous meeting minutes.

Chairman Kurtz asked for a motion to approve the February 26, 2018 meeting minutes as corrected for attendance issue. Tom Bradley made the motion and Keith Cobb seconded. The meeting minutes passed unanimously in a voice vote.

Floor Open for Public Input

Chairman Kurtz opened the floor for public input. No members of the public came forward.

Quarterly Audit Compliance Report – March 2018 - ACTS Update

Chairman Kurtz opened the discussion of the Quarterly Audit Compliance Report for March 2018.

Finance (FIN) – Finance closed two audit findings.

A discussion ensued regarding which department was responsible for maintaining the ACTS findings and reports. It falls under Budget. Items are not removed until the situation is remedied or no longer a concern. Tom Bradley would like the report to include the necessary steps of what is remaining or outstanding in order to close the finding. More details on the status would give the Board a more clear idea of the progress and time required to close the finding.

Cemetery System / Parks and Recreation (PKR) – Stacy Spates gave her update on the Cemetery findings. They are in the early stages of the Master Plan. Keith and Associates is anxious to get started. The entire process will take seven to eight months. The Cemetery Contract RFP was out for nine weeks and the only response was from the current provider. They are now separating the duties to release a stripped down version of the RFP. They are looking to take some duties back and handle in-house. The Cemetery Board has ten members with fixed terms. The City's litigator wants to wait until the forensic audit is complete before filing against current contractor. Stacy would like an inventory of the cemetery equipment. She will work out details with John Herbst. In the past, the City would advance funds for expenses and then the board would vote and reimburse the City. John Herbst has advised that the board can spend directly from the fund. The board is moving forward, although some members still have concerns.

Keith Cobb agreed with Tom Bradley that the reports are difficult to read and analyze. He would like some degree of grading to establish priority or severity of the finding. John Herbst explained that some findings are clear policy, contract, or code violations.

There are also observations or best practice recommendations, which he may start issuing as a management comment or internal memo. The Audit Advisory Board or Commission will still have findings brought to their attention. Previously, the observations or recommendations were set aside and that is John's concern. There was no sense of urgency. A brief discussion ensued.

Budget for Finance, IT, and City Auditor

Linda Logan-Short gave the budget update for the Finance office. The operating budget remains the same with a few exceptions. Finance has asked to upgrade a temporary part-time accounts payable clerk to a full-time position. Only four staff members process an $800 million dollar budget. The A/P Supervisor is busy imputing work and needs additional help so she can supervise and train. Laura Garcia added that it is difficult to keep part-time staff because they have no benefits. The second request is for a new position in Business Tax, which will increase collection of non-compliant businesses. Currently, there are approximately 16,000 not paying business tax in the City. By adding this Office Supervisor, Business Tax will track down and get these businesses enrolled. Treasury is requesting Bloomberg to help with investments. Administration is requesting an additional $30,000 annually to hire an outside firm to audit our Purchasing Card program. In addition, an outside firm will conduct lien searches. These are the items above base for FY 2019. Approval is up to City Manager's discretion.

Mike Maier began for the IT Department. Infor has recommended the addition of several staff people to support the ERP. Current staffing levels are not adequate. One point person will coordinate any changes or modification with department staff. Timetable for ERP is October 1, 2019. It is difficult to get funding for infrastructure to repair and replace air conditioners in the data centers. Therefore, the second request was for storage space in the cloud, which has significantly come down in price. IT is starting to collapse the Public Works data center and move data to the cloud. Base functions are moving to the Emergency Operations Center (EOC). Additional dollars are budgeted to start moving applications into the cloud. The next item is a citywide vulnerability study, which includes network penetration from outside. The City Manager has agreed to fund this on an annual basis. Security has become more important. Mike has also requested an additional Security Analyst position dedicated to the Public Works and Utilities enterprise account. New encryption software will protect HIPPA information.

John Herbst, City Auditor, is requesting one new manager level position to serve as quality review. John is holding back the work because he is juggling too many roles. The Commissioners seemed agreeable to the idea when he spoke with them prior to the election.

The conversation shifted to the WAVE streetcar. According to John, the City has disbursed $45 million, of which $33 million went to planning, design, and so forth. The likelihood of getting anything back is slim and the City may owe more. Approximately $13 million from the general fund will reimburse the CRA and the water and sewer fund. The conversation continued with the many issues involved if the Commission drops the project. Multiple funding partners are involved. John Herbst expanded on the details.

The Commission asked the City Auditor to establish the total funding obligations and break down the financials for the project to date. The City Attorney's office is compiling all of the various agreements made to date. The project originated with the Downtown Development Agency (DDA). The conversation continued with additional details.

Presentation of the CAFR

John Weber began by discussing Crowe Horwath's responsibilities for the audit results. There was one material weakness relating to the schedule of Federal Expenditures and State Financial Assistance Projects. One CSFA number reported was not correct from the previous year. Management has corrected the issue. Laura Garcia explained that the information made it to the department level; however, Finance was not aware of the change in the CSFA number. Kirk Buffington expanded that each grant has a different filing requirement. Based on the CSFA number, they had to re-audit. The internal communication needs firmed up. This is not a compliance issue; it is an internal control issue. Keith Cobb would like this item on the next meeting agenda to see how it has been resolved. John Weber clarified that a material weakness is not only when an error occurs, it also includes when an error could occur. Dawn Johnson, Senior Accountant in the Finance Office has some ideas to prevent future issues. There were no other issues found.

John Weber noted recommendations regarding password security and some segregation of duties. There were some instances of terminated employees still having accounts. There has not been a recent user access review of the scheduling system used by Police. Crowe conducted an exit conference with IT to discuss these issues.

John Weber continued with Crowe's responsibilities. Included are new GASB74 and GASB75 requirements related to Other Post-Employment Benefits (OPEB). The main estimates are the pension liability, liabilities for OPEB, fair values of investments, and useful lives of capital assets. There were no adjustments up or down to skew the numbers to be better or worse. The numbers used were the numbers provided by management with no adjustment journal entries recommended. There are no miss-statements in the records. There were no disagreements with management and no other outstanding issues.

Several board members complimented City Staff for a job well done on the CAFR.

Tom Bradley had a question regarding sanitation running at a deficit. A discussion ensued. He also pointed out a few issues within the CAFR, which Linda Logan-Short and Laura Garcia addressed. Linda asked the board not to share any information from the work product presented until finalized.

Keith Cobb noted that the fund balance had been trending up for the past six years and he felt that the Audit Advisory Board should notify the new City Commission. A discussion ensued and Keith advised that the fund balance was $26 million over the city policy. John Herbst agreed and mentioned there were several things to consider with the overage, including paying down debt, paying down future pension obligations, or new infrastructure considerations. Keith began working on a draft.

Large User Audit

Michelle Blackstock stated that the fieldwork is complete and the report drafted for the Large User audit. They will issue at the same time as the CAFR. The City has utility agreements with local municipalities. The auditor checks the computation of the user charge, reviews calculations, and presents an audit opinion based on the agreements.

A brief discussion regarding the suggested changes to the CAFR took place. The due date is April 30, 2018. It will go to Commission on May 15, 2018.

Revenue Estimating Conference

Tom Bradley complemented Laura Garcia as the chair of the Revenue Estimating committee. There were only four meetings instead of five. All departments did very well with presenting the information and it went very smoothly. It was an interesting process. A brief discussion took place. The process has been very accurate over the past several years. Getting a consensus from the large group yields a much better result.

Compliance Audits

John Herbst updated the Board on the compliance audit of the Design Phase of the Aquatic Complex Developer's Agreement. Staff is in the process of putting out an RFP. They did a good job and the process is working well. The engineer on the project had a bit of a learning curve, but they were lessons learned. The same engineer is the Project Manager on the Las Olas Marina project. Progress meetings have been going well. One staff member audits all of the construction projects. Fire Station No. 46 audit is complete and Fire Station No. 54 is started.

Other Business

Motion made by Tom Bradly to accept the CAFR as presented with the minor changes made. Paul Czerwonka seconded the motion. In a voice vote, the motion passed unanimously.

Communication to the City Commission

Motion made by Mr. Czerwonka, seconded by Mr. Bradley. The Audit Advisory Board has observed that the General Fund balance has steadily increased for the past five fiscal years to a balance of $78.2 million at September 30, 2017. The City's established policy is to maintain the fund balance equivalent to two (2) months of operating expenditures and required transfers. The accumulated balance at September 30, 2017 exceeded the policy by $29.2 million. The Audit Advisory Board recommends the Commission reviews this matter and provide budget guidance to the Finance department. In a voice vote, the motion passed unanimously.

Adjournment

The next regular meeting of the Audit Advisory Board is July 26, 2018,

The meeting adjourned at 6:36 PM.

[Minutes prepared by Linda Picciolo, Board Liaison]

Quarterly Audit Report Overview

Please see the attached quarterly Audit Compliance report with updates provided by department staff as of March 31, 2018. The last quarterly audit status report (December 2017) included 22 open audit findings. Since the last report, two (2) findings were administratively closed. This quarter we are reporting on 20 open audit findings (including observations). There are no material weaknesses open at this time. The department breakdown is in the table below.

The next Audit Advisory Board meeting is scheduled for April 26th.

	Number of Open Finding												
DEPARTMENT	**3/31/15**	**6/31/15**	**9/30/15**	**12/31/15**	**3/31/16**	**6/30/16**	**9/30/16**	**12/31/16**	**3/31/17**	**6/30/17**	**9/30/17**	**12/31/17**	**3/31/18**
City Manager's Office	0	0	0	0	0	1	2	4	1	1	4	0	0
Community Redevelopment Agency	0	0	0	0	0	5	5	17	14	1	2	2	2
Finance	9	3	1	1	9	9	2	3	1	1	2	2	0
Fire-Rescue	11	9	0	0	0	0	0	0	0	0	0	0	0
Human Resources	24	8	8	5	7	7	7	7	7	7	7	7	7
Information Technology Services	3	3	3	3	3	2	1	1	1	0	0	0	0
Parks and Recreation	1	1	1	1	1	0	15	15	11	11	9	9	9
Public Works	14	8	4	3	3	1	0	0	0	0	0	0	0
Department of Sustainable Development	10	8	8	5	13	7	6	6	5	4	4	2	2
Transportation and Mobility	5	0	0	0	0	0	0	1	0	0	0	0	0
TOTAL	**77**	**40**	**25**	**18**	**36**	**32**	**38**	**54**	**40**	**25**	**28**	**22**	**20**

CITY OF FORT LAUDERDALE

STATUS OF OPEN AUDIT FINDINGS

(Single Audit, Financial Audit, and City Commission Audit)

As of March 31, 2018

WE BUILD COMMUNITY

CITY OF FORT LAUDERDALE

OPEN AUDIT FINDINGS STATUS REPORT

The quarterly Open Audit Findings Status Report is compiled by the Budget/CIP and Grants Division within the City Manager's Office based upon updates provided by departmental staff. This report provides the status of open audit findings from the external auditors and the City Commission Auditor's Office each quarter.

The current open audit findings are from prior year audits conducted by the Commission Auditor's Office that were issued but not closed. The City Auditor has adopted a continuous audit approach utilizing the City's Audit Compliance Tracking System (ACTS) and quarterly report process. As departments implement the corrective action plans and upload supporting information and documentation into the ACTS system, they are required to notify the Commission Auditor that they believe a finding has been resolved. The Auditor's Office will continuously review these responses throughout the year and will notify the System Administrator in the Budget/CIP and Grants Division to close findings that have been cleared.

Department staff are required to review and update the status of each of their open findings on a quarterly basis. Following the update, a report is compiled and distributed to the City Manager and the Community Building Leadership Team. This report is presented to the Audit Advisory Board on a quarterly basis.

STATUS OF OPEN AUDIT FINDINGS
AS OF March 31, 2018
TABLE OF CONTENTS

STATUS OF OPEN AUDIT FINDINGS
AS OF March 31, 2018
TABLE OF CONTENTS

CITY AUDITOR'S OFFICE FINDINGS

Community Redevelopment Agency

Operational Audit of the City of Fort Lauderdale CRA - Observation 3

Issue No:	335			
Date of Finding:	10/28/2016			
Final Date of Completion	09/30/2017	Name	Title	Department
Responsible Person 1	martinv	Vanessa Martin	Business Manager	Community Redevelopment Agency
Responsible Person 2				

Correction Plan Status: Partially Implemented

Finding Type: Deficiency

Next Milestone: Finalize property purchases

Milestone Date of Completion: 09/30/2018

Department: Community Redevelopment Agency

Audit Initiator: Commission Audit

Title: Operational Audit of the City of Fort Lauderdale CRA - Observation 3

Issue / Observation:

Condition

In the past three years the North West Progresso (NWP) Community Redevelopment Agency (CRA) did not meet their established benchmarks as it applies to the disposal of properties.

Criteria

The 2013 5-Year Program “Strategic Objectives, Goals and Measurements” states:

Strategically redevelop all vacant, underutilized sites to be compatible with the overall vision of the CRA.

Agency goal – Dispose of 20% of city-owned and CRA owned properties within the NWP CRA each year.

Measure – success to be measured by the number of properties disposed of with CRA Board or City Commission approval.

Cause

There was a lack of monitoring, measurement, and corrective action of the aforementioned goal.

Impact

Holding onto property without a plan for timely redevelopment is not in furtherance of the NWP CRA goals of fostering economic development. Additionally, TIF revenue for the CRA is lost as long as the property stays off the tax roll.

Recommendation: The CRA Executive Director should require CRA management to develop an action plan to assure benchmarks are being met.

Correction Plan: Staff agrees with the City Auditor's opinion that holding onto property without a plan for timely redevelopment is not a goal of the CRA. As a result, staff believes that the best way to ensure that the properties are on the tax role is via a competitive process. The competitive process should require that all respondents to the Request for Proposal (RFP) to present a project that would be consistent with the vision of the CRA and is the highest and best use for the property.

In order to ensure success, the CRA will need to secure City-owned lots (that are within the NWPF CRA) and establish a process that would be consistent with the goals of redevelopment and the CRA Plan. Staff has completed the appraisals on the City-owned lots that are within the NWPF CRA and will schedule an item for City Commission discussion in November or December 2016. At that time, staff will request that certain City-owned lots be donated to the CRA, in furtherance of redevelopment.

Lastly, staff has begun visioning discussions with the CRA Advisory Board. The discussions are centered on the types of industries and businesses to attract to the CRA and the best locations in the CRA for those businesses. Through these discussions, staff will develop a marketing plan that will address our planned use for each CRA-owned and City-owned lot and identify the types of businesses and developers which to target our marketing.

Current Status: A request for proposal (RFP) to make available at a minimum 10 of the infill lots will be released by the end of June 2018.

Review of the Proposed Budget for Fiscal Year 2017/2018 Observation 1

Issue No:	401			
Date of Finding:	08/25/2017			
Final Date of Completion	09/30/2018	**Name**	**Title**	**Department**
Responsible Person 1	martinv	Vanessa Martin	Business Manager	Community Redevelopment Agency
Responsible Person 2				
Correction Plan Status:	Not Implemented	Finding Type:	Observation	
Next Milestone	Hire CPA			
Milestone Date of Completion	06/01/2018			
Department:	Community Redevelopment Agency			
Audit Initiator	Commission Audit			
Title:	Review of the Proposed Budget for Fiscal Year 2017/2018 Observation 1			

Issue / Observation

The CRA hired a third party Real Estate Appraiser, Harry Newstreet, to verify the CRA tax rolls as accurate. In an email from him:
“The steps taken included a review of the enabling resolutions and ordinances, a review of applicable maps and section sheets and a spot check of the rolls as provided by your office.“

Recommendation:

His review did not ascertain whether all new construction completed during the year, based upon certificates of occupancy, were included on the appropriate tax roll with credit to the CRA.

Correction Plan:

Management Response – Management agrees. The Community Redevelopment Agency (CRA) will engage the services of a Certified Public Accountant for a full review of CRA properties on the tax roll each year to ensure that new properties are appropriately classified as CRA properties in lieu of the more limited scope of review performed for the 2017 tax roll.

Current Status:

CRA solicited quotes from several CPA firms, but no firm was interested in performing the scope of services. CRA staff then met with the City Auditor to develop a modified scope of services that provides standards for tracking changes in the tax roll through folios using Broward County Property Appraiser’s GIS database, the Fort Lauderdale Building Department building permits and a list of newly issued certificate of occupancy. This scope of service will be provide to a state certified real estate appraiser to perform.

Human Resources

Report #09/10-01 Audit of the Human Resources Department Finding 8 - Job Descriptions

Issue No:	94			
Date of Finding:	12/29/2009			
Final Date of Completion	06/29/2018			
		Name	Title	Department
Responsible Person 1	adorsett	Averill Dorsett	Director of Human Resources	Human Resources
Responsible Person 2	kdavis	Keela Black Davis	Administrative Assistant II	Human Resources
Correction Plan Status:	Partially Implemented	Finding Type:	Deficiency	

Next Milestone: Complete the Classification and Compensation Study

Milestone Date of Completion: 06/29/2018

Department: Human Resources

Audit Initiator: Commission Audit

Title: Report #09/10-01 Audit of the Human Resources Department Finding 8 - Job Descriptions

Issue / Observation:

Condition:
The City Auditors Office (CAO) found during the examination of employee job descriptions that Human Resources Department (HRD) is not actively reviewing and revising job descriptions to accurately reflect actual job functions. Of the 10 job descriptions reviewed, 8 (80%) had not been updated in the past 7 years. Moreover, 6 out of 10 (60%) had not been updated in more than 18 years. Additionally, CAO found that few job descriptions properly describe the essential functions of the position.

Criteria:
Under the Committee of Sponsoring Organizations (COSO) framework Internal or Control Environment component 1.2 "Commitment to competence" the analysis of required skills and job descriptions are a standard element of the internal control system. Accurate and up to date job descriptions are necessary to provide prospective and existing employees with a correct depiction of their duties and functions. Job descriptions should include those essential functions.

Recommendation: The City Manager should require the Director of HRD to initiate a project to review job descriptions to assure they accurately reflect the actual position as well as include a correct statement of essential job functions. Additionally, the CAO recommends that the Director of HRD institute a new policy whereby all job descriptions will be reviewed and updated by department directors and recruitment staff before a new personnel requisition is issued.

Correction Plan: The City has approximately 550 job classifications. Due to staffing restrictions, HRD is not equipped to take on the task of updating all the job descriptions as one project. HRD is currently updating the job descriptions when a requisition for new personnel is received and when a request for reclassification of a position is made. The revisions that are being made include separating the examples of duties into "essential job duties" and "additional job duties". They will also include the physical requirements of the job and working conditions. As time permits, HRD staff will continue to revise the job descriptions as part of an ongoing long-term project.

Current Status: The Classification and Compensation Study was awarded to Segal Waters Consulting in August of 2016. The Study will address many classification and compensation updates and will include rewriting all of the Citys job descriptions. The new job descriptions will reflect the recommendations stated above to be more reflective of the essential functions of each classification. It is our current practice to review the job descriptions with the hiring departments director and make required changes prior to recruiting for a vacancy, and we will continue to do so. The Classification and Compensation Study has a current timeline that projects a completion date of June 2018.

Report #09/10-01 Audit of the Human Resources Department Finding 9 - Succession Planning

Issue No:	95			
Date of Finding:	12/29/2009			
Final Date of Completion	06/29/2018	**Name**	**Title**	**Department**
Responsible Person 1	adorsett	Averill Dorsett	Director of Human Resources	Human Resources
Responsible Person 2	kdavis	Keela Black Davis	Administrative Assistant II	Human Resources
Correction Plan Status:	Partially Implemented	Finding Type:	Deficiency	

Next Milestone: Complete Classification and Compensation Study

Milestone Date of Completion: 06/29/2018

Department: Human Resources

Audit Initiator: Commission Audit

Title: Report #09/10-01 Audit of the Human Resources Department Finding 9 - Succession Planning

Issue / Observation:

Condition:
The City does not actively engage in employee succession planning and mentoring for key functions/positions throughout the City and many such positions lack written policies and detailed procedures. Under the Committee of Sponsoring Organizations (COSO) framework Internal Control Environment component 1.2 "Commitment to Competence", succession planning is a standard element of the internal control environment. It helps to ensure a smooth transition, minimize disruption and mitigate costs resulting from the loss of institutional knowledge when long-term employees leave the organization.

Cause:
Management has not mandated succession planning and the development of standard operating procedures for all departments.

Impact:
Without formal succession planning and mentoring, the City risks decreased efficiency, effectiveness and quality of service delivery as new employees attempt to gain sufficient knowledge to perform the key aspects of their jobs.

Recommendation:

The City Manager should instruct all department directors to develop a comprehensive employee succession/mentoring plan for key functions/positions within their respective departments. Moreover, a significant component of a successful employee succession/mentoring plan is a having a regularly updated set of written policies and procedures for each of these key functions/positions. This recommendation is further emphasized in Finding 1.

Correction Plan:

Succession planning in its truest sense may be difficult to accomplish in the public sector given Personnel Rules, seniority considerations among bargaining units, etc; however, the human resources department (HRD) will continue to work with City departments on workforce planning and identification of key skills that must be maintained within the department.

One of HRD's future initiatives is to develop a comprehensive succession planning program. However other foundational components are required before implementation, such as: the development of Citywide Values and Competencies aligned with career ladders. Once these components are in place, HRD can develop a robust succession planning program.

Current Status: The Classification and Compensation Study was awarded to Segal Waters Consulting in August of 2016. The Study will address many classification and compensation updates and will include rewriting all of the City job descriptions. The new job descriptions will reflect the recommendations stated above to be more reflective of the essential functions of each classification. It is our current practice to review the job descriptions with the hiring department director and make required changes prior to recruiting for a vacancy, and we will continue to do so. The Classification and Compensation Study has a current timeline that projects a completion date of June 2018.

Report #09/10-01 Audit of the Human Resources Department Auditor Comment 3 - Training

Issue No: 100

Date of Finding: 12/29/2009

Final Date of Completion: 09/30/2018

	Username	Name	Title	Department
Responsible Person 1	adorsett	Averill Dorsett	Director of Human Resources	Human Resources
Responsible Person 2	kdavis	Keela Black Davis	Administrative Assistant II	Human Resources

Correction Plan Status: Partially Implemented

Finding Type: Deficiency

Next Milestone: Customer Satisfaction Survey

Milestone Date of Completion: 06/30/2018

Department: Human Resources

Audit Initiator: Commission Audit

Title: Report #09/10-01 Audit of the Human Resources Department Auditor Comment 3 - Training

Issue / Observation:

Condition:
The City Auditors Office's (CAO's) review of the Human Resources Department's (HRD's) efforts to meet stakeholder needs and expectations revealed that they are not proactively seeking input from either internal or external customers to gauge user satisfaction with the quality and effectiveness of the services HRD provides. Furthermore, HRD staff is not currently receiving customer service training, which is of paramount importance for a department that primarily exists to provide services to other departments within the government.

Criteria:
Under the Committee of Sponsoring Organizations (COSO) framework Information and Communication component 4.1 "Mechanisms that support information flow inside the organization", internal survey processes and component 4.2 "Mechanisms that support information flow outside the organization", external surveys are a standard element of the internal control system.

Recommendation:

The City Manager should require the Director of HRD to:
1. Develop and conduct an annual survey of job applicants and City employees to inquire about their level of satisfaction with the array of services provided by HRD. The survey results should be analyzed and used as a planning tool to promote and prioritize service delivery improvements.
2. Provide HRD staff with annual customer service training to ensure that staff responds to service requests with a customer focused approach.

Correction Plan:

HRD will explore the possibility of conducting an annual customer service survey. Staff will receive customer service training budget permitting.

Current Status:

Human Resources reviewed customer satisfaction surveys currently offered by other departments and drafted a customer satisfaction survey tailored to Human Resources functions. The survey is under review and Human Resources intends to launch the survey upon approval.

Report #10/11-01 Audit of Controlled Substances of the Fire Rescue Department Observation 3

Issue No:	115			
Date of Finding:	10/15/2010			
Final Date of Completion	09/30/2018			
		Name	**Title**	**Department**
Responsible Person 1	adorsett	Averill Dorsett	Director of Human Resources	Human Resources
Responsible Person 2	kdavis	Keela Black Davis	Administrative Assistant II	Human Resources

Correction Plan Status: Partially Implemented

Finding Type: Deficiency

Next Milestone: Policy Standards Manual Review

Milestone Date of Completion: 06/30/2018

Department: Human Resources

Audit Initiator: Commission Audit

Title: Report #10/11-01 Audit of Controlled Substances of the Fire Rescue Department Observation 3

Issue / Observation:

Condition
The City Auditors Office (CAO) found that new employee drivers licenses and driving history requirements, per the policy standard manual (PSM) 6.16.1.1, do not account for the number of citations issued to potential City drivers.

Criteria:
Under the Committee of Sponsoring Organizations (COSO) framework Internal or Control Environment component 1.2 "Commitment to competence", analysis of skills required and job descriptions are fundamental elements of an effective internal control environment.

Recommendation:

The CAO recommends that the City Manager require the Director of Human Resources to revise the PSM regarding driver history and licensing requirements to include language regarding the number of traffic citations received/issued to potential City drivers as exists with current employee drivers.

Correction Plan:

The Fire-Rescue Department (FRD) checks the status of each firefighters once a year and does a 7 year history for tickets and validity. The state has changed their policy and now charges for ticket history. To adapt to this, the FRD checks twice a year to see if FRD employees posess a current license (this is at no charge vs. $5 per license for a 7 year history).

Current Status:

During the process of making Auditor recommended language revisions to the policy, the Employee Relations Division has recommended a complete rewrite of the policy due to significant changes in this subject, since the original policy drafting on 4/1/1992 and the last revision on 1/5/2010. Staff is currently in the process of rewriting the policy to incorporate both the Auditor's and Employee Relations' recommendations. It is expected that the new draft policy will be presented to City Management for review in the third quarter and implemented by the fourth quarter of FY 2018.

Report #09/10-01 Audit of the Human Resources Department Auditor Comment 9

Issue No:	237			
Date of Finding:	12/29/2009			
Final Date of Completion	09/28/2018			
		Name	Title	Department
Responsible Person 1	adorsett	Averill Dorsett	Director of Human Resources	Human Resources
Responsible Person 2	kdavis	Keela Black Davis	Administrative Assistant II	Human Resources
Correction Plan Status:	Partially Implemented	Finding Type:	Deficiency	
Next Milestone	Policy and Standards Manual			
Milestone Date of Completion	03/30/2018			
Department:	Human Resources			
Audit Initiator	Commission Audit			
Title:	Report #09/10-01 Audit of the Human Resources Department Auditor Comment 9			

Issue / Observation

Condition

The City Auditor's Office (CAO) found that Human Resources Department (HRD) does not publish a comprehensive employee handbook. Instead, HRD relies on the combined information contained in the specific union contracts, the policy standard manual (PSM), and the Personnel Rules. These combined documents serve to provide information on many of the topics typically covered in the sample of employee handbooks reviewed by the CAO as well as best practice literature. However, the CAO noted that it was difficult and time consuming to research specific items from among the various sources, which collectively substitute for a traditional employee handbook. This is not a user-friendly method and can leave staff confused and without complete and accurate information.

Recommendation:

The City Manager should require the Director of HRD to:

1. Create and publish an employee handbook and/or,
2. Create a matrix by employee-type and include hyperlinks on the HRD website that would serve to centralize and guide both union and non-union employees to pertinent information pertaining to the City's various policies and procedures as well as other important employee information.

Correction Plan:

Employee handbooks typically contain various policies, including standards of conduct, such as workplace violence, discrimination, anti harassment, and benefits. While the City does not have one official document entitled "Employee Handbook", the previously described information can be found in the City's Personnel Rules, Policy and Standards Manual, Pay Plan Ordinance and the various collective bargaining agreements. The compilation of such information into one document would require a significant outlay of staff resources. Additionally, because an employee handbook is often the focus of employment related litigation, any compilation or drafting of a citywide employment manual would require the involvement of the City Attorney's office and/or outside counsel for constant review and updating. In light of the above, HRD does not agree with the CAO's recommendation.

REBUTTAL

The CAO feels strongly that employee handbooks are such an important resource as to be almost universal in their use. We are unaware of any organization of our size that fails to have a comprehensive handbook to educate and inform employees of their rights, benefits and obligations. While the production of such a resource may be time consuming and detailed, the benefits to the employees far outweighs the cost to the City.

Current Status: The creation of an Employee Handbook has been temporarily delayed due to a recent initiative led by the Structural Innovation Division to update and revise the City's Policy and Standards Manual - (PSM). The Human Resources Department is also recommending to the Civil Service Board, and ultimately the City Commission, substantial changes to the Personnel Rules. Once the revisions have been approved, the PSM and Personnel Rules will be user-friendly and accessible to employees, which should correct the initial concerns raised in this finding. To resolve concerns that employees may be unaware of the rules and regulations governing their positions, the Human Resources Department has links available on its website and has continued to advertise, through various trainings, the availability of this information is on the Citys intranet Lauderlink.

Review of Temporary Staffing within the Department of Sustainable Development (DSD) #15/16-02 Fin 5

		Name	Title	Department
Issue No:	294			
Date of Finding:	10/26/2015			
Final Date of Completion	09/28/2018			
Responsible Person 1	adorsett	Averill Dorsett	Director of Human Resources	Human Resources
Responsible Person 2	kdavis	Keela Black Davis	Administrative Assistant II	Human Resources

Correction Plan Status: Partially Implemented   Finding Type: Deficiency

Next Milestone: Develop Curriculum for Ethics Training

Milestone Date of Completion: 03/30/2018

Department: Human Resources

Audit Initiator: Commission Audit

Title: Review of Temporary Staffing within the Department of Sustainable Development (DSD) #15/16-02 Fin 5

Issue / Observation: DSD's agenda item, CAM 15-1040 dated August 18, 2015 (See Exhibit C), seeking ratification of the overspending and increased budget for additional temporary staffing, provided misleading information regarding the reasons for the overspending.

Recommendation: The City Auditor's Office (CAO) recommends that the City Manager require senior management to:

Memorandum No: 15-25 Page 7

- Ensure that accurate and complete information is provided to the City Commission.
- Hold staff accountable for misrepresentation and perpetuation of problems.
- Conduct ethics training to focus on adherence to the City's core values
- Work to change the culture to promote "results with integrity".

Correction Plan: Management agrees with this recommendation. Human Resources (HR) has been tasked with developing ethics training for all City employees commencing this fiscal year with a one-time mandatory training session and continuing in the future as part of annual compliance training sessions; the training will include a discussion of transparency in information dissemination. However, it should be noted that the CAM approval process is a collaborative process, which includes many different levels of review. This particular CAM had not been fully reviewed by all necessary parties. Upon review it was determined that additional critical information was missing. The CAM was pulled from the review process prior to being submitted to the Commission. Additionally, it was DSD and Procurement staff which initially identified the potential overspending issue, and brought it to management's attention. The projected time frame from commencement to completion of the one-time mandatory training of employees is the first 120 to 180 days of 2016.

Current Status: Human Resources in conjunction with the Office of Professional Standards and Attorney's Office will develop the curriculum for Ethics Training. This may require assistance from an outside source for implementation. The rollout will be in FY2018.

Review of Temporary Staffing within the Department of Sustainable Development (DSD) #15/16-02 Fin 1

Issue No:	298			
Date of Finding:	10/26/2015			
Final Date of Completion	06/29/2018	**Name**	**Title**	**Department**
Responsible Person 1	adorsett	Averill Dorsett	Director of Human Resources	Human Resources
Responsible Person 2	kdavis	Keela Black Davis	Administrative Assistant II	Human Resources
Correction Plan Status:	Partially Implemented	Finding Type:	Deficiency	
Next Milestone	Study			
Milestone Date of Completion	06/29/2018			
Department:	Human Resources			
Audit Initiator	Commission Audit			
Title:	Review of Temporary Staffing within the Department of Sustainable Development (DSD) #15/16-02 Fin 1			

Issue / Observation: The official position classification system is being undermined by DSD through the use of "working titles".

Recommendation: The City Auditor's Office (CAO) recommends that the City Manager require the DSD Director to utilize approved titles only. If the creation of a new position is deemed necessary after a desk audit by Human Resources, an ordinance change establishing the position must be enacted.

Correction Plan: Management agrees with this recommendation. The use of working titles is being minimized to the extent possible across the City organization, and is no longer used by DSD. Additionally, a selection has recently been made for the vacant Classification and Compensation Manager in the Human Resources Department. One of the first priorities for this new manager is to facilitate the process for the hiring of a professional firm to conduct a comprehensive classification study of job titles, job responsibilities and classifications throughout the organization. This study will assist in identifying and aligning job titles to work being performed.

Current Status: The Classification and Compensation Study was awarded to Segal Waters Consulting in August of 2016. The Study will address many classification and compensation updates and will include rewriting all the City's job descriptions. The new job descriptions will reflect the recommendations stated above to be more reflective of the essential functions of each classification. It is our current practice to review the job descriptions with the hiring department director and make required changes prior to recruiting for a vacancy, and we will continue to do so. The Classification and Compensation Study has a current timeline that projects a completion date of June 2018.

Parks and Recreation

Operational Audit of the City of Fort Lauderdale Cemetery System - Observation 1

Issue No:	307			
Date of Finding:	06/29/2016			
Final Date of Completion	01/30/2018	Name	Title	Department
Responsible Person 1	sspates	Stacy Spates	Administrative Assistant II	Parks & Recreation
Responsible Person 2				
Correction Plan Status:	Implemented		Finding Type:	
Next Milestone				
Milestone Date of Completion	03/14/2018			
Department:	Parks & Recreation			
Audit Initiator	Commission Audit			
Title:	Operational Audit of the City of Fort Lauderdale Cemetery System - Observation 1			

Issue / Observation

Condition

Best practices suggest that a comprehensive study or review of operations be conducted prior to the renewal of a contract for outsourced services. The Parks Department does not have a long term study or a master plan for its cemeteries.

Criteria

Under the COSO framework, Monitoring Activities, Principle 16: The organization selects, develops, and performs ongoing and /or separate evaluations to ascertain whether the components of internal control are present and functioning. And from the Points of Focus within Principle 16, the applicable points include number: 78. Considers a mix of ongoing and separate evaluation; 80. Establishes baseline understanding; 81. Uses knowledgeable personnel; 82. Integrates with business processes.

Cause

The Parks Department and Cemetery Liaison were unaware of consultants capable of performing a review of the City's Cemetery.

Recommendation:

The City Manager should consider having a comprehensive study of cemetery system conducted prior to the renewal of a contract.
Some items may include:

• Long term goals and needs
• Costs and benefits of insourcing vs. outsourcing
• Adequacy of the endowment fund
• Expansion plans
• Capital improvement and maintenance requirements
• Comprehensive Cemetery Master Plan

Auditor Note: A Request for Proposal (RFP) was issued for a comprehensive cemetery master plan; however it has been placed on hold at the direction of the Cemetery Board of Trustees.

Correction Plan:

Management concurs with the recommendation. The Cemetery Board of Trustees has reviewed the possibility of a master plan, but has been opposed to the use of trust funds to pay for the study. Staff will place this item on the Cemetery Board of Trustees agenda for further consideration. Estimated date of implementation is January 30, 2018.

Current Status:	As of March 20, 2018, Keith & Associates, Inc. was awarded the contract to perform Cemetery Master Planning services. The Master Plan will provide a comprehensive study of cemetery operations.

Operational Audit of the City of Fort Lauderdale Cemetery System - Finding 4

Issue No:	309			
Date of Finding:	06/29/2016			
Final Date of Completion	09/30/2018			
		Name	Title	Department
Responsible Person 1	sspates	Stacy Spates	Administrative Assistant II	Parks & Recreation
Responsible Person 2	sdaley	Stacey Daley	Administrative Assistant II	Parks & Recreation
Correction Plan Status:	Partially Implemented	Finding Type:	Deficiency	
Next Milestone	Litigation			
Milestone Date of Completion	08/01/2018			
Department:	Parks & Recreation			
Audit Initiator	Commission Audit			
Title:	Operational Audit of the City of Fort Lauderdale Cemetery System - Finding 4			

Issue / Observation

Condition

The Finance Department did not properly account for the total revenues and expenditures of the Trust Fund in accordance with generally accepted accounting principles (GAAP). The management fees to Carriage were netted against the revenue due to the City from the sale of plots, crypts, niches, internments, entombments, inurnments, and merchandise.
In addition, Carriage failed to remit to the Trust Fund 19% of the revenue from finance charges and from sales of second rights and double depth plots.

Auditor’s Note:

For example, Carriage contributes 19% of net sales of each lot or plot and mausoleum crypt to the Trust Fund. The net sale here does not include revenue from finance charges and sales of second rights or double depth. Based on the City Auditor's Office (CAO) understanding of City Ordinance – Section 10-47, 19% should come from gross sales, including revenue from finance charges and sales of second rights and double depth.

Recommendation:

The City Manager should require the Finance Department to review applicable accounting standards and to account for all the money Carriage collected for the sales of plots, crypts, niches, internments, entombments, inurnments, merchandise, as well as amounts paid to Carriage for all services rendered by the company. Those revenues and expenditures should be included in the Comprehensive Annual Financial Report (CAFR).

The City Manager should require the Finance and Parks Departments to obtain accounts receivable information from Carriage in order to provide effective monitoring of the collections and related contribution to the Trust Fund.

In addition, the Finance and Parks Departments should work with Carriage to recover the amount not collected for the Trust Fund since the renewal of the last contract. The Parks Department should enhance its monitoring procedure to ensure that the Trust Fund receives all the money required under Section 10-47 of the City’s Code of Ordinances.

Correction Plan: Management concurs with the finding and recommendation related to the City receiving revenue from finance charges and obtaining accounts receivable information from Carriage.

(1) “Carriage failed to remit to the Trust Fund 19% of the revenue from finance charges and from sales of second rights and double depth plots.” Staff will work with Carriage Services to ensure that the City received 19% on all revenue. Estimated date of implementation is December 1, 2016.

(2) “The City Manager should require the Finance and Parks Departments to obtain accounts receivable information from Carriage in order to provide effective monitoring of the collections and related contribution to the Trust Fund.”
The Parks and Recreation Department will work with the Finance Department to obtain accounts receivable information from Carriage Services in order to provide effective monitoring of the collections and related contribution to the Trust Fund. Estimated date of implementation is August 30, 2016.

Current Status: At its meeting on January 23, 2018, the City Commission voted unanimously to take legal action against Carriage Services to recover damages and seek other relief in connection with the agreement for Cemetery Management Services Contract No.: 785-9854. The City Attorney's Office will represent the City in this matter.

Operational Audit of the City of Fort Lauderdale Cemetery System - Finding 6

Issue No:	313			
Date of Finding:	06/29/2016			
Final Date of Completion	09/30/2018			
		Name	Title	Department
Responsible Person 1	sspates	Stacy Spates	Administrative Assistant II	Parks & Recreation
Responsible Person 2	sdaley	Stacey Daley	Administrative Assistant II	Parks & Recreation

Correction Plan Status: Partially Implemented   Finding Type: Deficiency

Next Milestone: Present Updated Cemetery Rules and Regulations to Commission

Milestone Date of Completion: 06/01/2018

Department: Parks & Recreation

Audit Initiator: Commission Audit

Title: Operational Audit of the City of Fort Lauderdale Cemetery System - Finding 6

Issue / Observation:

Condition
CAO noted two large sales of more than six grave spaces to an individual or an entity. Two of thirty contracts were signed with the purchase of six grave sites or more. One purchaser paid for twelve grave spaces utilizing a City resident discount, and another paid the full price for ten graves spaces.

Criteria
Sec. 6-2. Of City's Cemetery Rules & Regulations (page 16) states that "an individual or entity may purchase no more than six (6) internment rights and internment services".

Cause
Carriage is not following the City's Cemetery Rules and Regulations.

Impact
By not enforcing the purchase limit rules, the plots could be sold out sooner than anticipated. In addition, residents and entities of Fort Lauderdale could purchase plots at a 25% discount and possibly resell them at a higher amount.

Recommendation: The City Manager should require that the Parks Department monitor the sales contracts to ensure that Carriage adheres to the City's Cemetery Rules and Regulations and put in place a system of accountability to prevent the sale of more than six plots in the future.

Correction Plan: Management concurs with the finding and recommendation.

Under Section II of the City's Cemetery Rules and Regulation, Private Family Estates are defined as a multi-space structure, either wholly or partially aboveground, located in designated areas only, and used solely for the entombment of the owner and others designated by the owner. Private Family Estates enable the City to have the ability to market the cemeteries as premiere properties since these estate sites are offered at other competitor cemeteries. A contract for the sale of a private family estate is subject to approval by the Cemetery Board of Trustees.

Due to Private Family Estates not being defined by ordinance, staff will propose an amendment of the Rules and Regulations, exempting Private Family Estates from Sec. 6-2. The proposed amendment to the Rules and Regulations will be brought before the Cemetery Board of Trustees and the City Commission for approval. Estimated date of implementation is October 1, 2016.

Additionally, the Cemetery Liaison will continue to conduct a monthly audit of all sales contracts to ensure that Carriage adheres to the City's Cemetery Rules and Regulations.

Current Status: As of March 20, 2018, based on support by the City Commission, the Cemetery Liaison and the Cemetery Board are in the process of recommending amendments to the Cemetery Rules and Regulations. The first meeting to discuss revisions took place on March 1, 2018 and the next meeting is scheduled for April 19, 2018.

Operational Audit of the City of Fort Lauderdale Cemetery System - Finding 7

Issue No:	314			
Date of Finding:	06/29/2016			
Final Date of Completion	09/30/2018			
		Name	Title	Department
Responsible Person 1	sspates	Stacy Spates	Administrative Assistant II	Parks & Recreation
Responsible Person 2	sdaley	Stacey Daley	Administrative Assistant II	Parks & Recreation

Correction Plan Status: Partially Implemented | Finding Type: Deficiency

Next Milestone: Present Updated Cemetery Rules and Regulations to Commission

Milestone Date of Completion: 06/01/2018

Department: Parks & Recreation

Audit Initiator: Commission Audit

Title: Operational Audit of the City of Fort Lauderdale Cemetery System - Finding 7

Issue / Observation:

Condition
The Cemetery Board improperly determined that 19% of the total amount received from the sale of each lot or plot, crypts, and niches belongs to the corpus of the Trust Fund.
Note: The Trust Fund has built up to more than $25 million.

Criteria

(1): Code of Ordinance Sec. 10-47. Municipal Cemetery System Fund.
(a) Perpetual care trust. There shall be a perpetual care trust comprised of the following income sources and authorized expenditures:
(1) Income. There shall be set aside and deposited in the perpetual care trust:
a. Nineteen (19) percent of the total amount received from the sale of each lot or plot, columbarium niche and mausoleum crypt; and
b. For each memorial, monument, marker or bench sold or installed or both in the cemetery system, twenty cents ($.20) per square inch of the top surface of bronze markers and the top surface of the base of stone monuments.
(2) Expenditure. The income of the perpetual care trust shall be used only for the following purp

Recommendation:

The City Manager should revise and update the Cemetery Rules and Regulations and related Investment Policy to accurately represent the intent of the City Ordinance or change the City Ordinance to accurately reflect the Rules and Regulations and related Investment Policy.

Auditor Note:

The City Ordinance was adopted in 1986, amended and updated in 2004. The Rules and Regulations and Investment Policy were adopted in 1990, amended and updated in 2004.

Correction Plan:

Management concurs in principle with the finding and recommendation. Staff will bring the investment policy and the Cemetery Rules and Regulations to Cemetery Board of Trustees for further discussion and determine the need to accurately define the corpus consistently throughout all documents. Management will proceed with bringing this issue to the City Commission as a conference item.

Current Status:

At the City Commission Conference Meeting on November 21, 2017, the Commission requested that the Cemetery Board come back to them at a future meeting with updated Cemetery Rules and Regulations. The Cemetery Board will discuss this item at its meeting in January 2018.

As of March 20, 2018, based on support by the City Commission, the Cemetery Liaison and the Cemetery Board are in the process of recommending amendments to the Cemetery Rules and Regulations. The first meeting to discuss revisions took place on March 1, 2018 and the next meeting is scheduled for April 19, 2018.

Operational Audit of the City of Fort Lauderdale Cemetery System - Finding 9

Issue No:	317			
Date of Finding:	06/29/2016			
Final Date of Completion	09/30/2018			
		Name	**Title**	**Department**
Responsible Person 1	sspates	Stacy Spates	Administrative Assistant II	Parks & Recreation
Responsible Person 2	sdaley	Stacey Daley	Administrative Assistant II	Parks & Recreation
Correction Plan Status:	Partially Implemented	Finding Type:	Deficiency	
Next Milestone	Finalize Standard Operating Procedures			
Milestone Date of Completion	05/01/2018			
Department:	Parks & Recreation			
Audit Initiator	Commission Audit			
Title:	Operational Audit of the City of Fort Lauderdale Cemetery System - Finding 9			

Issue / Observation

Condition

In regard to SOPs and training, the CAO noted the following:
1. The Parks Department has not established SOPs for effective and consistent monitoring of contracts between the City and Carriage.
2. The Cemetery Liaison does not have the required eight hours of investment training.
3. The members of the Cemetery Board have not received investment training for the purpose of overseeing public fund investments.

Criteria

Section 218.415 (14) of Florida Statutes requires continuing education for government officials and states “The investment policy shall provide for the continuing education of the unit of local government’s officials responsible for making investment decisions or chief financial officer. Such officials must annually complete 8 hours of continuing education in subjects or courses of study related to investment practices and products.”

Recommendation:

The City Manager should require that the Parks Department develop SOPs and related training manuals for the operation of the Cemetery System. In addition, the Cemetery Liaison and Cemetery Board members must receive the required eight (8) hours of public fund investment training related to investment practices and products.

Correction Plan:

Management concurs with the finding and recommendation.

The Parks and Recreation Department will develop standard operating procedures (SOP) and related training manuals for the continuity of operations of the Cemetery System. Estimated date of implementation is August 1, 2017.

As stated in the Investment Policy, the Cemetery Board of Trustees is designated as trustor of the Perpetual Care Trust Fund and is responsible for administering the investment program. The Cemetery Board of Trustees should consider training in public fund investments. Estimated date of implementation is August 10, 2017.

Current Status: As of March 20, 2017, the development of the Standard Operation Procedures (SOP) is close to final draft form.

The Cemetery Liaison and Cemetery Board members obtained the required eight (8) hours of public fund investment training related to investment practices and products. The training was offered by SunTrust.

Operational Audit of the City of Fort Lauderdale Cemetery System - Observation 4

Issue No:	318			
Date of Finding:	06/29/2016			
Final Date of Completion	09/30/2018	Name	Title	Department
Responsible Person 1	sspates	Stacy Spates	Administrative Assistant II	Parks & Recreation
Responsible Person 2	sdaley	Stacey Daley	Administrative Assistant II	Parks & Recreation

Correction Plan Status: Partially Implemented

Finding Type: Deficiency

Next Milestone: Master Plan Implementation

Milestone Date of Completion: 06/01/2018

Department: Parks & Recreation

Audit Initiator: Commission Audit

Title: Operational Audit of the City of Fort Lauderdale Cemetery System - Observation 4

Issue / Observation: Condition

Regarding a long term study of the adequacy of the Trust Fund for perpetual maintenance and of the Trust Fund's investment strategy, we noted the following:
• The Trust Fund balance for the period ending 9/30/2014 is approximate $25 million, which seems excessive considering the lack of maintenance and the visual appearance of the cemeteries. The current repair and maintenance costs are approximately $500,000 annually and there is no analysis to review the appropriate level of the corpus.
• SunTrust's quarterly investment statement does not describe the investment styles of the funds in the portfolio.
• The Trust Fund investment portfolio managed by SunTrust underperformed vs. policy benchmarks, blended benchmarks or S&P 500 in every period and in each category from year-to-date or from inception-to-date for the period ending June 30, 2015.
• The City has not conducted a study to evaluate the adequacy of the Trust Fund.
• The Parks Department has not conducted a study

Recommendation: The City Manager should consider hiring an independent consultant with knowledge of cemetery operations to conduct a study for the best long-term course of action concerning the management of the Trust Fund and the desired level of funds needed to provide for perpetual care.

The City Manager and Parks Department should request that SunTrust provide full descriptions for each investment in their quarterly portfolio presentation.

Finally, the City Manager should consider retaining an independent consultant to conduct a review of the current investment strategy. More specifically, the review should compare the current active strategy with a passive investment strategy to determine whether a passive investment strategy with lower fees can better meet the goals and objectives of the Trust Fund.

Auditor Note: A Request for Proposal (RFP) was issued for a comprehensive cemetery master plan; however it has been placed on hold at the direction of the Cemetery Board of Trustees.

Correction Plan: Management concurs with the recommendation and will proceed as directed by the City Manager. Staff will place this item on the Cemetery Board of Trustees agenda for further consideration.

Current Status: As of March 20, 2018, Keith & Associates, Inc. was awarded the contract to perform Cemetery Master Planning services on March 6, 2018. The Master Plan will provide a comprehensive study of cemetery operations and provide an evaluation on the adequacy of the Trust Fund.

Operational Audit of the City of Fort Lauderdale Cemetery System - Finding 10

Issue No: 319

Date of Finding: 06/29/2016

Final Date of Completion: 09/30/2018

		Name	Title	Department
Responsible Person 1	sspates	Stacy Spates	Administrative Assistant II	Parks & Recreation
Responsible Person 2	sdaley	Stacey Daley	Administrative Assistant II	Parks & Recreation

Correction Plan Status: Implemented

Finding Type: Deficiency

Next Milestone

Milestone Date of Completion: 01/29/2018

Department: Parks & Recreation

Audit Initiator: Commission Audit

Title: Operational Audit of the City of Fort Lauderdale Cemetery System - Finding 10

Issue / Observation:

Condition

The RFP and contract for cemetery management did not include a requirement for a “Standards for Attestation Engagement (SSAE) 16 Report - Reporting on Controls at a Service Organization”.

Criteria

All outsourced functions that delegate the processing of financial information, utilize personally identifiable information or contain healthcare details covered by HIPPA, are required to have an SSAE 16 report.
SSAE 16, System and Organization Controls (SOC) 1 - Report on controls at a service organization relevant to a user entity's internal control over financial reporting. A type 1 report focuses on a description of a service organization’s system and on the suitability of the design of its controls to achieve the related control objectives included in the description, as of a specified date. A type 2 report contains the same opinions as a type 1 report with the addition of an opinion on the operating effectiveness of the controls to achieve the related control objecti

Recommendation: The City Manager should amend the current contract to include a requirement for an SSAE 16 - “Reporting on Controls at a Service Organization” SOC 1, type 2 report.

Correction Plan: Management concurs with the finding and recommendation. The Parks and Recreation Department will address this recommendation in the next RFP for Cemetery Management Services requiring the future contractor to provide the SSAE 16 - “Reporting on Controls at a Service Organization” SOC 1, type 2 report. Estimated date of implementation is December 31, 2017.

Current Status: As of March 20, 2017, a Request for Proposal (RFP) for Cemetery Management Services (Bid #12030-885) requiring the future contractor to provide the SSAE 16 -Reporting on Controls at a Service Organization SOC 1, type 2 report was released on January 29, 2018. The bid ends on March 15, 2018.

All bidders must conform to the criteria of the proposal. The RFP is attached for your convenience (page 25).

Operational Audit of the City of Fort Lauderdale Cemetery System - Finding 11

		Name	Title	Department
Issue No:	320			
Date of Finding:	06/29/2016			
Final Date of Completion	09/30/2018			
Responsible Person 1	sspates	Stacy Spates	Administrative Assistant II	Parks & Recreation
Responsible Person 2	sdaley	Stacey Daley	Administrative Assistant II	Parks & Recreation

Correction Plan Status: Partially Implemented

Finding Type: Deficiency

Next Milestone: Develop a plan to address financial issues

Milestone Date of Completion: 06/01/2018

Department: Parks & Recreation

Audit Initiator: Commission Audit

Title: Operational Audit of the City of Fort Lauderdale Cemetery System - Finding 11

Issue / Observation:

Condition

The Parks Department does not maintain document control of the "Cemetery Interment Rights Purchase/Security Agreement" forms known as the "contract".

Carriage orders blank contracts from a print shop with sequential document numbers, and then assigns a limited number (normally ten copies at a time) of blank contracts to several of their sales agents. However, there is no inventory of the pre-numbered forms, with a log indicating what numbers are assigned to which salesperson, a record of voided forms, and a list of completed forms to permit a reconciliation and accounting of all contracts.

Criteria

Under the COSO framework, Control Activities, Principle 10: The organization selects and develops control activities that contribute to the mitigation of risks to the achievement of objectives to acceptable levels. Reconciliations, physical safeguarding and access control, and proper form design are fundamental elements of effective internal control.

Recommendation: The City Manager should require the Parks Department to maintain contracts in proper sequential order, accounting for any missing sequence contract number, and investigate any missing contract documents.

Correction Plan: Management concurs in principle with the finding and recommendation.

The Cemetery Liaison reviews all contracts on a monthly basis to ensure compliance. The Liaison can obtain access to Carriage's information system to account for any missing sequence contract numbers. Estimated date of implementation is May 31, 2017.

Current Status: As of March 20, 2018, the City Commission supports the Parks Department in directing a 5-year forensic audit of Carriage Services. The forensic audit is considered as an expansion of services to the Agreed Upon Procedures Audit (AUP). The forensic examination commenced in February 2018.

Operational Audit of the City of Fort Lauderdale Cemetery System - Finding 12

Issue No: 321

Date of Finding: 06/29/2016

Final Date of Completion 09/30/2018

		Name	Title	Department
Responsible Person 1	sspates	Stacy Spates	Administrative Assistant II	Parks & Recreation
Responsible Person 2	sdaley	Stacey Daley	Administrative Assistant II	Parks & Recreation

Correction Plan Status: Implemented

Finding Type: Deficiency

Next Milestone

Milestone Date of Completion 03/14/2018

Department: Parks & Recreation

Audit Initiator Commission Audit

Title: Operational Audit of the City of Fort Lauderdale Cemetery System - Finding 12

Issue / Observation

Condition

The Parks Department does not maintain proper plot inventory records.

Criteria

Under the Committee of Sponsoring Organizations (of the Treadway Commission COSO) framework, Control Activities, Principle 10: The organization selects and develops control activities that contribute to the mitigation of risks to the achievement of objectives to acceptable levels. Reconciliations, physical safeguarding and access control, and annual inventories are fundamental elements of effective internal control.

Cause

Some of the causes include:
• The Parks Department has not performed land/plot inventory for many years.
• There seems to be a lack of understanding in the performance of job duties.
• There is a lack of formal training and Standard Operating Procedures (SOPs).
• There is a lack of internal controls over the accountability of plots.

Recommendation:

The City Manager should require the Parks Department to maintain accurate plot inventory records, including beginning plot inventory, plots available for sale, plots sold during the year, and ending inventory.

Furthermore, the City Manager should consider requiring that the future contract include a provision that digital cemetery map systems be implemented in all city cemeteries.

Correction Plan:

Management concurs with the finding and recommendation. The Parks and Recreation Department shall require the future contract include a provision for digital cemetery map systems. Estimated date of implementation is December 30, 2017.

Current Status:

As of March 20, 2018, the Cemetery contractor provides interment and plot inventory reports to the Cemetery Board.
The Request for Proposal (RFP) includes a requirement for a digital cemetery mapping systems in all cemeteries. The RFP closes on March 15, 2018.

Department of Sustainable Development

Report #10/11-06 Audit of the Code Enforcement Lien Process Finding 2

		Name	Title	Department
Issue No:	108			
Date of Finding:	10/24/2011			
Final Date of Completion	10/31/2018			
Responsible Person 1	abattle	Alfred Battle	Deputy Director Sustainable Development	Sustainable Development
Responsible Person 2	schess	Sherrilynn Chess	Business Manager	Sustainable Development

Correction Plan Status: Partially Implemented

Finding Type: Deficiency

Next Milestone: Timelines

Milestone Date of Completion: 10/31/2018

Department: Sustainable Development

Audit Initiator: Commission Audit

Title: Report #10/11-06 Audit of the Code Enforcement Lien Process Finding 2

Issue / Observation:

Condition
The City of Fort Lauderdale is not reporting code liens in accordance with generally accepted accounting principles (GAAP), specifically Governmental Accounting Standards Board (GASB) 33.
Auditor Note: The City Auditor's Office (CAO) has communicated the potential financial reporting issue to the external auditor for their consideration.

Criteria
GASB Statement No. 33 establishes accounting and financial reporting standards for imposed nonexchange revenue transactions – governments are required to recognize assets from imposed nonexchange revenue transactions in the period when an enforceable legal claim to the assets arises or when the resources are received, whichever occurs first.

Recommendation:

The CAO recommends that the City Manager require the following:
1. The Director of the Building Department work in conjunction with the Finance Director to determine the total outstanding code lien receivables owed to the City.
2. The Director of the Building Department develop a policy to communicate to the Finance Department when liens are established, the amounts that are accruing, and payments received.
3. The Director of the Building Department develop a policy for the City Commission's consideration to set the minimum acceptable level for code lien settlements to allow the Finance Department to determine the net collectible receivable to be recorded in the financial statements, in accordance with GASB 33.

Correction Plan:

1) Management concurs. The Director will work with the Finance Department and Information Technology (IT) to enhance the current Community Plus software to provide the ability to determine the total outstanding code liens and fines owed to the City at any given time. If the current software is not capable of such enhancement, a replacement product will be sought.
2) Management concurs. The Director will develop a policy to communicate to the Finance Department when liens are established, the amounts that are accruing, and payments received. The current software enhancement should include the ability to communicate and share this information with Finance. If that is not possible, an alternate software product
should be sought as stated above.
3) Management concurs. The Director will develop a policy and will make recommendations to the City Commission for setting minimum acceptable levels for Code lien settlements to allow the Finance Department to determine the net collectible receivable.

Current Status:	The payment portal of Accela will be customized to support payments being posted to their respective account versus the current method of posting miscellaneous receipts. The Accela project is in execution phase, on schedule, and on budget. The expected completion is October/November 2018.

Report #10/11-06 Audit of the Code Enforcement Lien Process Finding 3

Issue No:	109			
Date of Finding:	10/24/2011			
Final Date of Completion	10/31/2018	Name	Title	Department
Responsible Person 1	abattle	Alfred Battle	Deputy Director Sustainable Development	Sustainable Development
Responsible Person 2	schess	Sherrilynn Chess	Business Manager	Sustainable Development
Correction Plan Status:	Partially Implemented	Finding Type:	Deficiency	
Next Milestone	Timelines			
Milestone Date of Completion	10/31/2018			
Department:	Sustainable Development			
Audit Initiator	Commission Audit			
Title:	Report #10/11-06 Audit of the Code Enforcement Lien Process Finding 3			

Issue / Observation

Condition
The current management information system, "Community Plus", does not appear to meet Code Enforcement's needs. For example, a complete listing of all outstanding code liens and their associated values cannot be produced.
See also City Auditor's Office (CAO) Report #07/08-10, "Audit of the Code Enforcement Division", Condition/Cause, "Community Plus has the ability to generate custom reports however, Code Enforcement Division (CED) staff rarely use this functionality due to the lack of practical guidance materials. CED management personnel were given training on how to use Community Plus to generate custom reports but were not provided
with a desk reference manual with step-by-step screenshots."
Auditor Note: The Information Technology Department (IT) provided the CAO with a "Code Enforcement Fine Report" listing all outstanding liens and associated value on 10/3/2011. The report indicated 2,802 outstanding liens, with a fine and lien value of $153,430,449.

Recommendation:

The CAO recommends that the City Manager require the Director of the Building Department to work in cooperation with Finance, Information Technology, and the software service provider to evaluate Code Enforcement's management information needs and implement a system capable of meeting those requirements.
Auditor Note: See also CAO Report #07/08-10 p.9, "Audit of the Code Enforcement Division", Management Response, "Generally reports directly available through Community Plus are not sufficient to meet division needs as they lack essential data."

Correction Plan:

Management concurs. The Director will work in cooperation with Finance, Information Technology, and the software service provider to evaluate Code Enforcement's management information needs and implement a system capable of meeting those requirements, including reports with essential data sufficient to meet division needs.

Current Status:

The payment portal of Accela will be customized to support payments being posted to their respective account versus the current method of posting miscellaneous receipts. The Accela project is in execution phase, on schedule, and on budget. The expected completion is October/November 2018.

Comprehensive Annual Financial Report

of the

City of Fort Lauderdale, Florida

Fiscal Year Ended
September 30, 2017

Prepared by
The Finance Department

WE BUILD COMMUNITY

COMMISSION – MANAGER FORM OF GOVERNMENT

CITY COMMISSION
(as of September 30, 2017)

John P. "Jack" Seiler
Mayor

Bruce G. Roberts
Vice Mayor
Commissioner, District I

Dean J. Trantalis
Commissioner, District II

Robert L. McKinzie
Commissioner, District III

Romney Rogers
Commissioner, District IV

Lee R. Feldman, ICMA-CM
City Manager

Cynthia A. Everett
City Attorney

Jeff Modarelli
City Clerk

John Herbst, CPA, CGFO, CGMA
City Auditor

Kirk W. Buffington, CPFIM, CPPO, C.P.M., MBA
Director of Finance

Linda A. Logan-Short, CGFO, CPM
CFO/Deputy Director of Finance

Laura L. Garcia, CGFO
Controller

CITY OF FORT LAUDERDALE, FLORIDA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED SEPTEMBER 30, 2017

TABLE OF CONTENTS

TABLE OF CONTENTS (Continued)

CITY OF FORT LAUDERDALE, FLORIDA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED SEPTEMBER 30, 2017

TABLE OF CONTENTS (Continued)

CITY OF FORT LAUDERDALE

April XX, 2018

Honorable Mayor and Commissioners:

This letter transmits the Comprehensive Annual Financial Report (CAFR) for the City of Fort Lauderdale, Florida (City) for the fiscal year ended September 30, 2017. This submission meets the requirements of the City Charter Section 10.02, Section 2-147(b)(14) of the Code of Ordinances of the City of Fort Lauderdale, Section 166.241, Florida Statutes, and Rules of the Florida Auditor General Section 10.550. The financial statements included in this report conform to Generally Accepted Accounting Principles in the United States (GAAP), as prescribed by the Governmental Accounting Standards Board (GASB).

The City is responsible for the accuracy of the data and the completeness and fairness of the presentation including all disclosures. Management has established internal controls to ensure that the City fulfills its fiduciary responsibility as custodian of public monies. The purpose of internal controls is to provide reasonable, but not absolute, assurance that City assets are safeguarded against loss through unauthorized use or disposition. 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.

The financial statements have been audited by Crowe Horwath LLP, Certified Public Accountants. The independent auditor has issued an unmodified opinion that the basic financial statements included in this report fairly present the financial position of the City and changes thereof and comply with all reporting standards noted above.

Management's Discussion and Analysis (MD&A) provides a narrative introduction, overview and analysis of the basic financial statements. It complements this Letter of Transmittal and should be read in conjunction with it.

Other financial information, including the budget and other schedules, is also provided to supplement required financial data. The Statistical Section includes schedules that provide historic, social, economic, and financial trend data that offers an overview of the City's fiscal position.

Profile of the Government

The City was founded in 1911. It operates under the commission/manager form of government where the Mayor, elected at large, and four Commissioners, elected by geographic single-member district, determine the policies that guide the operation of the City. The City Commission hires a City Manager, who implements City policies and administers those policies on a full-time basis. The City Commission also appoints a City Attorney who is responsible for legal affairs, a City Clerk who is the official custodian of all public records and a City Auditor responsible for review of business practices, procedures, internal controls, and procurement practices.

Fort Lauderdale is a full-service city that provides police protection, fire-rescue services, parks and recreation programs, delivers potable drinking water to a customer base both within and outside the City limits along with wastewater collection and treatment, sanitation services, development regulation, parking, and street maintenance. The City is known for its beaches and waterways including Fort Lauderdale beach, the New River, the Middle River, and numerous canals. The City also owns and operates a sports complex, a general aviation airport, a downtown heliport, an aquatic complex and an auditorium.

This financial report includes all funds and component units of the City. The Sunrise Key Safe Neighborhood Improvement District (Sunrise Key) is included as a component unit along with the Fort Lauderdale Community Redevelopment Agency (CRA). These organizations have been included as component units, since the City is financially accountable for and has ultimate decision-making authority. The transactions and balances of the CRA are blended with those of the City (primary government), while the Sunrise Key financial information is discretely presented in the government-wide financial statements.

The City of Fort Lauderdale Downtown Development Authority (DDA), the Housing Authority of the City of Fort Lauderdale (HACFL), and the Lauderdale Isles Water Control District (LIWCD) are related organizations, but separate and distinct. They are not included in this financial report since they do not meet the established criteria for reporting herein. Along with the Performing Arts Center Authority and the DDA, the City is a participant in a joint venture in the Arts and Science District Parking Garage with each party maintaining an ongoing financial interest.

The City of Fort Lauderdale is required to adopt an annual budget in accordance with the City Charter and state statutes. The City Manager is charged with preparing a proposed budget for submission in July of each year for the fiscal year that begins the following October 1. Appropriations by department within funds and tax levies are adopted in September. The budget also authorizes the number of full-time equivalent positions available to City departments to deliver services. The budget may be amended by resolution if altering the total budget of a particular fund, by City Commission motion if changing a department total within a fund, or administratively if the change is within the same department and fund. Various thresholds of review and approval have been established for purchases and hiring throughout the fiscal year.

The City has two defined-benefit pension plans: 1) the General Employees Retirement System and 2) the Police and Fire Retirement System. A board of trustees administers each plan. The boards are composed of members elected by active employees and appointees of the Mayor. The Boards have responsibility for investment of the pension assets and determination of benefits as employees retire or seek other benefits under the plans. At September 30, 2017, the plans had total assets of $1.547 billion. The General Employees Retirement System was closed to new participants beginning October 1, 2007 and replaced with a new defined contribution plan.

The City of Fort Lauderdale Other Post-Employment Benefits (OPEB) Trust fund was created in fiscal year 2014. The goal of the OPEB Trust is to capture long-term investment returns and make progress towards reducing the net OPEB liability under GASB 75. The City Commissioners serve as the Board of Trustees of the OPEB Trust and delegates the administration of the Trust to the City's Finance Director as the Trust Administrator. At September 30, 2017, the Trust had total assets of $15.8 million.

Economic Condition

The City of Fort Lauderdale's taxable assessed value for tax year 2017 increased by 8.66% from 2016. New construction, which represents improvements to real property that were not on the tax roll in the prior year, added $341.0 million to the tax roll. This is the fifth year in a row that the assessed valuations have shown steady growth. The following table shows new construction and total taxable assessed value for the last five calendar years.

Taxable Values – 5 Year Comparison

Calendar Tax Year	Net New Construction	Final Gross Taxable Value	Increase/Decrease from Prior Year	Operating Millage Rate
2017-Certified	$340,929,480	$ 33,831,910,534	8.66%	4.1193
2016-Final	455,847,640	31,134,808,098	9.22%	4.1193
2015-Final	329,982,320	28,506,933,365	9.65%	4.1193
2014-Final	105,754,281	25,997,751,627	5.89%	4.1193
2013-Final	57,905,666	24,551,642,014	3.98%	4.1193

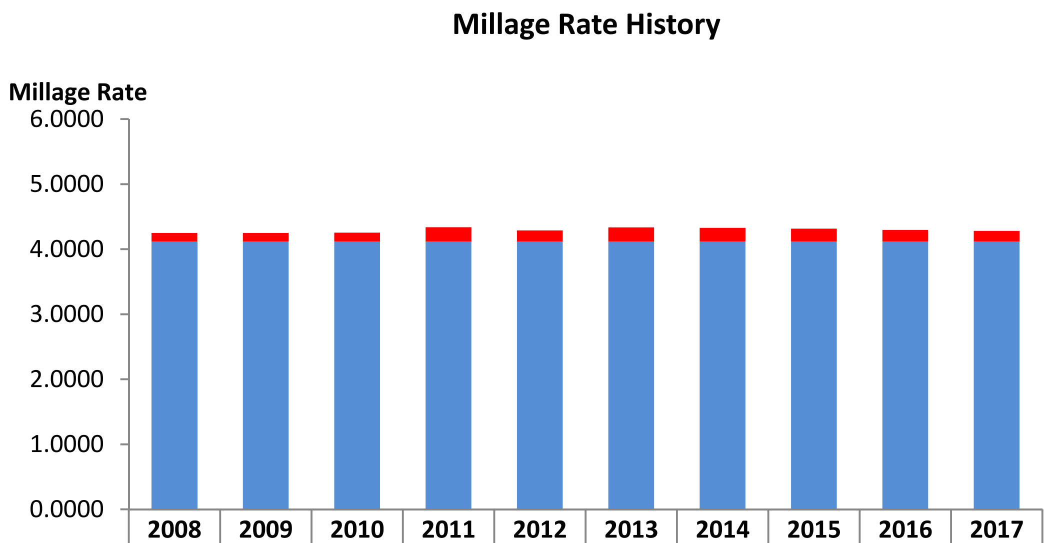
Economic indicators point to a healthy economy. According to the Bureau of Labor Statistics, Broward County's civilian labor force was 1,042,982 as of September 2017, amounting to a slight increase from the prior year of 1,015,650. The unemployment rate declined to 3.3% as compared to 4.8% in the prior year. More than 16 million visitors selected the Greater Fort Lauderdale area as their destination of choice and spent approximately $14.2 billion on tourism in 2016. In addition, tax revenue from area hotels increased 7.6% to $65 million.

Long-term Financial Planning

Financial planning stimulates discussion about the long- term impact of decisions made today and how the City can position itself strategically to deliver a stable level of essential services to our neighbors into the future. The City's ability to generate sufficient revenue to provide core municipal services, make appropriate investment in economic and community development, and build "rainy day" reserves requires deliberate examination. During FY 2017, the City completed a ten year financial sustainability analysis for the General Fund and other proprietary funds within the City. This financial forecast model populated data from every facet of the organization to create an informed, interactive, financial forecast model to prepare long-term financial plans and ensure structural balance in our budget. Fort Lauderdale continues to be proactive in our actions to ensure long-term financial sustainability, as well as, investment in our capital infrastructure to protect and preserve Fort Lauderdale's outstanding quality of life.

FY 2017 is the tenth consecutive year that the City Commission maintained an operating millage rate of 4.1193. In 2007, the combined millage rate was 5.0826. The City Commission reduced the operating millage rate in FY 2008 and as a result, our neighbors were better positioned to weather the difficult economic times by paying significantly less in property taxes.

The chart below represents the adopted operating and debt service millage rates for the last ten years.



	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
City Total	4.2482	4.2495	4.2536	4.3366	4.2888	4.3342	4.3263	4.3151	4.2952	4.2803
Debt Service	0.1289	0.1302	0.1343	0.2173	0.1695	0.2149	0.2070	0.1958	0.1759	0.1610
Operating	4.1193	4.1193	4.1193	4.1193	4.1193	4.1193	4.1193	4.1193	4.1193	4.1193

Over 62.1% of the General Fund budget for operating expenditures is dedicated to public safety through police, fire rescue, and code enforcement. Another 11.7% is allocated to cultural and recreational quality of life programs.

Financial Policies

The City Commission adopted financial integrity principles to set forth the basic framework for the overall fiscal management of the City. It contained four high-level principles to govern the City's financial management:

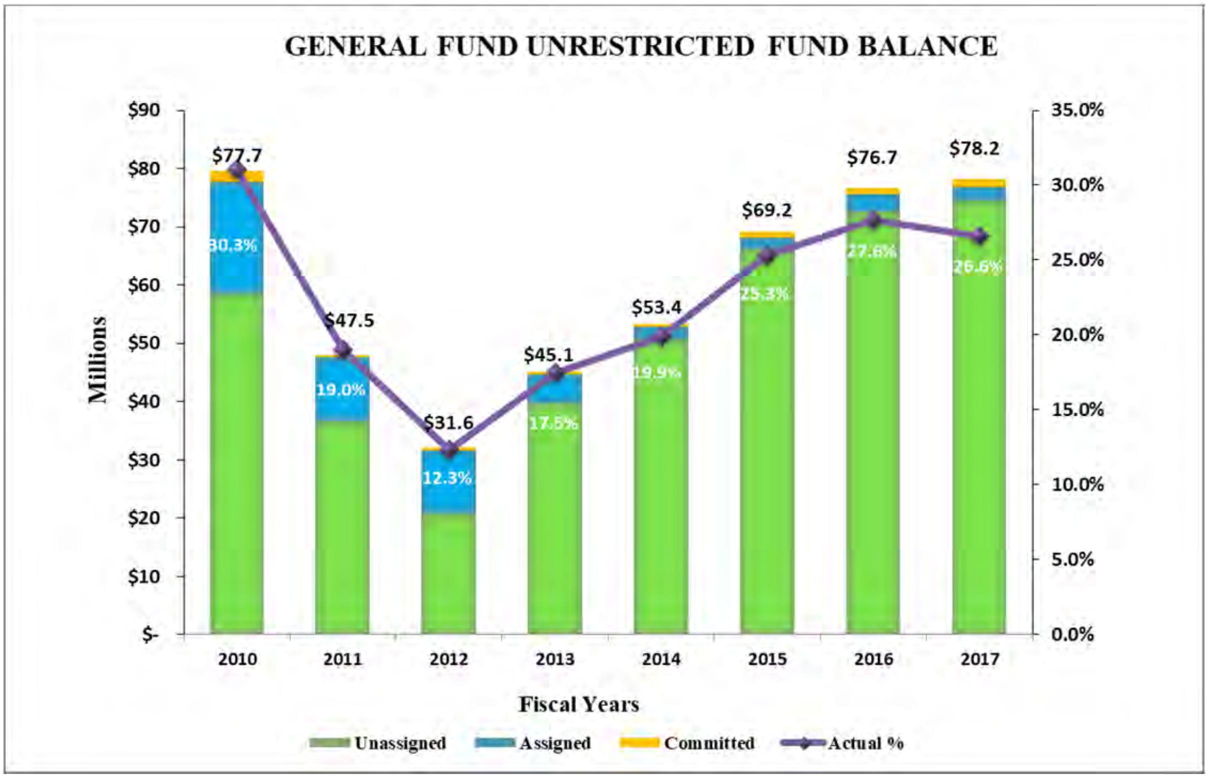
- ***Sound Budgeting Practices*** - The City of Fort Lauderdale shall be committed to maintaining a structurally balanced budget to support high quality service to our neighbors, while maintaining a relatively low millage rate and reserves consistent with the needs of the City.

- ***Prudent Fiscal Management*** - The City of Fort Lauderdale shall be committed to best practices in revenue collection, expenditure disbursements, asset maintenance, and record keeping for ensuring the optimal performance and integrity of public funds and resources.

- ***Cost Effective Operations*** - The City of Fort Lauderdale shall be accountable to stakeholders through transparent and fiscally responsible decisions in order to deliver high quality services in the most efficient and effective manner possible.

- ***Long-term Financial Planning*** - The City of Fort Lauderdale shall be dedicated to investing in the future and enhancing the quality of life through public-private partnerships, cooperative decision-making, community engagement and smart strategic investments, while using debt in a responsible manner and striving for the highest level of government bond ratings available.

The City continues to exceed its policy to maintain the unrestricted fund balance for the General Fund equivalent to two (2) months of operating expenditures and required transfers. During FY 2017 the General Fund unrestricted balance increased from $76.7 million to $78.2 million. At 26.6%, this amount exceeds the minimum unrestricted requirement for the General Fund by $29.2 million. The chart below presents a eight-year history of General Fund balances.



The City maintains an investment policy that strives to protect capital above all else while seeking investment earnings and providing for daily cash needs. The City's portfolio at September 30, 2017 was $539.8 million, excluding investments of the permanent and fiduciary funds. The City's master and payroll accounts are swept nightly to maximize interest earnings.

The City of Fort Lauderdale has a combination of insurance policies and self-insured programs to mitigate the City's risk as a municipality. The City is self-insured for automobile, general liability, police professional liability, workers' compensation and employment practices claims and certain medical benefits. Insurance policies have been purchased to cover damage to City property, including windstorm and terrorism coverage, losses due to fraud or criminal actions of City officials, major employment practices liability, workers' compensation, medical claims, and cyber liability insurance. Independent actuaries assist in assessing the City's liabilities and establishing appropriate claim reserves.

Major Initiatives of FY 2017

The FY 2017 Adopted Budget served as a financial plan that advanced the organizational mission of providing optimum government services to our neighbors while investing in social capital to enhance the overall health of the City of Fort Lauderdale.

The Commission Annual Action Plan for FY 2017 included significant focus on our Beach and Northwest-Progresso-Flagler Heights Community Redevelopment areas. In addition, the following were key priorities for Fiscal Year 2017:

- Water and Sewer System Improvements
- Central Regional Wastewater System Projects
- Las Olas Blvd Corridor Improvements
- Stormwater System Improvements
- Facilities Maintenance and Improvements
- SE/SW 6th Street Corridor Improvements
- 911 Call Center and Dispatch Transition
- Executive Airport Improvements
- Riverland Park Land Purchase
- Street Resurfacing
- Neighborhood and Business Community Investment Projects
- Downtown Walkability Projects
- City-wide Playground Replacements
- Marine Facilities
- Bridge Replacement and Restoration

Enhancements to City operations in the FY 2017 adopted budget included additional staffing, increases in service levels, and staff development. There was a focused investment in the areas of procurement, human resources, and facilities preventative maintenance. Specific funding was provided for improvements to the City's Executive Airport, replacement of emergency generators, tidal valves, a backhoe loader, a parking study, 6 code compliance positions, additional building inspectors and plans reviewers, technological improvements to for the City's Building Division, investments in citywide technology improvements, increased special events program activity and marketing, additional parks and recreation positions, 18 additional firefighter/paramedic positions to reduce response times, and 9 positions to enhance Police services including 4 new Police motor officers.

Major Initiatives of FY 2018

The FY 2018 Adopted Budget is a financial plan developed to ensure that the City provides the outstanding services and community investment our neighbors deserve in the most effective and efficient manner possible.

The Commission Annual Action Plan for FY 2018 prioritizes our Beach and Northwest-Progresso-Flagler Heights community redevelopment areas, Stormwater Management, Beach Mobility Master Plan, Soccer and Lacrosse Athletic Fields, Homelessness, 17th Street Mobility Plan, 911 Communications, Central City Regional Activity Center Rezoning, Police Station of the 21st Century, and South Andrews Area Redevelopment.

FY 2018 enhancements to the City include strategic new positions; infrastructure investment; and enhanced programming aligned with the priorities enumerated in the City's Vision, Strategic Plan, Neighbor survey, and Commission annual Action Plan. Specific funding was provided for a nighttime economy team, a centralized roadway maintenance and repair crew, and facility maintenance needs. There was also focused investment in the areas of the Public Safety Pension Fund, the General Employee's Retirement System, beach nourishment, wage increases, employee health insurance costs, police overtime, grant funding, the renovation of Parker Playhouse, and funding for the Community Redevelopment Agency (CRA).

The Community Investment Plan (CIP) is born out of our commitment to adapt to the future. The City will continue to address a wide variety of infrastructure-related projects and funding issues to protect our valued quality of life. The CIP acts as a roadmap, demonstrating how we plan to reach our potential, support our aging infrastructure, and plan our investment strategies to adequately strengthen our community.

The Community Investment Plan addresses the identified priorities through specific projects funded in FY 2018 such as:

Priority Water and Sewer System Improvements	$11,000,000
Central Regional Wastewater System	9,400,000
Seawall Repairs, Replacements, and Restorations	8,800,000
Aquatics Complex Renovations	8,600,000
Executive Airport Improvements	6,875,000
New Emergency Medical Station	3,000,000
Broward County Segment II Beach Nourishment	2,800,000
Priority City-wide Facility Repairs	2,500,000
Stormwater Infrastructure Improvements	2,000,000
Public Safety Radios and Ancillary Components	1,260,000
Road Maintenance and Resurfacing	1,200,000
War Memorial Auditorium Renovations, Phase II	800,000
Field Conversion at Holiday Park	800,000
Utility Coordination with Florida Dept. of Transportation	750,000
Riverland Road "Complete Streets" Improvements	750,000
Structural and Electrical Garage Improvements	730,000
Marine Facilities	600,000
Mills Pond Park Boar Ramp Replacement and restrooms	600,000
City-wide Playground Replacements	600,000
City Infrastructure	500,000
Neighborhood and Community Investment Projects	500,000
Parker Playhouse Renovations	500,000

Accreditations and Certifications

The City of Fort Lauderdale has earned the prestigious All-America City Award for its exemplary community-based problem solving and civic engagement efforts!

The City of Fort Lauderdale Parks and Recreation Department has earned national accreditation from the Commission for Accreditation of Park and Recreation Agencies (CAPRA). The City of Fort Lauderdale Parks and Recreation Department is only one of a few agencies in the country to receive national accreditation, which confirms an agency's commitment to quality and efficiency.

In May 1996, The Commission for Florida Law Enforcement Accreditation, Inc. (CFA) selected the Fort Lauderdale Police Department as one of ten pilot agencies in the State of Florida to undergo the accreditation process. The Fort Lauderdale Police Department had been consecutively reaccredited by the CFA in 2001, 2004, 2007 and 2010 without conditions, which earned the department Excelsior Recognition.

Public Works Water and Wastewater Treatment Division provides our neighbors with safe and efficient water treatment, water production, and wastewater treatment and disposal. Additionally, the City's laboratory, which is accredited (ISO 17025) and certified (National Environmental Laboratory Accreditation Certification), provides sampling and testing services to the City 365 days a year.

Fort Lauderdale has achieved the Gold certification from the Florida Green Building Coalition. Certification standards exist for homes, commercial buildings, high-rise projects and land development, as well as for local governments. Projects earn points for meeting each standard and can earn additional points for innovation. Based on the number of points earned, a level of certification is awarded.

Fire Rescue earned a "Class 1" International Organization of Standardization (ISO) rating and Commission on Fire Accreditation International National Accreditation.

The City of Fort Lauderdale has received national recognition as a Playful City USA community from the non-profit organization KaBOOM! Today's children spend less time playing outside than any previous generation, but the City of Fort Lauderdale has earned the national title due to its efforts to increase play opportunities for local children.

Recognition and Acknowledgments

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended September 30, 2016. This was the 40th consecutive year that the City has received this award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current report continues to meet the program's requirements and we are submitting it to the GFOA to determine its eligibility for another award. Additionally, the City has received the GFOA Distinguished Budget Presentation Award each fiscal year since 1985 and for the forth year the City received the Award for Outstanding Achievement in Popular Annual Financial Reporting (PAFR).

This report could not have been prepared without the dedicated service of all employees in the Finance Department and the support of the other City departments. Sincere appreciation is expressed to all for their efforts.

Lee R. Feldman, ICMA-CM
City Manager

Kirk W. Buffington, CPFIM, CPPO, C.P.M., MBA
Director of Finance

Linda Logan-Short, CGFO, CPM
Chief Financial Officer/Deputy Director of Finance

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Fort Lauderdale

Florida

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

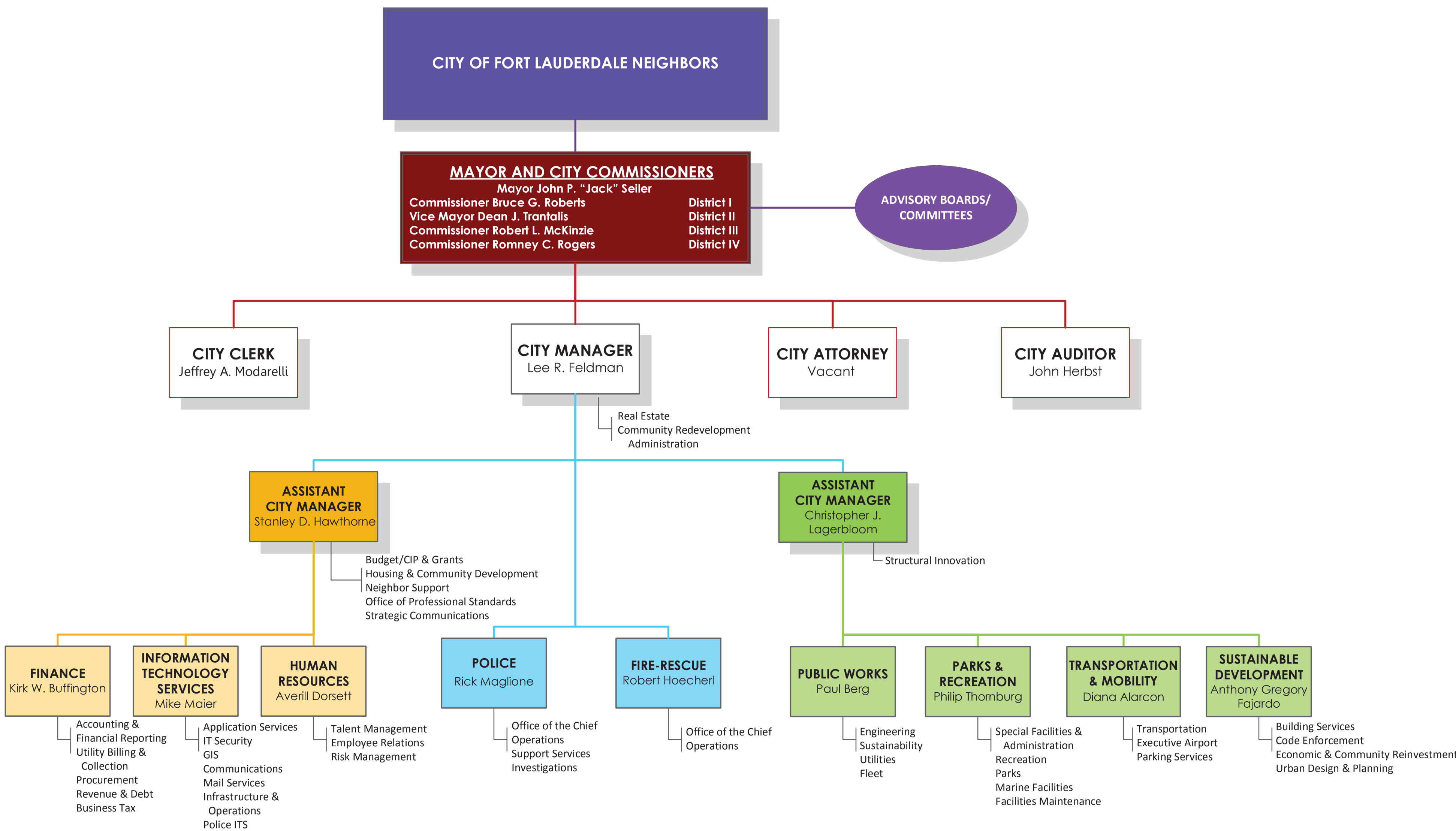
September 30, 2016

Christopher P. Morrill

Executive Director/CEO

CITY OF FORT LAUDERDALE | ORGANIZATIONAL CHART

WE BUILD COMMUNITY



Independent Auditor's Report

Independent Auditor's Report

Independent Auditor's Report

CITY OF FORT LAUDERDALE

The Management's Discussion and Analysis section is intended to provide readers of this report with a general overview of the financial activities of the City of Fort Lauderdale (City) during fiscal year (FY) 2017. We encourage readers to consider the information presented here in conjunction with the transmittal letter at the beginning of this report, as well as the financial statements and notes to financial statements, which follow.

Financial Highlights

- The City's total assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at September 30, 2017 by $944.5 million (net position). Of this amount, $229.0 million was from governmental activities and $715.5 million was from business-type activities. The City's unrestricted net position was negatively impacted by the implementation of GASB Statement No. 75 (GASB 75), Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, which required the City to record its unfunded liability for Other Post-Employment Benefits (OPEB). More information can be found in Notes 15 and 20.

- The City's revenues for governmental activities, excluding transfers, totaled $405.0 million, an 8.5% or $31.6 million increase from FY2016. Charges for services increased by $12.6 million and property taxes increased by $10.4 million. Expenses for governmental activities increased by $22.5 million or 7.0% to $342.7 million. Economic environment, general government, and public safety increased by $8.1 million, $6.4 million, and $5.0 million, respectively.

- Revenues related to business-type activities increased by $35.7 million to $223.2 million and expenses, excluding transfers, decreased by $2.6 million to $185.2 million.

- The General Fund's fund balance increased by $1.5 million to $78.2 million primarily due to an increase of $10.4 million in property tax revenues. The unassigned fund balance increased from $72.6 million in FY2016 to $74.5 million in FY2017. More detailed information on the General Fund activities can be found on page 13.

- The City's long-term debt decreased by $29.1 million net of retirements, unamortized premiums and discounts to $686.2 million; this primarily resulted from the reduction of current debt through annual debt payments.

Overview of Financial Statements

The basic financial statements are comprised of government-wide statements that offer a broad overview of financial activity, and more specific fund statements that present more detailed information.

Government-wide Statements (pages 20 through 23) include the statement of net position and statement of activities. They provide a broad overview of the City as a whole similar to private sector financial statements. The *statement of net position* shows the total assets and deferred outflows and liabilities and deferred inflows for the City with the difference being net position. The *statement of activities* provides a breakdown of revenues and expenses by function. Functions generally supported by taxes and intergovernmental revenues such as police, fire-rescue, parks and recreation, and public works are considered governmental activities. Those functions that are primarily funded through user fees and charges are identified as business-type activities. In Fort Lauderdale, these activities include water and sewer, sanitation, the parking system, the Fort Lauderdale Executive Airport (FXE), and stormwater.

The government-wide statements include two component units. The financial information of the City's Community Redevelopment Agency (CRA) is blended within the primary government. The Sunrise Key Safe Neighborhood District (SK) is discretely presented on the s*tatement of activities* and s*tatement of net position*. Refer to the Summary of Significant Accounting Policies for additional information on individual component units. Fiduciary funds, which include pension and agency funds are not included as part of the primary government because those resources are not available for use on City activities. Details of the fiduciary funds are provided in the fund statements.

Fund Financial Statements are found on pages 24 through 35. The City uses fund accounting to track the sources and uses of resources for specific purposes. The City categorizes funds into three basic fund types: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds (beginning on page 24) are used to account for essentially the same functions reported as governmental activities in the government-wide statements. However, unlike the previous statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Since the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. This comparison highlights the long-term impact of the City's near term financial decisions. Both the *governmental fund balance sheet* and the *governmental fund statement of revenues, expenditures, and changes in fund balances* offer a reconciliation to assist with this comparison.

The City maintains 21 individual governmental funds. Of this number, only the General Fund is considered a major fund and thus is reflected separately in the fund financial statements. All the other governmental funds are combined for presentation purposes as nonmajor funds.

Proprietary Funds (beginning on page 28) are comprised of two different categories. Enterprise funds include business-type activities such as water and sewer, sanitation, the parking system, the executive airport, and stormwater. Internal service funds include vehicle rental, central services (information technology, telecommunications, and printing services), and insurance services. The latter functions provide support to internal City departments rather than services to the public. Enterprise funds are also reported as either major or nonmajor funds depending upon the significance of their financial activity.

Fiduciary Funds (beginning on page 34), which are not included in the government-wide statements, are presented in this section and include the City's Police and Fire Retirement System, the General Employees Retirement System and the Other Post-Employment Benefits Fund as well as the financial activity of the Arts and Science District Garage.

Notes to Financial Statements (beginning on page 37) are integral to a complete understanding of both the government-wide and fund financial statements. They provide additional explanation of the amounts shown in the various statements.

Other Information

This report also includes required supplementary information related to employee pension liability, other post-employment benefits, and the budgetary comparison schedules for major governmental funds. The combining statements and other financial information, in connection with nonmajor governmental and enterprise funds, internal service funds, fiduciary funds and nonmajor component units are presented following the required supplementary information.

Additional statistical information is presented to give report users a better historical perspective and assist in assessing current financial status and trends of the governmental unit. Economic data is presented to allow a broader understanding of the economic and social environment in which the City government operates.

Government-wide Financial Analysis

The table below summarizes the City's net position as of September 30, 2017 and 2016.

City of Fort Lauderdale
Net Position
(in thousands of $)

	Governmental Activities		Business-type Activities		Total		Increase/ (Decrease)	
	2017	2016 *	2017	2016 *	2017	2016 *	Amount	Percent
Assets and Deferred Outflows of Resources								
Current and Other Assets	$ 410,128	$ 364,598	$ 237,107	$ 226,845	$ 647,235	$ 591,443	$ 55,792	9.43%
Capital Assets (Net)	317,197	308,198	889,088	869,536	1,206,285	1,177,734	28,551	2.42%
Total Assets	727,325	672,796	1,126,195	1,096,381	1,853,520	1,769,177	84,343	4.77%
Deferred Outflows of Resources	24,308	59,363	24,467	35,199	48,775	94,562	(45,787)	-48.42%
Total Assets and Deferred Outflows of Resources	751,633	732,159	1,150,662	1,131,580	1,902,295	1,863,739	38,556	2.07%
Liabilities and Deferred Inflows of Resources								
Current and Other Liabilities	76,209	66,842	41,660	34,853	117,869	101,695	16,174	15.90%
Long-Term Liabilities	413,605	484,111	386,245	421,809	799,850	905,920	(106,070)	-11.71%
Total Liabilities	489,814	550,953	427,905	456,662	917,719	1,007,615	(89,896)	-8.92%
Deferred Inflows of Resources	32,827	11,142	7,245	828	40,072	11,970	28,102	395.30%
Total Liabilities and Deferred Inflows of Resources	522,641	562,095	435,150	457,490	957,791	1,019,585	(61,794)	-4.18%
Net Position								
Net Investment in Capital Assets	278,879	272,572	522,646	485,584	801,525	758,156	43,369	5.72%
Restricted	159,782	151,264	41,293	34,939	201,075	186,203	14,872	7.99%
Unrestricted	(209,669)	(253,772)	151,573	153,567	(58,096)	(100,205)	42,109	-42.02%
Total Net Position	$ 228,992	$ 170,064	$ 715,512	$ 674,090	$ 944,504	$ 844,154	$ 100,350	11.89%

FY2016 as restated due to a change in accounting principle. See Note 20.

The City's investment in capital assets (land, buildings, improvements, infrastructure and equipment) net of the related debt outstanding used to acquire those assets of $801.5 million represents 84.9% of its net position. These capital assets are used to provide services to City of Fort Lauderdale neighbors and are not available for future spending. The resources needed to repay the debt incurred to acquire these assets will come from future revenues.

An additional portion of net position (21.3%) represents resources subject to external restrictions ($201.1 million). The unrestricted balance increased by $42.1 million compared to the end of FY2016 and the reasons for the overall increase are discussed in the sections for governmental activities and business-type activities.

At the end of the current fiscal year, the City is able to report positive balances in the investment in capital assets and restricted categories of net position, both for the government as a whole, as well as for the governmental activities. The business-type activities reports positive balances in all reported categories of net position. The same situation held true for the prior fiscal year.

In FY2017, the total net position increased by $100.4 million. The implementation of GASB 75 resulted in the restatement of the beginning net position. This implementation reduced the city-wide net position by $20.5 million; $14.1 million is for governmental activities and $6.4 million for business-type activities. Please see note 15 and 20 for more information. The following table summarizes changes in net position for governmental and business-type activities for the past two fiscal years.

City of Fort Lauderdale
Changes in Net Position
(in thousands of $)

	Governmental Activities		Business-type Activities		Total		Increase/(Decrease)	
	2017	2016 *	2017	2016 *	2017	2016 *	Amount	Percent
Revenues								
Program Revenues								
Charges for Services	$ 149,634	$ 137,022	$ 192,767	$ 181,395	$ 342,401	$ 318,417	$ 23,984	7.53%
Operating Grants and Contributions	30,820	26,028	19	-	30,839	26,028	4,811	18.48%
Capital Grants and Contributions	2,669	1,288	7,092	3,296	9,761	4,584	5,177	112.92%
General Revenues								
Property Taxes	127,785	117,360	-	-	127,785	117,360	10,425	8.88%
Other Taxes	66,471	65,470	-	-	66,471	65,470	1,001	1.53%
Other	27,580	26,165	23,322	2,828	50,902	28,993	21,909	75.57%
Total Revenues	404,959	373,333	223,200	187,519	628,159	560,852	67,307	10.71%
Expenses								
General Government	57,048	50,656	-	-	57,048	50,656	6,392	12.62%
Public Safety	195,228	190,328	-	-	195,228	190,328	4,900	2.57%
Physical Environment	7,416	6,622	156,936	161,043	164,352	167,665	(3,313)	-1.98%
Transportation	9,237	10,368	28,214	26,724	37,451	37,092	359	0.96%
Economic Environment	22,871	14,783	-	-	22,871	14,783	8,088	54.71%
Culture/Recreation	38,776	34,617	-	-	38,776	34,617	4,159	12.01%
Interest on Long-Term Debt	12,083	12,813	-	-	12,083	12,813	(730)	-5.70%
Total Expenses	342,659	320,187	185,150	187,767	527,809	507,954	19,855	3.91%
Change in Net Position before transfers	62,300	53,146	38,050	(248)	100,350	52,898	47,452	89.71%
Transfers	(3,372)	(355)	3,372	355	-	-	-	0.00%
Change in Net Position	58,928	52,791	41,422	107	100,350	52,898	47,452	89.71%
Change in Accounting Principle	-	(14,094)	-	(6,372)	-	(20,466)	20,466	0.00%
Beginning Net Position - as previously reported (see Note 20)	170,064	131,367	674,090	680,355	844,154	811,722	32,432	4.00%
Ending Net Position	$ 228,992	$ 170,064	$ 715,512	$ 674,090	$ 944,504	$ 844,154	$ 100,350	11.89%

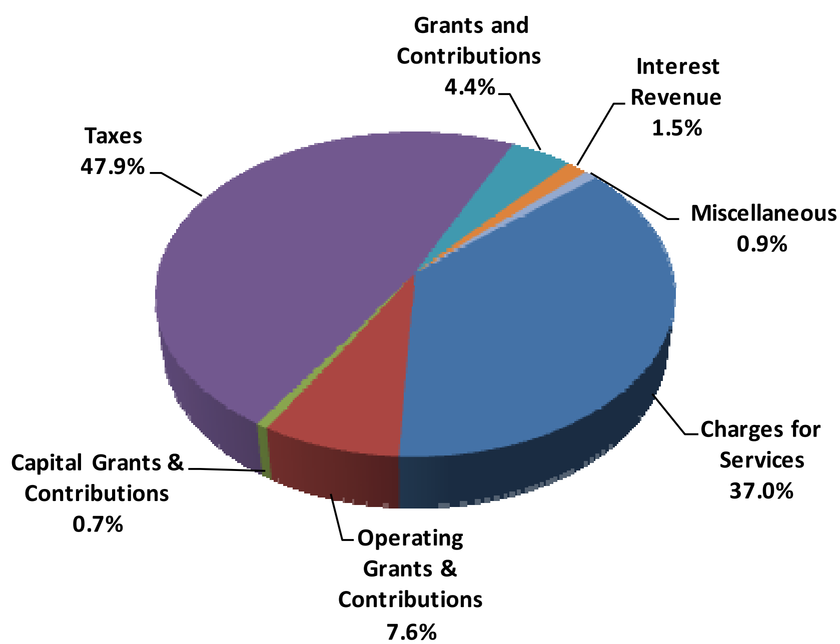
FY2016 as restated due to a change in accounting principle. See Note 20.

The governmental activities net position showed an increase of $58.9 million. Total revenues from governmental activities increased by $31.6 million compared to FY2016. Although the property tax levy millage rate remained constant for the tenth consecutive year, there was a $10.4 million increase in property tax revenues resulting from an 8.9% increase in property values. In FY2017, charges for services increased by $12.6 million, primarily due to an increase in the fire assessment fees of $5.2 million, park impact fees reported an increase of $3.7 million in additional revenues. Other taxes, comprised of public service taxes, franchise fees and insurance premium taxes, increased by $1.0 million. Also, operating grants and contributions increased by $4.8 million.

Expenses for governmental activities increased by 7.0% or $22.5 million, with economic environment, general government, and public safety increased by $8.1 million, $6.4 million, and $5.0 million, respectively, while transportation reported a decrease of $1.1 million.

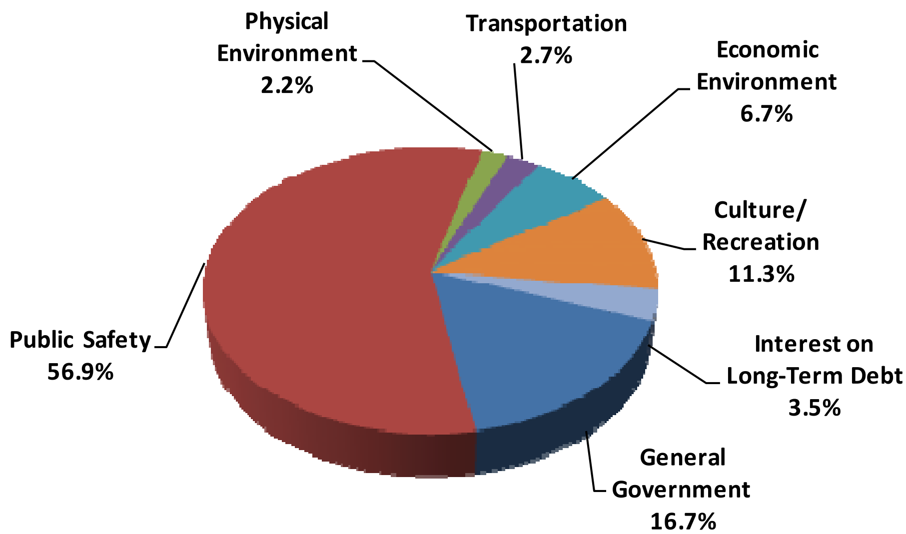
As the following chart of revenues from governmental activities (by source) shows, property and other taxes provided 47.9% of the revenues used to fund governmental functions. Charges for services, such as parks and recreation programs and fire suppression special assessment comprised 37.0% of total revenues.

Revenue by Source - Governmental Activities



Expenses for governmental activities (by function) are provided in the following chart. Public safety, comprised of police, fire-rescue, and code enforcement services, had the highest allocation, accounting for 56.9% of all resources. General government and culture and recreation expenses accounted for 16.7% and 11.3%, respectively.

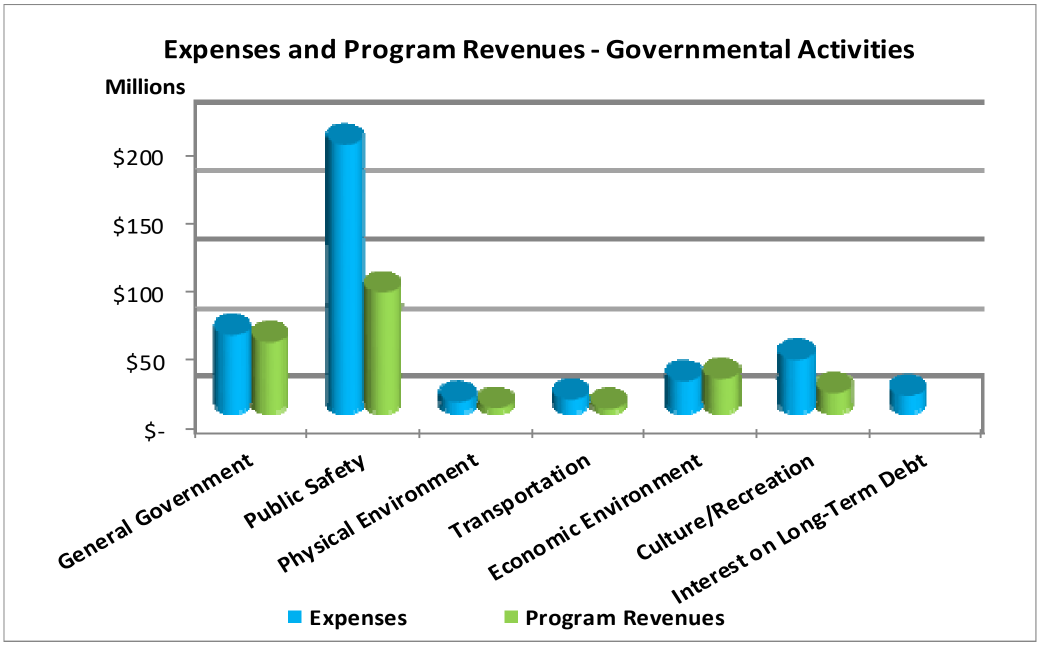
Expenses by Function - Governmental Activities



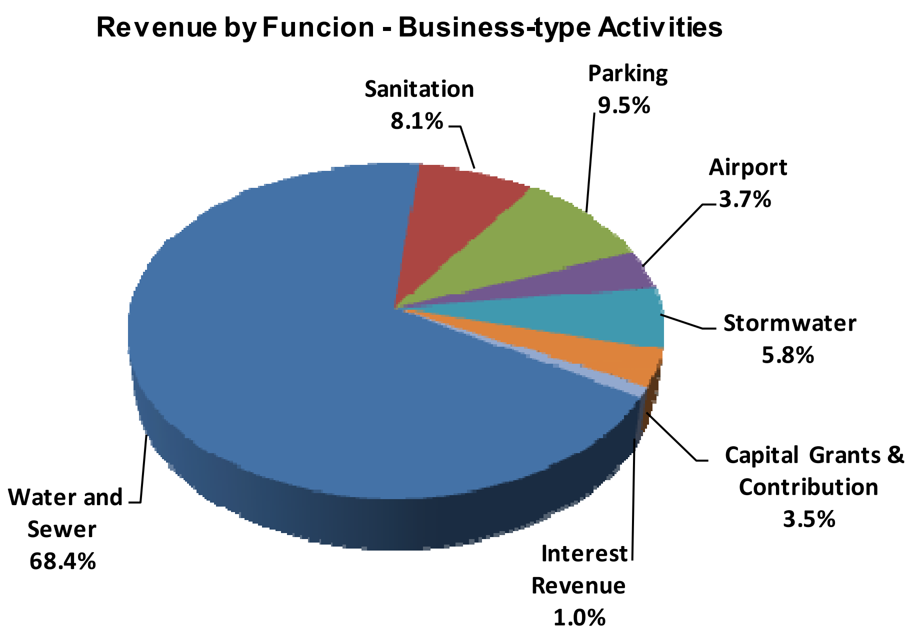
The following table and chart show the components of program and general revenues as percentage of total for governmental activities:

Expenses and Program Revenues – Governmental Activities

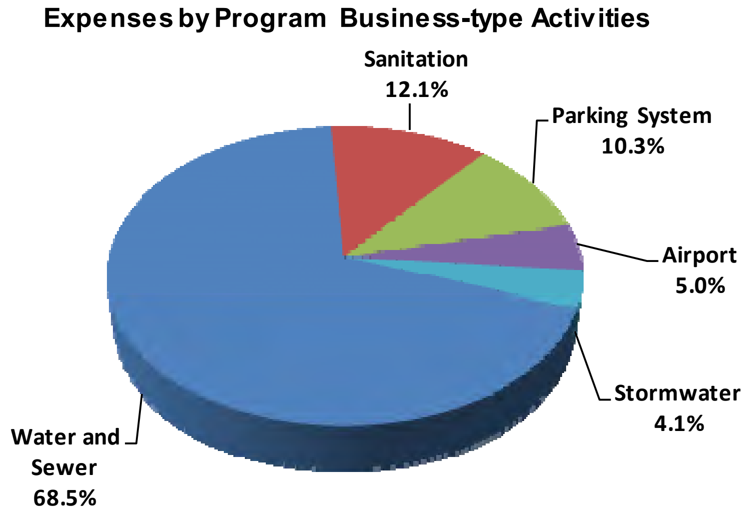
Functions/Programs	Expenses	% of Total	Program Revenues	% of Total	Net (Expense) Revenue
General Government	$ 57,047,567	16.7%	$ 51,781,887	28.3%	$ (5,265,680)
Public Safety	195,228,347	56.9%	87,400,376	47.7%	(107,827,971)
Physical Environment	7,415,926	2.2%	3,027,707	1.7%	(4,388,219)
Transportation	9,236,517	2.7%	2,270,584	1.2%	(6,965,933)
Economic Environment	22,871,449	6.7%	24,531,314	13.4%	1,659,865
Culture/Recreation	38,776,033	11.3%	14,110,210	7.7%	(24,665,823)
Interest on Long-Term Debt	12,082,942	3.5%	-	0.0%	(12,082,942)
	$ 342,658,781	100%	$ 183,122,078	100%	$ (159,536,703)



For the business-type activities, net position showed an increase of $41.4 million. Total revenues for these activities increased by $35.7 million or 19.0%, mostly due to a land swap acquisition. In FY2017, charges for services increased by $11.4 million. Water and sewer increased by $5.5 million and stormwater increased by $2.9 million.



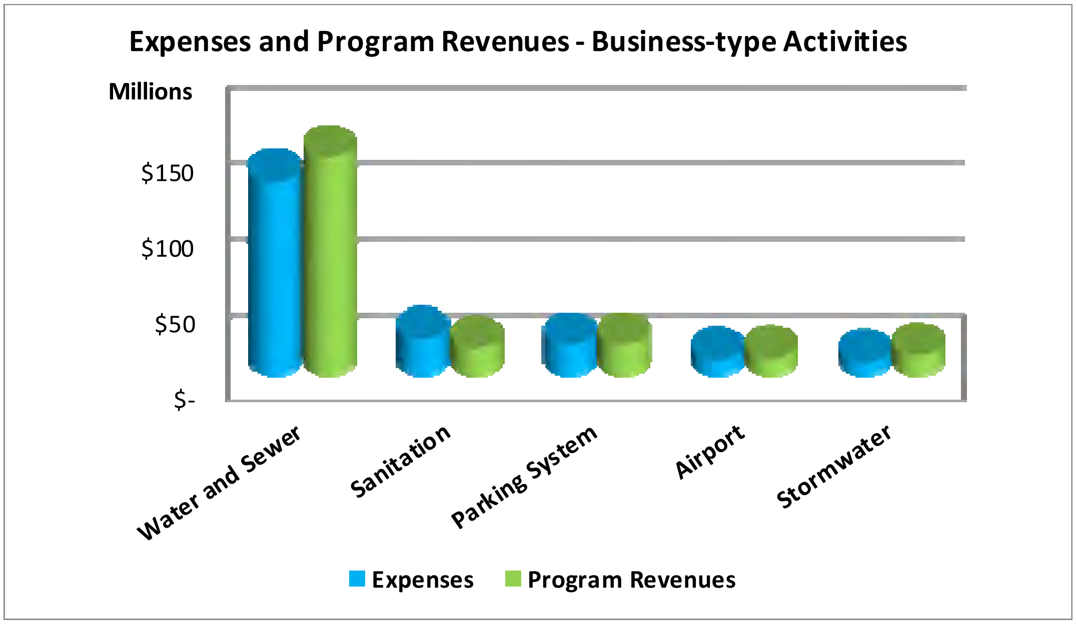
The total expenses for business-type activities decreased by $2.6 million or 1.4%. Physical environment expenses decreased by $4.1 million or 2.6%, while transportation expenses increased by $1.5 million or 5.8%.



The following table and chart show the components of program revenues as a percentage of the total for business-type activities:

Expenses and Program Revenues – Business-type Activities

Functions/Programs	Expenses	% of Total	Program Revenues	% of Total	Net (Expense) Revenue
Water and Sewer	$ 126,872,929	68.5%	$ 142,488,052	71.2%	$ 15,615,123
Sanitation	22,447,460	12.1%	16,415,880	8.2%	(6,031,580)
Parking System	19,031,068	10.3%	19,134,725	9.6%	103,657
Airport	9,182,798	5.0%	10,087,069	5.1%	904,271
Stormwater	7,615,617	4.1%	11,752,324	5.9%	4,136,707
	$ 185,149,872	100%	$ 199,878,050	100%	$ 14,728,178



Financial Analysis of the Government's Funds

The fund financial statements for *governmental funds* provide information on the near-term outflows, inflows, and balances of spendable resources. Such information is useful in assessing the City of Fort Lauderdale's financing requirements. In particular, the unassigned fund balance is a useful indicator of the City's net resources available for spending at the end of the fiscal year.

The General Fund balance at September 30, 2017 was $78.2 million, an increase of 2.0% or $1.5 million from the prior year balance of $76.7 million. Approximately 95.2% of FY2017 fund balance ($74.5 million) represents the unassigned fund balance, which is available for spending at the government's discretion.

General Fund revenues for FY2017 totaled $333.6 million, a $19.4 million or 6.2% increase from FY2016. Miscellaneous revenues increased by $7.4 million, which is mainly attributed to an increase in fire-rescue assessment fees. Tax revenues increased by $11.3 million in FY2017, of which property taxes levied for operations increased $10.3 million and other taxes increased by $1.0 million.

Total General Fund expenditures increased by $16.9 million from $258.7 million in FY2016 to $275.5 million in FY2017. This is mainly attributed to an increase in personnel cost of $11.3 million, which includes contractual wage and benefits increases and 68.4 additional budgeted positions. Services and materials costs increased by $5.8 million.

The governmental funds ended the year with $303.1 million in fund balance, which is a 7.9% increase from FY2016. The combined fund balances of the nonmajor governmental funds increased by $20.8 million or 10.2% to $224.8 million. The Building Fund increased by $5.6 million mostly due to a relative steady activity in licenses and permits. General capital projects fund balance increased by $10.8 million due to transfers to fund capital improvement projects, while the Community Redevelopment Agency capital projects funds decreased by $3.9 million, due to transfers for redevelopment and maintenance projects. The Perpetual Care fund of the Cemetery System increased by $2.4 million; mostly attributable to investment gains.

The City's *proprietary funds* are presented in more detail in the proprietary fund statements but represent the same activities reflected in the business-type activities. Proprietary funds include both the enterprise and internal service funds. The total enterprise funds net position increased by $34.5 million to $705.6 million in FY2017. Total enterprise funds operating income increased by $9.5 million from $7.1 million in FY2016, to $16.7 million in FY2017, a 135.5% increase. The Water and Sewer Fund net position increased by $9.8 million to $532.4 million. Water and Sewer fund operating income was $20.4 million in FY2016, an increase of $4.8 million compared to FY2016.

The Stormwater fund had a net operating income of $4.0 million, an increase of $2.5 million from FY2016 mostly due to a rate increase in the Stormwater fee. The Parking fund had a net operating income of $21,722, an increase of $1.4 million from FY2016. Sanitation and Airport funds had a net operating loss of $6.1 million and $1.6 million. The Stormwater fund reported an increase of $2.6 million in charges for services mostly due to an increase on base monthly rates. The Sanitation fund operating loss is primarily due to the reallocation of private collectors fees to the General Fund, of which General Fund transferred $5.6 million back to the fund.

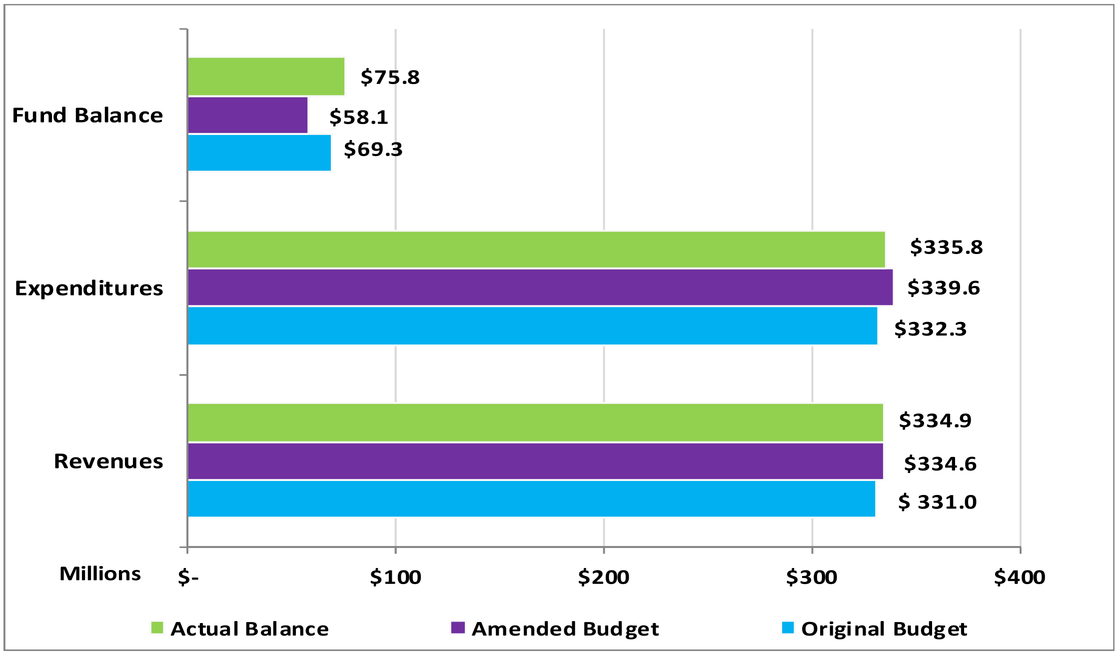
At September 30, 2017, the Insurance fund had a net position balance of $2.5 million, a decrease of $2.3 million from FY2016. The Insurance fund had net operating loss of $1.4 million mostly due to increase medical claims. In FY2017, the Central Services fund's net position balance of $10.1 million increased by 11.7% from $9.1 million in FY2016. This increase of $1.1 million is mainly attributed to an increase of $633,801 in charges for services and a decrease of $625,672 in personnel services. The Vehicle Rental net position increased by $2.3 million to $27.4 million in FY2017.

General Fund Budgetary Highlights

The City's Revenue Estimating Committee helps to ensure that the General Fund revenues are estimated each year using a comprehensive process involving multiple stakeholders, to yield the most reasonable and accurate revenue estimates. It includes an in depth review of past, current, and projected financial conditions. The forecast is an integral part of the annual budget process and allows for informed decision-making, with the goal of maintaining financial integrity while delivering essential quality community services to the City's neighbors, Actual General Fund revenues for FY2017 were higher than the final FY2017 budget by approximately $282,664. The FY2017 positive variances or underestimations were accounted for in licenses and permits, charges for services, fines and forfeitures, and miscellaneous revenues in the amount of $504,974. An overestimation of taxes and intergovernmental revenues resulted in a $222,310 negative variance.

Total expenditures of $277.9 million (including encumbrances of $2.4 million) were $3.7 million lower than the final FY2017 budget. This decrease is mainly attributed to services and materials costs that were $3.1 million lower than budgeted. Salary and employee benefits savings amounted to $2.0 million, resulting from vacancies in multiple departments. Unspent capital outlay budget was approximately $281,107.

City of Fort Lauderdale
FY2017 General Fund Budgetary Comparison
(in millions of $)



Capital Assets

The City's investment in capital assets, net of accumulated depreciation, for governmental and business-type activities is shown in the following table. Capital asset balances for governmental activities increased by $9.0 million in FY2017.

Capital asset balances of the business-type activities increased by $19.6 million, which is mainly attributed to a land swap acquisition in the parking fund for the development of a public parking lot. Additional information about the City's capital assets can be found in Note 7 to these financial statements.

City of Fort Lauderdale
Capital Assets
(in thousands of $)

	Governmental Activities		Business-type Activities		Total		Increase/ (Decrease)	
	2017	2016	2017	2016	2017	2016	Amount	Percent
Land	$ 95,545	$ 93,243	$ 52,910	$ 32,156	$ 148,455	$ 125,399	$23,056	18.39%
Construction in Progress	23,539	23,927	35,602	24,632	59,141	48,559	10,582	21.79%
Buildings	165,928	157,481	274,642	273,307	440,570	430,788	9,782	2.27%
Improvements	119,667	113,180	910,300	900,985	1,029,967	1,014,165	15,802	1.56%
Machinery, Equipment and Vehicles	122,870	116,834	53,692	47,833	176,562	164,667	11,895	7.22%
Infrastructure	45,123	44,977	325	82	45,448	45,059	389	0.86%
	572,672	549,642	1,327,471	1,278,995	1,900,143	1,828,637	71,506	3.91%
Less: Accumulated Depreciation	(255,475)	(241,443)	(438,382)	(409,458)	(693,857)	(650,901)	(42,956)	6.60%
Capital Assets, net	$ 317,197	$ 308,199	$ 889,089	$ 869,537	$ 1,206,286	$ 1,177,736	$28,550	2.42%

Debt Administration

At the end of the current fiscal year, the City of Fort Lauderdale had a total bonded debt outstanding of $614.3 million. Of this amount, $31.3 million is backed by the full faith and credit of the government and $259.7 million is pension related debt for which the City has pledge non-ad valorem revenues. The remainder of the City's long term obligations comprises of bonds, notes and loans secured by the water and sewer net operating revenues, tax increment note issue by the Community Redevelopment Agency (CRA) and capital lease obligations.

The City's total debt decreased by $29.1 million, or 4.0%, during the current fiscal year. In FY2017, the City entered into two capital leases to finance energy savings performance projects and to fund public safety radio equipment in the aggregate amount of $9.0 million. Principal retirements for governmental activities and business-type activities totaled $16.2 million and $12.9 million, respectively. Additional information about the City's long-term debt can be found in Note 10 of these financial statements.

City of Fort Lauderdale
Outstanding Debt *
(in thousands of $)

	Governmental Activities		Business-type Activities		Total		Increase/(Decrease)	
	2017	2016	2017	2016	2017	2016	Amount	Percent
General Obligation Bonds	$ 31,300	$ 34,780	$ -	$ -	$ 31,300	$ 34,780	$ (3,480)	-10.01%
Special Obligation Bonds	259,735	275,505	-	-	259,735	275,505	(15,770)	-5.72%
Revenue Bonds	-	-	323,255	333,920	323,255	333,920	(10,665)	-3.19%
Notes Payables	6,629	7,257	-	-	6,629	7,257	(628)	-8.65%
Loans Payables	14,371	17,329	41,071	44,610	55,442	61,939	(6,497)	-10.49%
Capital Lease Obligations	8,506	1,869	1,352	-	9,858	1,869	7,989	427.54%
	$ 320,541	$ 336,740	$ 365,678	$ 378,530	$ 686,219	$ 715,270	$(29,051)	-4.06%

*Excludes unamortized bond premiums, discounts, and other liabilities such as estimated insurance claims, compensated absences, net pension liability, net OPEB obligations, and land-fill post closure costs.

Economic Factors and Next Year's Budget and Rates

The State of Florida, by its Constitution, does not have a state personal income tax and therefore operates primarily using sales, gasoline and corporate income taxes. Local governments (cities, counties and school boards) rely on property and a limited array of permitted other taxes (sales, gasoline, and utilities) and fees (franchise, business tax receipts) for their governmental activities. For the business-type and certain governmental activities (construction services and recreational programs), the user pays a related fee or charge associated with the service.

The adopted operating budget for expenditures for FY2018 is $770.3 million which is 2.8% higher than the FY2017 adopted budget, which does not include transfers. The General Fund expenditure budget for FY2018 is $318.4 million which is 14.8% higher than FY2017 adopted budget. The FY2018 General Fund Adopted Budget is structurally balanced, does not include the use of fund balance, and maximizes all resources necessary to build, enhance, and sustain the future of our great City. In FY2018, the operating millage rate of 4.1193 remains unchanged for the tenth consecutive year and equates to a 9.25% increase in revenues as a result of an increase in property values.

The adopted FY2018 General Fund budget addresses key priorities established by the City Commission to meet the challenges of current economic conditions including no increase in the millage rate, increased demands being placed on City staff and the high quality services desired by our neighbors, maintaining adequate reserve funds, and no reductions in vital City services demonstrating the City's highest priorities to ensure that we live, work, and play in the best city possible, while remaining within our fiscal boundaries. *"We Build Community."*

Requests for Information

This financial report is designed to provide a general overview of the City of Fort Lauderdale's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Chief Financial Officer, City of Fort Lauderdale, 100 North Andrews Avenue, Fort Lauderdale, Florida 33301, or they may be contacted at finance@fortlauderdale.gov or (954) 828-5144.

CITY OF FORT LAUDERDALE

Basic Financial Statements

STATEMENT OF NET POSITION
September 30, 2017

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Sunrise Key
ASSETS				
Cash and Cash Equivalents	$ 271,934,191	$ 146,563,596	$ 418,497,787	$ 89,321
Investments	99,676,212	-	99,676,212	-
Restricted Assets:				
Cash and Cash Equivalents	-	51,104,563	51,104,563	-
Accounts Receivable (Net)	16,877,066	20,155,313	37,032,379	-
Accrued Interest Receivable	94,407	-	94,407	-
Internal Balances	(9,908,765)	9,908,765	-	-
Due from Fiduciary Funds	4,527,506	-	4,527,506	-
Due from Other Governments	15,130,211	1,091,873	16,222,084	-
Inventories	140,445	1,441,130	1,581,575	-
Property Held for Resale	10,826,177	-	10,826,177	-
Prepaid Items	-	468,303	468,303	-
Investment in Joint Venture	-	623,703	623,703	-
Deposits	830,744	5,749,454	6,580,198	-
Capital Assets Not Being Depreciated				
Land	95,544,646	52,909,896	148,454,542	-
Construction in Progress	23,538,658	35,602,057	59,140,715	-
Capital Assets, Net of Accumulated Depreciation				
Buildings	94,223,114	155,171,774	249,394,888	-
Improvements	44,955,517	629,166,622	674,122,139	-
Infrastructure	32,799,838	316,225	33,116,063	-
Machinery, Equipment and Vehicles	26,135,426	15,921,549	42,056,975	-
Total Assets	727,325,393	1,126,194,823	1,853,520,216	89,321
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Loss on Refunding Amount	60,528	20,990,657	21,051,185	-
Deferred Outflows for Pension	24,024,004	3,407,706	27,431,710	-
Deferred Outflows for OPEB	222,984	68,797	291,781	-
Total Deferred Outflows of Resources	24,307,516	24,467,160	48,774,676	-

Continued

The notes to the financial statements are an integral part of the financial statements.

STATEMENT OF NET POSITION
September 30, 2017

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Sunrise Key
LIABILITIES				
Accounts Payable	$ 18,805,129	$ 13,722,932	$ 32,528,061	$ -
Accrued Liabilities	2,953,731	622,747	3,576,478	-
Due to Other Governments	749,407	-	749,407	-
Deposits	10,164,594	1,207,528	11,372,122	-
Unearned Revenues	4,033,270	467,852	4,501,122	-
Liabilities Payable from Restricted Assets:				
Accrued Interest Payable	3,081,649	1,211,046	4,292,695	-
Capital Leases Payable	-	-	-	-
Customer Deposits	-	8,600,190	8,600,190	-
Long-Term Liabilities:				
Due Within One Year	36,421,564	15,827,116	52,248,680	-
Due in More Than One Year	413,604,182	386,245,494	799,849,676	-
Total Liabilities	489,813,526	427,904,905	917,718,431	-
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflows for Pension	32,721,664	7,245,444	39,967,108	-
Derivative Instruments	105,798	-	105,798	-
Total Deferred Inflows of Resources	32,827,462	7,245,444	40,072,906	-
NET POSITION				
Net Investment in Capital Assets	278,879,502	522,645,923	801,525,425	-
Restricted for:				
Debt Service	12,488,216	2,403,466	14,891,682	-
Capital Improvements	-	28,387,296	28,387,296	-
Inventories	140,445	-	140,445	-
Community Redevelopment	77,842,020	-	77,842,020	-
Transportation	142,063	-	142,063	-
Public Safety	1,163,713	-	1,163,713	-
Building Code Enforcement	39,439,470	-	39,439,470	-
Renewal and Replacement	-	10,502,565	10,502,565	-
Endowments				
Expendable	14,256,581	-	14,256,581	-
Nonexpendable	14,996,603	-	14,996,603	-
Other Purposes	(686,988)	-	(686,988)	-
Unrestricted	(209,669,704)	151,572,384	(58,097,320)	89,321
Total Net Position	$ 228,991,921	$ 715,511,634	$ 944,503,555	$ 89,321

The notes to the financial statements are an integral part of the financial statements.

STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2017

		Program Revenues		
Functions/Programs	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**
Primary Government				
Governmental Activities:				
General Government	$ 57,047,567	$ 44,846,590	$ 6,868,719	$ 66,578
Public Safety	195,228,347	85,564,021	1,061,760	774,595
Physical Environment	7,415,926	3,027,707	-	-
Transportation	9,236,517	707,081	1,403,332	160,171
Economic Environment	22,871,449	1,935,852	21,391,340	1,204,122
Culture/Recreation	38,776,033	13,552,297	94,745	463,168
Interest on Long-Term Debt	12,082,942	-	-	-
Total Governmental Activities	342,658,781	149,633,548	30,819,896	2,668,634
Business-type Activities:				
Water and Sewer	126,872,929	138,009,051	-	4,479,001
Sanitation	22,447,460	16,415,880	-	-
Parking	19,031,068	19,134,725	-	-
Airport	9,182,798	7,547,492	-	2,539,577
Stormwater	7,615,617	11,679,276	-	73,048
Total Business-type Activities	185,149,872	192,786,424	-	7,091,626
Total Primary Government	$ 527,808,653	$ 342,419,972	$ 30,819,896	$ 9,760,260
Component Unit				
Sunrise Key	$ 134,543	$ -	$ -	$ -
Total Component Unit	$ 134,543	$ -	$ -	$ -

General Revenues:
Taxes:
Property Taxes
Utility Service Taxes
Franchise Fees
Insurance Premium Taxes
Grants and Contributions
Interest Revenue
Miscellaneous
Gain on Disposal of Capital Assets
Transfers
Total General Revenues/Transfers
Change in Net Position
Net Position - Beginning
Change in Accounting Principle
Net Position - Beginning, as restated (Note 20)
Net Position - Ending

Continued

The notes to the financial statements are an integral part of the financial statements.

Net (Expense) Revenue and Changes in Net Position			
Primary Government			Component Unit
Governmental Activities	Business-type Activities	Total	Sunrise Key
$ (5,265,680)	$ -	$ (5,265,680)	$ -
(107,827,971)	-	(107,827,971)	-
(4,388,219)	-	(4,388,219)	-
(6,965,933)	-	(6,965,933)	-
1,659,865	-	1,659,865	-
(24,665,823)	-	(24,665,823)	-
(12,082,942)	-	(12,082,942)	-
(159,536,703)	-	(159,536,703)	-
-	15,615,123	15,615,123	-
-	(6,031,580)	(6,031,580)	-
-	103,657	103,657	-
-	904,271	904,271	-
-	4,136,707	4,136,707	-
-	14,728,178	14,728,178	-
(159,536,703)	14,728,178	(144,808,525)	-
-	-	-	(134,543)
-	-	-	(134,543)
127,785,174	-	127,785,174	92,091
37,996,029	-	37,996,029	-
22,561,358	-	22,561,358	-
5,913,325	-	5,913,325	-
17,769,076	-	17,769,076	-
6,102,540	2,095,102	8,197,642	-
3,708,457	-	3,708,457	27
-	21,226,932	21,226,932	-
(3,371,727)	3,371,727	-	-
218,464,232	26,693,761	245,157,993	92,118
58,927,529	41,421,939	100,349,468	(42,425)
184,158,338	680,461,936	864,620,274	131,746
(14,093,946)	(6,372,241)	(20,466,187)	-
170,064,392	674,089,695	844,154,087	-
$ 228,991,921	$ 715,511,634	$ 944,503,555	$ 89,321

The notes to the financial statements are an integral part of the financial statements.

BALANCE SHEET
GOVERNMENTAL FUNDS
September 30, 2017

	General	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS			
Cash and Cash Equivalents	$ 78,209,253	$ 127,444,151	$ 205,653,404
Investments	-	99,570,414	99,570,414
Accounts Receivable (Net)	9,553,658	678,280	10,231,938
Accrued Interest Receivable	-	94,407	94,407
Due from Other Governments	4,478,992	10,651,219	15,130,211
Due from Other Funds	712,818	-	712,818
Due from Fiduciary Funds	4,527,506	-	4,527,506
Inventories	15,662	23,417	39,079
Property Held for Resale	-	10,826,177	10,826,177
Deposits	149,252	681,492	830,744
Total Assets	$ 97,647,141	$ 249,969,557	$ 347,616,698
LIABILITIES			
Accounts Payable	$ 2,653,566	$ 14,083,970	$ 16,737,536
Accrued Liabilities	2,651,559	136,404	2,787,963
Due to Other Governments	749,407	-	749,407
Due to Other Funds	-	712,818	712,818
Deposits	9,198,337	966,257	10,164,594
Unearned Revenues	2,117,993	1,915,277	4,033,270
Compensated Absences and Longevity	75,719	-	75,719
Total Liabilities	17,446,581	17,814,726	35,261,307
DEFERRED INFLOWS OF RESOURCES			
Unavailable Property Tax Revenues	1,762,177	7,107,562	8,869,739
Unavailable Assessment Revenues	202,524	210,091	412,615
Total Deferred Inflows of Resources	1,964,701	7,317,653	9,282,354
FUND BALANCES			
Nonspendable	15,662	15,003,353	15,019,015
Restricted	-	176,318,607	176,318,607
Committed	1,360,964	1,336,069	2,697,033
Assigned	2,390,941	33,304,214	35,695,155
Unassigned	74,468,292	(1,125,065)	73,343,227
Total Fund Balances	78,235,859	224,837,178	303,073,037
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 97,647,141	$ 249,969,557	$ 347,616,698

The notes to the financial statements are an integral part of the financial statements.

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
September 30, 2017

Total fund balances of governmental funds		**$ 303,073,037**
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		**300,071,555**
Other long-term assets are not available to pay for current period expenditures and, therefore are deferred in the funds.		**9,282,354**
The internal service fund is used by management to charge the costs of City insurance, communications, printing and central services and for the operation of a maintenance facility for City vehicles. The net position of the internal service funds are included in governmental activities in the statement of net position.		**30,166,536**
Deferred outflows of resources related to pension earnings are not recognized in the governmental funds and are recorded in the statement of net position.		**23,313,205**
Deferred outflows of resources related to OPEB earnings are not recognized in the governmental funds and are recorded in the statement of net position.		**212,382**
Deferred inflows of resources related to pension earnings are not recognized in the governmental funds and are recorded in the statement of net position.		**(31,210,369)**
Deferred loss on refunding amounts are expended in the fund level financial but are deferred and amortized over the life of the bonds in the government-wide financial statements.		**60,528**
Long-term liabilities are not due and payable in the current period and accordingly are not reported as fund liabilities.		
Bonds Payable	$ (291,035,000)	
Notes Payable	(20,999,700)	
Capital Lease Payable	(704,151)	
Net Pension Liabilities	(38,942,732)	
Net OPEB Liabilities	(22,172,297)	
Compensated Absences and Longevity	(28,496,791)	
Accrued Interest Payable	(3,081,649)	
Unamortized Bond Premiums and Discounts	(544,987)	**(405,977,307)**
Total net position of governmental activities		**$ 228,991,921**

The notes to the financial statements are an integral part of the financial statements.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended September 30, 2017

	General	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES			
Taxes	$ 189,771,444	$ 4,820,249	$ 194,591,693
Licenses and Permits	3,151,476	21,422,855	24,574,331
Intergovernmental Revenues	20,763,322	23,773,203	44,536,525
Charges for Services	23,219,305	253,633	23,472,938
Fines and Forfeitures	2,381,195	1,625,564	4,006,759
Miscellaneous Revenues:			
Assessments and Other Fees	38,841,875	7,975,350	46,817,225
Investment Income	1,789,033	3,764,816	5,553,849
Rents and Concessions	4,584,347	173,334	4,757,681
Contributions and Donations	-	1,214,122	1,214,122
Interfund Service Charges	44,205,229	-	44,205,229
Other Miscellaneous	4,886,092	1,876,573	6,762,665
Total Revenues	333,593,318	66,899,699	400,493,017
EXPENDITURES			
Current:			
General Government	54,890,813	968,266	55,859,079
Public Safety	173,340,285	15,398,323	188,738,608
Physical Environment	5,920,849	866,536	6,787,385
Transportation	5,795,679	2,297,499	8,093,178
Economic Environment	2,697,678	20,220,430	22,918,108
Culture/Recreation	32,081,247	239,315	32,320,562
Debt Service:			
Principal Retirement	-	22,836,100	22,836,100
Interest and Fiscal Charges	3,425	12,550,514	12,553,939
Capital Outlay	812,326	26,278,894	27,091,220
Total Expenditures	275,542,302	101,655,877	377,198,179
Excess (Deficiency) of Revenues Over (Under) Expenditures	58,051,016	(34,756,178)	23,294,838
OTHER FINANCING SOURCES (USES)			
Transfers In	607,786	60,571,179	61,178,965
Transfers (Out)	(57,849,282)	(5,030,482)	(62,879,764)
Debt Proceeds	704,151	-	704,151
Total Other Financing Sources (Uses)	(56,537,345)	55,540,697	(996,648)
Net Change in Fund Balances	1,513,671	20,784,519	22,298,190
Fund Balances - Beginning	76,722,188	204,052,659	280,774,847
Fund Balances - Ending	$ 78,235,859	$ 224,837,178	$ 303,073,037

The notes to the financial statements are an integral part of the financial statements.

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, 2017

Net change in fund balances of governmental funds		**$ 22,298,190**
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital purchases as expenditures. However, in the statement of activities, the cost of those assets are depreciated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital purchases exceed depreciation in the current year.		
Capital Outlay	$ 21,430,607	
Depreciation Expense	(12,677,567)	**8,753,040**
Some revenues reported in the statement of activities are not considered current financial resources and, therefore, are not reported as revenues in governmental funds.		**4,470,042**
The change in the deferred refunding amounts has no effect on the current financial resource and, therefore, is not reported in the governmental funds.		**(8,656)**
The issuance of long-term debt (e.g., bonds, capital leases) 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, whereasthese amounts (except for issuance costs) are capitalized and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Principal Repayments:		
Bonds Payable	$ 19,250,000	
Notes Payable	3,586,100	
Debt Issuance:		
Capital Lease Debt	(704,151)	**22,131,949**
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Accrued Interest Payable	$ 127,462	
Amortized of Bond Discounts and Premiums	396,848	
Change in pension expense	(4,236,531)	
Other Post-Employment Benefits	916,275	
Compensated Absences and Longevity Pay	2,639,702	**(156,244)**
The internal service fund is used by management to charge the costs of City insurance, communications, printing and central services and for the operation of a maintenance facility for City vehicles. The net revenue (expense) of certain activities of the internal service funds is reported with governmental activities.		**1,439,208**
Change in net position of governmental activities		**$ 58,927,529**

The notes to the financial statements are an integral part of the financial statements.

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
September 30, 2017

	Business-type Activities - Enterprise Funds			Governmental
	Water and Sewer	Nonmajor Enterprise Funds	Total Enterprise Funds	Activities - Internal Service Funds
ASSETS				
Current Assets:				
Cash and Cash Equivalents	$ 82,174,508	$ 64,389,088	$ 146,563,596	$ 66,280,787
Investments	-	-	-	105,798
Restricted Cash and Cash Equivalents	6,566,227	2,086,787	8,653,014	-
Accounts Receivable (Net)	15,955,462	4,199,851	20,155,313	6,645,128
Due from Other Governments	-	1,091,873	1,091,873	-
Inventories	1,441,130	-	1,441,130	101,366
Prepaids Items	-	468,303	468,303	-
Deposits	5,749,454	-	5,749,454	-
Total Current Assets	111,886,781	72,235,902	184,122,683	73,133,079
Noncurrent Assets:				
Restricted Assets:				
Cash and Cash Equivalents	40,688,227	1,763,322	42,451,549	-
Total Restricted Assets	40,688,227	1,763,322	42,451,549	-
Investment in Joint Venture	-	623,703	623,703	-
	-	623,703	623,703	-
Capital Assets:				
Land	7,739,200	45,170,696	52,909,896	-
Construction in Progress	24,715,700	10,886,357	35,602,057	484,003
Buildings	235,893,632	38,747,954	274,641,586	962,879
Improvements	827,813,826	82,485,869	910,299,695	4,386,952
Infrastructure	-	324,902	324,902	-
Machinery, Equipment and Vehicles	35,192,822	18,498,832	53,691,654	65,678,125
Less: Accumulated Depreciation	(356,149,266)	(82,232,401)	(438,381,667)	(54,386,315)
Total Capital Assets (Net)	775,205,914	113,882,209	889,088,123	17,125,644
Total Noncurrent Assets	815,894,141	116,269,234	932,163,375	17,125,644
Total Assets	927,780,922	188,505,136	1,116,286,058	90,258,723
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Loss on Refunding Amount	20,990,657	-	20,990,657	-
Deferred Outflows on Pension	2,290,352	1,117,354	3,407,706	710,799
Deferred Outflows on OPEB	43,445	25,352	68,797	10,602
Total Deferred Outflows of Resources	23,324,454	1,142,706	24,467,160	721,401
Total Assets and Deferred Outflows of Resources	951,105,376	189,647,842	1,140,753,218	90,980,124

Continued

The notes to the financial statements are an integral part of the financial statements.

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
September 30, 2017

	Business-type Activities - Enterprise Funds			Governmental
	Water and Sewer	Nonmajor Enterprise Funds	Total Enterprise Funds	Activities - Internal Service Funds
LIABILITIES				
Current Liabilities:				
Accounts Payable	$ 9,438,823	$ 4,284,109	$ 13,722,932	$ 2,067,593
Accrued Liabilities	392,507	230,240	622,747	165,768
Unearned Revenues	-	467,852	467,852	-
Bonds and Notes Payable	14,808,715	-	14,808,715	-
Capital Leases Payable	-	111,114	111,114	1,308,045
Compensated Absences and Longevity	578,822	283,986	862,808	194,447
Estimated Claims Payable	-	-	-	9,798,791
Landfill Post-Closure Costs	-	44,479	44,479	-
Current Liabilities Payable from Restricted Assets:				
Accrued Interest Payable	1,211,046	-	1,211,046	-
Customer Deposits	6,566,227	2,033,963	8,600,190	-
Total Current Liabilities	32,996,140	7,455,743	40,451,883	13,534,644
Noncurrent Liabilities:				
Deposits	1,207,528	-	1,207,528	-
Bonds and Notes Payable (Net)	371,272,545	-	371,272,545	-
Capital Leases Payable	-	1,240,485	1,240,485	6,493,335
Net Pension Liabilities	1,293,313	630,946	1,924,259	401,373
Net OPEB Liability	4,535,516	2,646,721	7,182,237	1,106,810
Compensated Absences and Longevity	2,566,374	1,275,739	3,842,113	1,095,770
Estimated Claims Payable	-	-	-	26,655,798
Landfill Post-Closure Costs	-	783,855	783,855	-
Total Noncurrent Liabilities	380,875,276	6,577,746	387,453,022	35,753,086
DEFERRED INFLOWS OF RESOURCES				
Derivative Instruments	-	-	-	105,798
Deferred Inflows on Pension	4,869,732	2,375,712	7,245,444	1,511,295
Total Deferred Inflows of Resources	4,869,732	2,375,712	7,245,444	1,617,093
Total Liabilities and Deferred Inflows of Resources	418,741,148	16,409,201	435,150,349	50,904,823
NET POSITION				
Net Investment in Capital Assets	410,115,313	112,530,610	522,645,923	9,324,264
Restricted for:				
Debt Service	2,403,466	-	2,403,466	-
Capital Improvements	26,633,243	1,754,053	28,387,296	-
Renewal and Replacement	10,440,472	62,093	10,502,565	-
Unrestricted	82,771,734	58,891,885	141,663,619	30,751,037
Total Net Position	$ 532,364,228	$ 173,238,641	705,602,869	$ 40,075,301
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.			9,908,765	
Net Position of Business-type Activities			$ 715,511,634	

The notes to the financial statements are an integral part of the financial statements.

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For The Year Ended September 30, 2017

	Business-type Activities - Enterprise Funds			Governmental
	Water and Sewer	Nonmajor Enterprise Funds	Total Enterprise Funds	Activities - Internal Service Funds
Operating Revenues:				
Charges for Services	$ 136,089,190	$ 46,495,655	$ 182,584,845	$ 78,611,263
Equity in Earnings of Joint Venture	-	167,751	167,751	-
Parking Citations	-	3,337,244	3,337,244	-
Land Leases	-	3,456,737	3,456,737	-
Miscellaneous Revenues	1,919,861	1,319,986	3,239,847	1,178,416
Total Operating Revenues	138,009,051	54,777,373	192,786,424	79,789,679
Operating Expenses:				
Personal Services	30,499,921	17,259,274	47,759,195	10,268,680
Current Expenses	63,114,313	35,693,318	98,807,631	60,888,894
Depreciation	23,993,268	5,544,070	29,537,338	6,137,157
Total Operating Expenses	117,607,502	58,496,662	176,104,164	77,294,731
Operating Income (Loss)	20,401,549	(3,719,289)	16,682,260	2,494,948
Nonoperating Revenues (Expenses):				
Interest Income	1,427,252	667,850	2,095,102	562,091
Interest Expense and Fiscal Charges	(9,624,025)	(6,575)	(9,630,600)	(44,657)
Gain on Disposal of Capital Assets	121,179	21,105,753	21,226,932	682,646
Total Nonoperating Revenues (Expenses)	(8,075,594)	21,767,028	13,691,434	1,200,080
Income Before Contributions and Transfers	12,325,955	18,047,739	30,373,694	3,695,028
Capital Contributions	4,479,001	2,612,625	7,091,626	-
Transfers In	243,940	7,554,135	7,798,075	420,386
Transfers (Out)	(3,157,968)	(1,268,380)	(4,426,348)	(2,091,314)
Change in Net Position	13,890,928	26,946,119	40,837,047	2,024,100
Net Position - Beginning	522,611,893	148,526,170		38,975,857
Change in Accounting Principle	(4,138,593)	(2,233,648)		(924,656)
Net Position - Beginning, as restated (Note 20)	518,473,300	146,292,522		38,051,201
Net Position - Ending	$ 532,364,228	$ 173,238,641		$ 40,075,301
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.			584,892	
Change in Net Position of Business-type Activities			$ 41,421,939	

The notes to the financial statements are an integral part of the financial statements.

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For The Year Ended September 30, 2017

	Business-type Activities - Enterprise Funds			Governmental
	Water and Sewer	Nonmajor Enterprise Funds	Total Enterprise Funds	Activities - Internal Service Funds
Cash Flows from Operating Activities				
Receipts from Customers and Users	$ 134,819,886	$ 53,960,816	$ 188,780,702	$ 73,175,950
Payments to Suppliers	(25,473,410)	(20,487,805)	(45,961,215)	(53,364,097)
Payments to Employees	(30,614,278)	(17,274,970)	(47,889,248)	(10,311,850)
Payments to Other Funds	(34,552,434)	(13,423,228)	(47,975,662)	(4,552,546)
Net Cash Provided by Operating Activities	44,179,764	2,774,813	46,954,577	4,947,457
Cash Flows from Noncapital Financing Activities				
Transfers from Other Funds	243,940	7,554,135	7,798,075	420,386
Transfers (to) Other Funds	(3,157,968)	(1,268,380)	(4,426,348)	(2,091,314)
Net Cash Provided (Used) by Noncapital Financing Activities	(2,914,028)	6,285,755	3,371,727	(1,670,928)
Cash Flows from Capital and Related Financing Activities				
Acquisition/Construction of Capital Assets	(15,519,343)	(32,084,642)	(47,603,985)	(6,382,941)
Acquisition of Capital Lease	-	-	-	5,932,879
Principal Paid on Capital Debt	(14,203,769)	-	(14,203,769)	-
Interest Paid on Capital Debt	(14,354,205)	(6,575)	(14,360,780)	(44,657)
Proceeds from Sales of Capital Assets	-	21,105,753	21,105,753	682,646
Contributions	4,479,001	2,612,625	7,091,626	-
Net Cash (Used) by Capital and Related Financing Activities	(39,598,316)	(8,372,839)	(47,971,155)	187,927
Cash Flows from Investing Activities				
Interest Income on Investments	1,427,252	667,850	2,095,102	562,091
Net Cash Provided by Investment Activities	1,427,252	667,850	2,095,102	562,091
Net Increase in Cash and Cash Equivalents	3,094,672	1,355,579	4,450,251	4,026,547
Cash and Cash Equivalents at Beginning of Year	126,334,290	66,883,618	193,217,908	62,254,240
Cash and Cash Equivalents at End of Year	$ 129,428,962	$ 68,239,197	$ 197,668,159	$ 66,280,787

Continued

The notes to the financial statements are an integral part of the financial statements.

STATEMENT OF CASH FLOWS - Continued
PROPRIETARY FUNDS
For The Year Ended September 30, 2017

	Business-type Activities - Enterprise Funds			Governmental
	Water and Sewer	Nonmajor Enterprise Funds	Total Enterprise Funds	Activities - Internal Service Funds
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities Activities				
Operating Income (Loss)	$ 20,401,549	$ (3,719,289)	$ 16,682,260	$ 2,494,948
Depreciation	23,993,268	5,544,070	29,537,338	6,137,157
Equity in Earnings on Unconsolidated Joint Venture	-	27,476	27,476	-
Change in Assets and Liabilities:				
(Increase) in Accounts Receivable	(3,462,621)	(573,399)	(4,036,020)	(6,613,729)
(Increase) in Due from Other Governments	-	(546,518)	(546,518)	-
(Increase) in Inventories	(416,012)	-	(416,012)	(30,241)
(Increase) in Prepaid Items	-	(255,783)	(255,783)	-
Decrease in Deposits	273,455	149,450	422,905	25,000
Decrease in Deferred Outflows of Resources	5,811,710	2,831,099	8,642,809	1,806,515
Increase in Accounts Payable	3,504,485	2,087,198	5,591,683	81,100
Increase (Decrease) in Accrued Liabilities	24,353	(212)	24,141	6,164
Increase in Unearned Revenues	-	126,435	126,435	-
(Decrease) in Pension Liability	(9,359,957)	(4,566,279)	(13,926,236)	(2,904,814)
(Decrease) in OPEB Liability	(143,988)	(84,025)	(228,013)	(35,138)
(Decrease) in Compensated Absences and Longevity	(759,516)	(306,091)	(1,065,607)	(254,424)
Increase in Estimated Claims Payable	-		-	2,896,392
(Decrease) in Landfill Post-Closure Costs	-	(43,446)	(43,446)	-
Increase in Deferred Inflows of Resources	4,313,038	2,104,127	6,417,165	1,338,527
Total Adjustments	23,778,215	6,494,102	30,272,317	2,452,509
Net Cash Provided by Operating Activities	$ 44,179,764	$ 2,774,813	$ 46,954,577	$ 4,947,457

The notes to the financial statements are an integral part of the financial statements.

CITY OF FORT LAUDERDALE

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
September 30, 2017

	Pension and OPEB Trust	Agency Arts and Science District Garage
ASSETS		
Cash and Cash Equivalents	$ 155,249	$ -
Investments		
U.S. Treasury Securities	93,815,817	-
U.S. Government Agency Obligations	38,939,918	-
Corporate Bonds and Other Fixed Income	157,891,959	-
Money Market Funds	67,076,812	-
Index Funds	196,147,421	-
Mutual Funds & Other	123,492,517	-
Fund of Funds	37,857,277	-
Common Stock	346,222,424	-
Commingled Funds	306,912,581	-
Real Estate	182,990,929	-
Private Equity	16,390,330	-
Total Investments	1,567,737,985	-
Receivables:		
Accounts	2,598,940	-
Accrued Interest and Dividends	3,078,040	-
Contributions	18,743	-
Due from Other Governments	-	109,566
Deposits	2,401	-
Capital Assets (Net of Accumulated Depreciation)	741	-
Total Assets	1,573,592,099	$ 109,566
LIABILITIES		
Unsettled Trades	4,484,347	$ -
Accounts Payable	1,775,310	45,562
Accrued Liabilities	-	2,650
Due to Primary Government	4,527,506	-
Due to Other Funds	-	58,027
Compensated Absences and Longevity	-	3,327
Deposits	12,402	-
Total Liabilities	10,799,565	$ 109,566
Net Position - Restricted for Pensions and Assets Held in Trust for OPEB Benefits	$ 1,562,792,534	

The notes to the financial statements are an integral part of the financial statements.

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
For the Year Ended September 30, 2017

	Pension and OPEB Trust
ADDITIONS	
Contributions:	
City	$ 34,231,574
Employee	8,904,220
State	5,932,067
Total Contributions	49,067,861
Investment Income:	
Net Appreciation in Fair Value of Investments	160,808,300
Interest and Dividends	22,280,149
Real Estate Income	8,254,365
Other	354,150
Total Investment Income	191,696,964
Less: Investment Expenses	5,760,618
Net Investment Income	185,936,346
Total Additions	235,004,207
DEDUCTIONS	
Benefits:	
Retirement	77,190,061
Disability	1,426,778
Death	6,687,458
Total Benefits	85,304,297
Refunds	193,431
Administrative Expense	1,065,050
Total Deductions	86,562,778
Change in Net Position	148,441,429
Net Position - Beginning of Year	1,414,351,105
Net Position - End of Year	$ 1,562,792,534

The notes to the financial statements are an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

INDEX

NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Fort Lauderdale, Florida (City) have been prepared in accordance with generally accepted accounting principles (GAAP) in the United States of America applicable to governmental units. The following is a summary of the more significant accounting policies of the City:

(A) The Financial Reporting Entity

The City was incorporated in the State of Florida in 1911 and covers an area of approximately 36 square miles. The City is governed by an elected five-member commission composed of a Mayor and four District Commissioners and provides services to its approximately 177,000 residents in many areas, including public safety, public places, infrastructure, business development and neighborhood enhancement. As required by GAAP, these financial statements present the City of Fort Lauderdale (the primary government) and its component units. The component units discussed in note 1(B) below are included in the City's reporting entity because of the significance of their operational and financial relationships with the City.

(B) Individual Component Unit Disclosure

The criteria for including component units consist of the identification of legally separate organizations for which the elected officials of the City are financially accountable. This criteria also includes identification of organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Blended component units, although legally separate entities, are in substance, part of the government’s operations and so data from these units are combined with data of the primary government. Discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the government.

A five-member board appointed by the City Commission (currently composed of the City Commission, itself) governs the Fort Lauderdale Community Redevelopment Agency (CRA). Although it is legally separate from the City, the CRA is reported as part of the primary government because its sole purpose is to finance and redevelop the City's designated redevelopment areas. The operations of the CRA are reported within the special revenue fund type and the capital expenditures are accounted for in a capital projects fund type using the blended method. Separate financial information can be obtained from the CRA.

A seven-member board appointed by the City Commission governs the Sunrise Key Safe Neighborhood Improvement District (SK). While legally separate from the City, it is reported as part of the reporting entity under the discretely presented method because the City's elected officials are financially accountable for SK. The City Commission has the power to approve, disapprove or modify the budget and millage rates or assessments submitted by the board. Separate financial information can be obtained from SK.

NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

(C) Related Organizations

The City's officials are also responsible for appointing the members of the boards of other organizations, but the City's accountability for these organizations does not significantly extend beyond making the appointments. The City Commission appoints the governing board of the City of Fort Lauderdale Downtown Development Authority (DDA), one member of the governing board of the Lauderdale Isles Water Control District (LIWCD), and the Mayor appoints the governing board of the Housing Authority of the City of Fort Lauderdale (HACFL). The City is not financially accountable for the DDA, LIWCD, or HACFL.

(D) Joint Ventures

The City is a participant with the Performing Arts Center Authority (PACA) and the DDA in a joint venture to own and operate the 942 space Arts and Science District Parking Garage. The City has an ongoing financial interest in this joint venture, which is discussed in Note 8.

(E) Government-wide and Fund Financial Statements

The government-wide financial statements, including the statement of net position and the statement of activities, report information on all of the non-fiduciary activities of the City. As part of the consolidation process, inter-fund activities are eliminated to avoid distorted financial results. Governmental activities, which are primarily supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely extensively on fees and charges for support. Likewise, the City's primary government is reported separately from its legally separate component units for which the City is financially accountable.

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

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and enterprise funds are reported as separate columns in the fund financial statements.

(F) Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary, except agency, fund financial statements. Agency funds have no measurement focus but follow the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when they become susceptible to accrual; that is measurable and available to finance the City's operations. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Expenditures are recognized in the accounting period in which the related fund liabilities are incurred, if measurable, except for interest on long-term debt and the long-term portion of accumulated compensated absences and longevity pay, which are recognized when due.

Property taxes are recorded as revenues in the fiscal year levied, provided they are collected in the current period or within 60 days thereafter. Those remaining uncollected are recorded as deferred revenues in the governmental fund financial statements. The utility and franchise taxes from major sources are recorded as revenues when earned. Licenses and permits, fines and forfeitures, charges for services, and other revenues (except investment earnings) are recorded as revenues when received in cash because they are generally not measurable until actually received. Investment income is recorded as revenue when earned. Special assessments are recorded as revenues only to the extent that individual installments are considered available.

In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended for the specific purpose or project before any amounts will be paid to the City; therefore, revenues are recognized based upon the expenditures incurred. In the other, monies are virtually unrestricted as to purpose of expenditure and are usually revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if susceptible to accrual.

The City reports the following major governmental fund:

> The General Fund is the City’s primary operating fund. It accounts for all financial resources of the general government except those required to be accounted for in a separate fund.

The City reports the following major proprietary fund:

> The Water and Sewer Fund accounts for the provision of water and sewer services to the residents of the City and surrounding areas.

Additionally, the City reports the following fund types:

> Internal service funds account for the financing of goods and services provided to departments within the City in the following three areas: 1) costs of insuring the City in the areas of general liability, auto liability, workers’ compensation, police professional liability, employee relations and medical benefits; 2) information technology systems, communications, and print center operations; and 3) operation of a maintenance facility for City vehicles.

> Pension and OPEB trust funds account for the activities of the OPEB Trust, General Employees’ Retirement System and the Police and Firefighters' Retirement System, which accumulate resources for pension and benefit payments to qualifying City employees.

NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

The Arts and Science District Garage Agency Fund accounts for the assets and liabilities held by the City for the Arts and Science District parking garage.

As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the City's enterprise funds and the General Fund as well as cost reimbursement transactions between the enterprise funds and various other functions of City government. Elimination of these charges would distort the direct costs and program revenues reported for those sectors.

The proprietary funds distinguish operating revenues and expenses from nonoperating 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 water and sewer, nonmajor enterprise funds, and all the internal service funds are charges to customers for sales and services. The Insurance Fund bills the other funds to cover insurance premiums and claims. Operating expenses for the enterprise and internal service funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

The preparation of the basic financial statements in conformity with GAAP requires management to make use of estimates that affect reported amounts in the basic financial statements. Actual results could differ from those estimates.

(G) Derivatives and Hedging Activities

Derivatives have a fair value, require little or no initial net investment, and may be net settled. The City follows GASB Statement No. 53 (GASB 53), "Accounting and Financial Reporting for Derivative Instruments". Under GASB 53, derivatives are either categorized as hedging derivative instruments or investment derivatives. Hedging derivative instruments are associated with specific hedging transactions wherein the intent is to significantly reduce risks. Changes in fair value of hedges are reported as either deferred inflows of resources or deferred outflows of resources in the statement of net position. For accounting purposes, in order to qualify as a hedge, the relationship between the derivative and the underlying item must result in a hedge that is "effective" in mitigating risk. If the hedge transaction is considered "ineffective" the valuation of the instrument is considered investment income or loss in the flows of resources statements. GASB 53 outlines five methods for evaluating hedge effectiveness if the hedged item is an existing or expected commodity transaction:

- Consistent Critical Terms
- Synthetic Instrument
- Dollar Offset
- Regression Analysis
- Other Quantitative Methods

For purposes of performing hedge effectiveness testing, the City can use any or all of the evaluation methods and is not limited to using the same method from period to period. Therefore, if the result of any one prescribed evaluation method indicates the hedge is ineffective, the City may apply another method to verify effectiveness. In addition, the calculations for effectiveness may be based on either a life to date period or be limited to the immediately preceding annual accounting period.

NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

The City has adopted GASB 53 to account for petroleum future contracts to hedge variability in future cash flows resulting from volatility in gasoline and diesel fuel prices. Fair value is determined based on quoted prices in active markets for the derivative instrument. Because the fuel hedge is an effective hedge as defined by GASB 53, the unrealized gain (loss) on the fuel hedge is reported as deferred inflow/outflow of resources on the statement of net position. The hedging instruments affected are monthly future contracts with a notional amount of 42,000 gallons each with an index of Reformulated Gasoline Blendstock for Oxygen Blending (RBOB Gas) and New York Harbor Ultra Low Sulfur Diesel (NYHRBRULSD) as listed on the NYMEX. As of September 30, 2017, the City had twenty-one (21) future contracts. The contracts were purchased at various times throughout the past two-years. On average, it costs the City $64 to acquire a fuel hedge contract. The aggregate fuel hedge contracts cover a rolling 18-month forward period. The fuel hedge contracts are recorded as an asset at fair value with the accumulated change in fair value reported as a deferred inflow. The deferred inflow and the instrument itself, as of September 30, 2017 are valued at $105,798.

Basis risk. The City is exposed to basis risk on its fuel hedge contracts because the future fuel purchases are based on a pricing point different from the pricing point at which the future contracts are expected to settle (New York Harbor Ultra Low Sulfur Diesel and Gasoline).

There is no termination or interest rate risk.

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

(1) Cash and Cash Equivalents

The City considers cash on hand, cash with fiscal agents, demand deposits, certificates of deposit and bank repurchase agreements as cash and cash equivalents. Each fund's equity in the City's investment pool has been treated as a cash equivalent since cash may be deposited or withdrawn from the pool at any time without prior notice or penalty.

(2) Investments

Investments are stated at fair value. Income from investments held by the individual funds is recorded in the respective fund as it is earned. All other investments owned by the City are accounted for in the City's investment pool. Income earned from this pool is allocated to the respective funds based upon average monthly equity balances.

(3) Receivables and Payables

Activity between funds that are representative of lending or borrowing arrangements outstanding at the end of the fiscal year of a short-term nature and any other outstanding balances between funds are reported as due to and due from other funds. The long-term portion of any borrowings between funds is reported as advances to and from other funds. Long-term advances of the governmental funds are recorded by the advancing fund as a receivable and nonspendable fund balance. Any residual outstanding balances between the governmental activities and business-type activities at year-end are reported in the government-wide financial statements as internal balances.

All accounts and notes receivable are reported net of any allowances for uncollectibles.

NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

(4) Inventories

Inventories in the governmental funds are composed of land held for redevelopment or resale and are stated at cost. Inventories of materials and supplies in the enterprise funds are based on year-end physical counts priced at weighted average cost. Inventories are recognized as expenditures or expenses when consumed.

(5) Prepaid Items

Prepaid items represent payments made to vendors for services that will benefit the period beyond September 30, 2017. These services are recorded as expenditures/expenses when consumed.

(6) Restricted Assets

Certain proceeds of long-term bonds issued by the capital project, enterprise and internal service funds, as well as resources set aside for their repayment, are classified as restricted assets on the statement of net position and their use is limited by applicable bond covenants.

(7) Capital Assets

Capital assets, including land, buildings, improvements other than buildings, infrastructure (that is, roads, bridges, street lighting and other similar items) and equipment, are reported in the applicable governmental and business-type activities columns in the government-wide financial statements. The City defines capital assets as assets with an initial cost of $5,000 or more and an estimated useful life of more than one year. Such assets are stated at cost or estimated historical cost. Contributions or donations of capital assets received from federal, state or local sources are recorded as contributions when received and are stated at acquisition value. Additions, improvements and expenditures that significantly extend the useful life of an asset are capitalized. Interest is capitalized in the enterprise funds on projects during the construction period based upon average accumulated project expenses.

Depreciation of capital assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	40-50 years
Improvements	20-50 years
Infrastructure	15-50 years
Machinery, Equipment and Vehicles	3-15 years

The City follows the requirements of GASB Statement No. 42, “Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries” regarding potential impairment of capital assets.

NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

(8) Capitalization of Interest

Interest is capitalized by the City in proprietary fund types when it is determined to be material. The City capitalizes interest in accordance with GASB Statement No. 62. (GASB 62), "Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements". This Guidance requires that the interest cost capitalized during construction be reduced by interest income earned on investments of the bond proceeds from the date of the borrowing until the assets constructed from the bond proceeds are ready for their intended use. Total interest incurred during fiscal year 2017 was $14,349,305: there was no capitalized interest in FY2017.

(9) Compensated Absences and Longevity

City employees are granted sick, vacation, and longevity pay in varying amounts based on length of service, date of hire, and employee group. Compensatory time is granted to employees in lieu of overtime pay at the employees' request. Sick leave payments to terminated employees are based on length of service and usage on a last in, first out basis. Unused vacation pay and compensatory time are paid upon an employee's termination. Longevity pay is paid to eligible employees annually based on length of service. Accumulated compensated absences and longevity are recorded as expenses in the government-wide and proprietary fund financial statements when earned. Expenditures for accumulated compensated absences and longevity have been recorded in the governmental funds only for amounts payable to employees who have terminated as of the end of the fiscal year.

(10) Estimated Claims Payable

The City is self-insured for general liability, automobile liability, police professional liability, workers' compensation, employee relations and certain death benefits and medical plans. The operating funds are charged premiums by the Insurance internal service fund. The accrued liability for estimated claims represents an estimate of the eventual loss on claims arising prior to year-end, including claims incurred and not yet reported.

(11) Landfill Post-Closure Costs

Landfill post-closure care costs represent an estimate of the City's remaining costs to monitor the City's former landfill site. These costs are accounted for in the Sanitation Fund, a nonmajor enterprise fund.

(12) Other Long-term Obligations

Long-term debt and other long-term obligations are reported as liabilities in the applicable governmental and business-type activities and proprietary fund financial statements. Bond premiums and discounts are recorded as direct additions to or deductions from the related debt and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable premiums and discounts.

In the governmental fund financial statements, bond premiums and discounts are recognized during the current period. The face amount of debt issued and any premiums received are reported as other financing sources while discounts are reported as other financing uses.

NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

(13) 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 represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City reports deferred loss on refunding, accumulated decrease in fair value of derivative instruments, change in pension assumptions and loss on pension and OPEB investments. The deferred loss 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. Changes in pension plan assumptions are deferred and amortized over the average of the expected remaining service lives of employees that are provided with benefits through the pension plan. Difference between projected and actual earnings on pension investments are deferred and amortized over five years.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This represents an acquisition of net position that applies to a future period(s) and will not be recognized as in inflow of resources (revenue) until that period. The City has two items that qualify for reporting in this category: (1) The accumulated increase in fair value of hedging derivative instruments is reported in the government-wide and internal service funds statement of net position. (2) Certain amounts related to pensions and OPEB must be deferred. Differences between expected and actual experience and change in pension assumptions are deferred and amortized over the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan.

(14) Fund Balance and Net Position

In the governmental funds, fund balances are reported as nonspendable if they are not in spendable form or are legally or contractually required to be maintained intact. In addition, fund balances are reported as restricted, committed or assigned to specific purposes based upon the extent to which the City is bound to honor constraints placed on those funds. Unassigned fund balance is the residual fund balance classification of the General Fund.

Encumbrance accounting, under which purchase orders and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is utilized in the governmental funds. Encumbered amounts for specific purposes are reported within the applicable restricted, committed or assigned fund balance classifications.

Net position of the government-wide and proprietary funds is categorized as net investment in capital assets; restricted or unrestricted. Net investment in capital assets consists of capital assets reduced by the outstanding debt issued to acquire, construct or improve those assets, less any unspent debt proceeds. Restricted net position has regulatory or third party limitations on its use.

NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

(15) Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the General Employees' Retirement System (GERS) and the Police and Firefighters' Retirement System (PFRS) and additions to/deductions from GERS and PFRS fiduciary net position have been determined on the same basis as they are reported by GERS and PFRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

(16) Other Post-Employment Benefits (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Other Post-Employment Benefits Trust and additions to/deductions from OPEB fiduciary net position have been determined on the same basis as they are reported by OPEB plan. Investments are reported at fair value, except for money market investments.

2. RESTRICTED ASSETS

Restricted assets at September 30, 2017 are as follows:

		Nonmajor Enterprise Funds			
	Water and Sewer	Sanitation	Parking System	Airport	Total
Accrued Interest Payable	$ 1,211,046	$ -	$ -	$ -	$ 1,211,046
Capital Improvements	26,633,243	-	-	1,754,053	28,387,296
Debt Service Reserves	2,403,466	-	-	-	2,403,466
Renewal and Replacement	10,440,472	-	62,093	-	10,502,565
Customer Deposits	6,566,227	1,015,507	32,248	986,208	8,600,190
	$ 47,254,454	$ 1,015,507	$ 94,341	$ 2,740,261	$ 51,104,563

Restricted assets for the enterprise funds are classified on the proprietary fund statement of net position as follows:

		Nonmajor Enterprise Funds			
	Water and Sewer	Sanitation	Parking System	Airport	Total
Cash and Cash Equivalents	$ 47,254,454	$ 1,015,507	$ 94,341	$ 2,740,261	$ 51,104,563
	$ 47,254,454	$ 1,015,507	$ 94,341	$ 2,740,261	$ 51,104,563

NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

3. DEPOSITS AND INVESTMENTS

The City maintains a pooled cash and investment fund for the City's operating and capital funds. In addition, cash and investments are separately held for the City's special revenue, debt service, capital projects, permanent, and enterprise funds.

In accordance with Section 218.415, Florida Statutes, the City's Investment Policy applies to all cash and investments held or controlled by the City and shall be identified as "general operating funds" of the City with the exception of the City's pension and cemetery funds. The policy was adopted on September 4, 2001 and subsequently amended on October 1, 2013.

Permitted investments, asset allocation limits, issuer limits, credit rating requirements and maturity limits are detailed in the policy in order to protect the City's cash and investments. The current policy allows for the purchase of the following investments: U.S. government securities, U.S. government agency securities, federal instrumentalities, interest-bearing time deposits or saving accounts, repurchase agreements, commercial paper, corporate notes, bankers' acceptances, state or local government taxable or tax-exempt debt, City of Fort Lauderdale debt obligations, registered investment companies (money market mutual funds), and intergovernmental investment pools. As of September 30, 2017, the total cash and investments for the City of Fort Lauderdale's primary government, was $569,278,562.

DEPOSITS WITH FINANCIAL INSTITUTIONS

Custodial Credit Risk – Deposits

Custodial credit risk for deposits is the risk in the event of the failure of a depository financial institution, a government may not be able to recover deposits. Monies placed on deposit with financial institutions in the form of demand deposits, time deposits or certificate of deposits are defined as public deposits. The City's investment policy requires that the City's public deposits be held in a State Qualified Public Depository as defined in Section 280.02, Florida Statutes. At September 30, 2017, $100,728,683 was exposed to custodial credit risk because it was uninsured and collateralized with securities held by the pledging financial institutions' trust department, but not in the City's name.

INVESTMENTS

The City's investment holdings are organized into seven portfolios. Three portfolios are governed by the City's Investment Policy (the City's Portfolios): Surplus Funds Pooled Investments, Community Redevelopment Agency Portfolio, and General Obligation Capital Project Portfolio. The remaining four portfolios, the Cemetery Perpetual Care Fund, the OPEB Trust Fund, the Police and Firefighters' Retirement System Fund, and the General Employees' Retirement System Fund are controlled by their respective policies. Compositions of the portfolios as of September 30, 2017 are:

Portfolio No. 1 Surplus Funds Pooled Investments, $368,930,058

The pooled investments portfolio consists of investments in U.S. Government Securities, U.S. Government Agency Securities, Federal Instrumentalities, corporate obligations, including government guaranteed, asset and mortgage backed securities. There was no interest receivable on this portfolio at September 30, 2017.

The remaining proceeds of several long-term debt issues are a part of this portfolio. All of these funds are in the Florida Municipal Investment Trust, which complies with each individual debt issue's investment requirements. There was no interest receivable on these long-term debt issues at September 30, 2017.

NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

2008 Special Obligation Bonds	$	773,595
2011A Special Obligation Bonds		2,504,517
	$	3,278,112

Portfolio No. 2 Community Redevelopment Agency Portfolio, $53,681,989

The pooled investments portfolio consists of investments in U.S. Government Securities, U.S. Government Agency Securities, Federal Instrumentalities, corporate obligations, including government guaranteed, asset and mortgage backed securities, and Florida Municipal Investment Trust. There was no interest receivable on this portfolio at September 30, 2017.

Portfolio No. 3 General Obligation Capital Projects Portfolio, $13,073,548

The General Obligation Bonds, Series 2011A proceeds may be invested by the City in such investments as are permitted by applicable law. These proceeds are at Regions Bank invested in a Fidelity Institutional Government Money Market Fund. No interest receivable on this portfolio existed at September 30, 2017.

Portfolio No. 4 Cemetery Perpetual Care Fund, $29,536,765

Investments permitted by this fund's investment policy include U. S. government securities, U.S. government guaranteed obligations, federal instrumentalities, commercial paper, bankers acceptances, corporate bonds or notes, state or local government taxable or tax-exempt debt, intergovernmental investment pools, common and preferred stocks from domestic and foreign corporations, repurchase agreements composed of permitted instruments, real estate and real estate securities, and high yield bond mutual funds, and other mutual funds and commingled Common Trust Funds investing in permitted instruments, including money market funds.

As of September 30, 2017 this portfolio consisted of investments in money market funds, U. S. government securities, corporate obligations, common stock and preferred stock. Interest receivable on this portfolio at September 30, 2017 was $94,407.

Portfolio No. 5 OPEB Trust Fund, $15,824,875

This portfolio is invested in a Federated U.S. Treasury Cash Reserves Money Market Fund. Interest receivable on this portfolio at September 30, 2017 was $8,573.

Portfolio No. 6 Police and Firefighters' Retirement System Fund, $895,067,218

Investments permitted by this fund's investment policy include equity securities and fixed income securities including cash, U.S. government agency securities, federal instrumentalities, corporate obligations, Government National Mortgage Association loans, U.S. government agency collateralized mortgage-backed securities, debentures, preferred stocks, commercial paper, certificates of deposits and other such instruments deemed prudent by the investment manager. Also permitted are other commingled vehicles invested in permitted investments.

As of September 30, 2017 investments of this portfolio include U.S. government securities, U.S. government agency securities, federal instrumentalities, mutual funds, corporate obligations, municipal bonds, real estate, venture capital and partnerships and common stock. Interest receivable on this portfolio at September 30, 2017 was $2,426,418.

NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

Portfolio No. 7 General Employees' Retirement System Fund, $656,845,892

Investments permitted by this fund's investment policy include U.S. government securities, U.S. government agency securities, federal instrumentalities, common stock from domestic and foreign corporations, repurchase agreements, commercial paper, corporate obligations, banker's acceptances, state or local government taxable or tax exempt debt, real estate and real estate securities, money market funds invested in permitted securities and intergovernmental investment pools.

As of September 30, 2017 this portfolio consists of investments in U.S. government securities, U.S. government agency securities, federal instrumentalities, money market funds, corporate obligations, common stock and real estate. Interest receivable on this portfolio at September 30, 2017 was $643,049.

Fair Value Measurement

In February 2015, GASB issued Statement No. 72, addressing the accounting and financial reporting issues related to fair value measurements. GASB No. 72 defines fair value as the price that would be received to sell an asset. The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are based on other significant observable inputs such as indices for fixed income bonds and quoted prices similar assets in markets that are not active; Level 3 inputs are significant unobservable inputs.

Investment Portfolios (Excluding Fiduciary Funds)

Since investing is not a core part of the City's mission, the City determines that the disclosures related to its investment portfolios only need to be disaggregated by major type. Therefore, the City chooses a narrative format for the fair value disclosure of its investment portfolios.

The City's investment portfolios have the recurring following fair value measurements as of September 30, 2017:

- U.S. Treasury Securities, Mutual Funds and Cash Equivalents of $161.0 million are valued using quoted market prices (Level 1 inputs)

- Corporate Bonds, Municipal Bonds, and External Investment Pools of $279.3 million are valued using a matrix pricing model (Level 2 inputs).

Derivatives

The City has established a fuel hedging program for its diesel fuel and gasoline consumption in order to create more certain fuel cost for the future that decreases fuel budget risk. This program uses exchange-traded diesel fuel and gasoline futures contracts. GASB 72 prescribes several methods by which governments may arrive at a fair value for assets that they hold. To value the City's holdings of diesel and gasoline futures contracts, the market approach is used since the market approach uses prices and other relevant information generated by market transactions involving identical or comparable assets, liabilities, or a group of assets and liabilities. Since the City holds exchange-traded instruments, the valuation prices for the City's futures contracts are established on a daily basis by the New York Mercantile Exchange. The markets for these futures contracts are liquid and pricing is transparent. The published daily settlement prices from the New York Mercantile Exchange are used for the valuation of the City's futures contracts. As of September 30, 2017, this level 1 investment had a positive fair value of $105,798.

NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

Fiduciary Funds

Portfolio No. 5 OPEB Trust Fund

The following is a summary of the fair value measurements as of September 30, 2017:

		Fair Value Measurements Using		
	9/30/2017	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level				
Debt Securities				
U.S. Treasury	$ 1,801,908	$ 1,801,908	$ -	$ -
Mutual Funds	14,022,967	14,022,967	-	-
Total OPEB investments by fair value level	$ 15,824,875	$ 15,824,875	$ -	$ -

Portfolio No. 6 Police and Firefighters' Retirement System Fund

The following is a summary of the fair value measurements as of September 30, 2017:

		Fair Value Measurements Using		
	9/30/2017	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level				
Debt Securities				
U.S. Treasury securities	$ 63,755,193	$ -	$ 63,755,193	$ -
U.S. Government obligations	352,869	-	352,869	-
Corporate Bonds	145,326,162	-	145,326,162	-
Total Debt Securities	209,434,224	-	209,434,224	-
Index Funds and Other	194,907,421	194,907,421		
Equity Securities				
Common Stock	100,857,482	100,857,482	-	-
ADR's	2,375,562	2,375,562	-	-
Total Equity Securities	103,233,044	103,233,044	-	-
Total P&F investments by fair value level	507,574,689	$ 298,140,465	$ 209,434,224	$ -
Investments measured at the net asset value (NAV)				
Commingled equity funds	206,128,887			
Real estate funds	119,178,626			
Hedge fund of funds	37,857,277			
Private equity fund	11,038,422			
Total P&F investments measured at NAV	374,203,212			
Money market funds (exempt)	13,289,317			
Total investments measured at fair value	$ 895,067,218			

NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

The following is a description of the fair value techniques for the Plan's investments. Level 1 and 2 prices are obtained from various pricing sources by the Plan's custodian bank: Short-term investments, which consist of money market funds, are reported at amortized cost.

Equity securities traded on national or international exchanges are valued at the last reported sales price or current exchange rates (Level 1). This includes common stock and American depository receipts, and mutual fund equities.

Debt securities are valued using pricing inputs that reflect the assumptions market participants would use to price an asset or liability and are developed based on market data obtained from sources independent of the reporting entity (Level 2). This includes U.S. Treasury bonds and notes, inflation-indexed bonds, U.S. federal agencies, mortgage backed and collateralized securities, municipal bonds, mutual bond funds and corporate obligations, including asset backed, foreign bonds and notes.

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

Investments Measured at the NAV	Fair Value	Unfunded Commitments	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
Commingled equity fund [(1)]	$ 206,128,887	$ -	Daily	1
Real estate funds [(2)]	119,178,626	10,041,000	Quarterly	10-90
Hedge fund of funds [(3)]	37,857,277	3,576,906	Quarterly	95
Provate equity funds [(4)]	11,038,422	4,099,385	N/A	N/A
Total Investments Measured at NAV	$ 374,203,212	$ 17,717,291		

1. Commingled equity funds - consists of two equity index collective trusts considered commingled in nature which are designed to match the return of their respective benchmark index. Each are valued at the net asset value held at the end of the period based upon the fair value of the underlying investments. These funds are typically open for withdrawal twice monthly with limited notice.

2. Real estate funds - consists of three open end real estate partnerships. Two of the funds primarily invest in stable institutional quality office, retail, industrial, hotel and multifamily residential properties that are substantially leased and have minimal deferred maintenance. The other fund is a commingled insurance company separate account designed for use as a funding vehicle for tax-qualified pension plans and certain nonprofit organizations, Its investments are comprised primarily of real estate investments either directly owned or through partnership interest, and mortgages and other loans on income producing real estate.

3. Hedge fund of funds - the plan invests in two hedge fund of funds partnership vehicles. The objectives of these funds are to seek above-average rates of return and long-term capital growth through an investment in a master fund of funds with a diversified portfolio of private investment entities and separately managed accounts.

4. Private equity fund - the plan invests in three private equity partnership vehicles. The private equity funds are not eligible for redemption. Distributions are received as underlying investments within the funds are liquidated, which on average will occur over a period of 5 to 10 years.

NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

Portfolio No. 7 General Employees' Retirement System Fund

The following is a summary of the fair value measurements as of September 30, 2017:

		Fair Value Measurements Using		
	9/30/2017	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level				
Debt Securities				
U.S. Treasury securities	$ 28,258,716	$ 28,258,716	$ -	$ -
U.S. Government obligations	38,587,049	-	38,587,049	-
Corporate Bonds	10,828,602	-	10,828,602	-
Total Debt Securities	77,674,367	28,258,716	49,415,651	-
Equity securities				
Mutual funds	114,079,256	-	114,079,256	-
Common and preferred stock	242,989,380	242,989,380	-	-
Total equity securities	357,068,636	242,989,380	114,079,256	-
Private Equity				
Secondaries funds	5,351,908	-	-	5,351,908
Total private equity	5,351,908	-	-	5,351,908
Real Estate				
Buildings - direct	2,335,000	-	-	2,335,000
Total real estate	2,335,000	-	-	2,335,000
Total GERS investments by fair value level	442,429,911	$ 271,248,096	$ 163,494,907	$ 7,686,908
Investments measured at the net asset value (NAV)				
Commingled trust	100,783,694			
Collective interest trust	52,764,323			
Real estate funds	60,867,964			
Total GERS investments measured at NAV	214,415,981			
Total investments measured at fair value	$ 656,845,892			

U.S. Treasury Notes and Equity securities classified in level 1 of the fair value hierarchy are valued using quoted market prices in active markets for those securities. Local government municipal, corporate bonds, and mutual funds classified in level 2 of the fair value hierarchy are valued using pricing model. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices, Private equity funds classifies in level 3 of the fair value hierarchy are values using a market comparable company's technique.

NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

The valuation method for investments measured at the net asset value (NAV) per share (or its equivalent) is presented on the following table.

Investments Measured at the NAV	Fair Value	Unfunded Commitments	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
Commingled equity fund [1]	$ 100,783,694	$ -	Daily	2 days
Collective interest fund [2]	52,764,323	-	Daily	Daily
Real estate funds [3]	60,867,964	22,714,200	Quarterly	92 days
Total Investments Measured at NAV	$ 214,415,981	$ 22,714,200		

1. Commingled trust - this type includes investments in multiple trusts funds that invest in common stocks and their equivalents. The fair values of the investments in this type have been determined using the NAV per share of the investments.

2. Collective interest trust. This type includes collective investment funds that invest in short-term, high quality securities denominated in U.S. dollars. The fair values of the investments in this type have been determined using the NAV per share of the investments.

3. Real estate funds - this type includes four real estate funds that invest primarily in U.S. real estate and two timberland funds. The fair values of the investments in this type have been determined using third party appraisals. Distributions from the real estate will be received when income is generated. Distributions from the timberland funds will be received as income is generated and as the underlying investments of the funds are liquidated. It is expected that the underlying assets of the funds will be liquidated over the next 7 to 10 years.

Interest Rate Risk

Interest rate risk is the possibility that interest rates will rise and reduce the fair value of an investment. The City manages its portfolios' exposures to declines in fair value due to rising interest rates by limiting individual investments to maturities of ten (10) years or less from the date of purchase. Also, the overall "weighted average maturity" shall be less than three (3) years. The other portfolios use either the "duration" method or the "weighted average maturity" as measurements of interest rate risk. The following table illustrates the interest rate risk for debt investments:

Portfolio No. 1 Surplus Funds Pooled Investments	Amount	Percent of Portfolio	Weighted Average Maturity
Corporate Bonds	$ 87,068,528	27.33%	1.98
Federal Instrumentalities			
Federal Farm Credit Bank	44,129,321	13.85	1.83
Federal Home Loan Bank	33,718,189	10.58	1.74
Federal Home Loan Mortgage Corporation	26,810,988	8.42	2.98
Federal National Mortgage Association	11,399,875	3.58	1.52
Mortgage/Asset Backed Securities	13,377,165	4.20	1.89
State/Local Government Municipal Bonds	3,834,835	1.20	0.77
U.S. Government Securities	98,258,187	30.84	2.36

NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

Portfolio No. 2 Community Redevelopment Agency Portfolio	Amount	Percent of Portfolio	Weighted Average Maturity
Corporate Bonds	$ 19,438,856	36.21%	2.22
Federal Instrumentalities			
Federal Home Loan Bank	1,484,297	2.76	0.98
Federal Home Loan Mortgage Corporation	1,700,943	3.17	1.48
Federal National Mortgage Association	9,082,662	16.92	2.66
State/Local Government Municipal Bonds	4,802,314	8.95	1.81
U.S. Government Securities	17,172,917	31.99	1.91

Portfolio No. 4 Cemetery Perpetual Care Fund	Amount	Percent of Portfolio	Weighted Average Maturity
Fixed Income Securities			
Corporate Obligations	$ 5,461,137	18.43%	6.99
Federal Home Loan Bank	106,053	0.36	5.01

Portfolio No. 6 Police and Firefighters' Retirement System Fund	Amount	Percent of Portfolio	Weighted Average Maturity
Fixed Income Securities			
US Treasury Securities	$ 63,755,193	7.12%	
Government Obligations	352,869	0.04	
Corporate Obligations	145,326,162	16.24	

Portfolio No. 7 General Employees' Retirement System Fund	Amount	Percent of Portfolio	Weighted Average Maturity
Fixed Income Securities			
US Treasury Securities	$ 28,258,717	4.68%	
Government Obligations	38,587,049	6.39	
Corporate Obligations	10,828,602	1.79	

Credit Risk

GASB Statement No. 40 (GASB 40), “Deposit and Investment Risk Disclosures”, requires that governments provide information about the credit risk associated with their investments by disclosing the credit quality ratings of investments in debt securities as described by nationally recognized statistical rating organizations. Unless there is information to the contrary, obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk and do not require disclosure of credit quality.

Portfolio No. 1 Surplus Funds Pooled Investments

The City’s investment policy provides for the following investments, which are limited to credit quality ratings from nationally recognized rating agencies as follows:

Corporate Obligations

Corporate obligations issued by corporations organized and operating within the United States or by depository institutions licensed by the United States that have a long-term debt rating, at the time of purchase, at a minimum “Aa” by Moody’s Investor Service and a minimum “AA” by Standard & Poor’s. As of September 30, 2017, $87,068,528 of the City’s investments were corporate obligations. These issues met or exceeded the minimum rating requirements at the time of purchase.

NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

Federal Instrumentalities

Although the City's investment policy states no rating requirement for federal instrumentalities, all investments of this type were rated AA+ by Standard & Poor's or Aaa by Moody's Investor Service. This portfolio held $129,435,538 in this type of investment as of September 30, 2017.

External Investment Pool

The City participates in the FMIvT 1-3 Year High Quality Bond Fund. The 1-3 Year Bond fund has a rating of AAAf/S1 by Fitch. This portfolio held $18,028,874 in this type of investment.

Portfolio No. 2 Community Redevelopment Agency Portfolio

The Community Redevelopment Agency Portfolio utilizes the City's investment policy which limits investments to credit quality ratings from nationally recognized rating agencies as follows:

Corporate Obligations

Corporate obligations issued by corporations organized and operating within the United States or by depository institutions licensed by the United States that have a long-term debt rating, at the time of purchase, at a minimum "Aa" by Moody's Investor Service and a minimum "AA" by Standard & Poor's. As of September 30, 2017, $19,438,856 of the City's investments was in corporate obligations. These issues met or exceeded the minimum rating requirements at the time of purchase.

Federal Instrumentalities

Although the City's investment policy states no rating requirement for federal instrumentalities, all investments of this type were rated AA+ by Standard & Poor's or Aaa by Moody's Investor Service. This portfolio held $12,267,902 in this type of investment.

Portfolio No. 3 General Obligation Capital Projects Portfolio

This portfolio has $13,073,548 invested in Fidelity Institutional Government Money Market Fund, which meets the required rating threshold.

Portfolio No. 4 Cemetery Perpetual Care Fund

This portfolio's investment policy requires investments in corporate bonds or notes to be rated A or better by a nationally recognized rating service. All of these investments met the policies requirement at September 30, 2017.

Portfolio No. 5 OPEB Trust Fund

This portfolio is comprised of $15,824,875 invested in Federated U.S. Treasuries and Money Market Funds, which meets the required rating threshold.

NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

Portfolio No. 6 Police and Firefighters' Retirement System Fund

The Plan's investment policy requires that investments in fixed income type securities to be rated in the fifth major rating category by all recognized rating services. The overall portfolio quality of the active bond portfolios shall be maintained at A or higher. At September 30, 2017, all of the Plan's investments met this requirement.

Portfolio No. 7 General Employees' Retirement System Fund

This portfolio's investment policy requires investments in corporate bonds or notes to be rated A or better by a nationally recognized rating service. All of these investments met this requirement at September 30, 2017.

Custodial Credit Risk – Investments

The City's investment policy requires that all securities, with the exception of certificates of deposit, be held with a third party custodian. Security transactions between a broker/dealer and the custodian involving the purchase or sale of securities by transfer of money or securities are made on a "delivery vs. payment" basis to ensure that the custodian will have the security or money, as appropriate, in hand at the conclusion of the transaction. As of September 30, 2017, the City's investment portfolio was held with a third party custodian.

Concentration of Credit Risk

GASB 40, requires disclosure of investments in any one issuer that represent five percent or more of total investments, excluding investments issued or explicitly guaranteed by the U.S. government, investments in mutual funds, external investment pools, and other pooled investments. Per this disclosure requirement, none of City's investments were with any one single issuer that represents 5% or more of all of the City's portfolios.

In addition, the City's investment policy establishes limits on portfolio composition, both by investment type and by issuer. The City's investments did not exceed these limits during the year ended September 30, 2017.

Foreign Currency Risk

GASB 40 requires governments to disclose deposits or investments exposed to foreign currency risk. None of the portfolios have exposure to foreign currency risk. All investments are in US dollars.

4. PROPERTY TAXES

The City's property tax is levied, becomes a lien on real and personal property located in the City and is recorded as a receivable on November 1 of each year based upon the assessed value listed as of the prior January 1. The Broward County Property Appraiser establishes assessed values. The assessed value at January 1, 2016, upon which the fiscal year 2017 levy was based, was approximately $31.0 billion.

The City is permitted by state law to levy taxes up to 10 mills of assessed valuation for General Fund operations exclusive of voted debt levies. Taxes levied for the General Fund for the fiscal year 2017 were 4.1193 mills for operations and 0.1610 for debt service.

NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

All taxes are due from property holders on March 31, become delinquent on April 1 and become subject to the issuance of tax sale certificates on June 1. Current tax collections for the year ended September 30, 2017 were approximately 99.5% of the total tax levy.

5. RECEIVABLES

Accounts receivable at September 30, 2017 are summarized as follows:

	Primary Government		
	Governmental	Business-type	Total
Accounts Receivable:			
Trade Accounts Receivable	$ 47,807,321	$ 22,042,300	$ 69,849,621
Property Taxes	2,143,281	-	2,143,281
Unbilled Receivables	291,376	6,145,423	6,436,799
Assessments Receivable	283,110	101,362	384,472
	50,525,088	28,289,085	78,814,173
Less: Allowances for Uncollectibles	(33,648,022)	(8,133,772)	(41,781,794)
Accounts receivable, net	$ 16,877,066	$ 20,155,313	$ 37,032,379

	Governmental Funds			
	General Fund	Nonmajor Governmental Funds	Internal Service	Total
Accounts Receivable:				
Trade Accounts Receivable	$ 8,123,640	$ 33,010,894	$ 6,672,787	$ 47,807,321
Property Taxes	2,024,223	119,058	-	2,143,281
Unbilled Receivables	291,376	-	-	291,376
Assessments Receivable	-	283,110	-	283,110
	10,439,239	33,413,062	6,672,787	50,525,088
Less: Allowances for uncollectibles	(885,581)	(32,734,782)	(27,659)	(33,648,022)
Accounts receivable, net	$ 9,553,658	$ 678,280	$ 6,645,128	$ 16,877,066

The City's enterprise funds provide water, sewer, sanitation and stormwater services to residents in the City. Customers routinely receive services in advance during the ordinary course of business; however, customers' deposits are available to be applied against amounts owed. Accounts receivable in the enterprise funds at September 30, 2017 are summarized as follows:

	Enterprise Funds		
	Water and Sewer	Nonmajor Enterprise Funds	Total
Accounts Receivable:			
Trade Accounts Receivable	$ 16,257,803	$ 5,784,497	$ 22,042,300
Unbilled Receivables	5,504,963	640,460	6,145,423
Assessments Receivable	95,017	6,345	101,362
	21,857,783	6,431,302	28,289,085
Less: Allowances for uncollectibles	(5,902,321)	(2,231,451)	(8,133,772)
Accounts receivable, net	$ 15,955,462	$ 4,199,851	$ 20,155,313

NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

6. INTER-FUND RECEIVABLES, PAYABLES AND TRANSFERS

Individual inter-fund receivable and payable balances at September 30, 2017 follow:

	Due From Other Funds	Due To Other Funds
Governmental Funds		
General Fund	$ 5,240,324	$ -
Nonmajor Governmental Funds		
General Obligation Construction 2005 and 2011A Fund	-	2,870
Special Obligation Contruction 2008B	-	663,545
Special Obligation Contruction 2011A	-	46,403
	5,240,324	712,818
Fiduciary Funds		
General Employees' Pension Fund	-	1,941,093
Police and Firefighters' Pension Fund	-	2,586,413
	-	4,527,506
	$ 5,240,324	$ 5,240,324

The payables to the General Fund from the pension trust funds totaling $4,527,506 were for operating expenses of the funds paid by the City and $712,818 for short-term borrowings until a drawdown is made from the General Obligation Construction 2005 and 2011A Fund, and the Special Obligation Construction 2008B and 2011A.

The composition of inter-fund transfers for the year ended September 30, 2017 was as follows:

	Transfers In							
		Nonmajor Governmental Funds				Enterprise Funds		
Transfers Out	General	Special Revenue	Debt Service	Capital Projects	Internal Service Funds	Water and Sewer Fund	Nonmajor Enterprise Funds	Total
Governmental Funds								
General Fund	$ -	$ 9,980,362	$ 24,594,326	$ 15,497,080	$ 341,509	$ -	$ 7,436,005	$ 57,849,282
	-	9,980,362	24,594,326	15,497,080	341,509	-	7,436,005	57,849,282
Nonmajor Governmental Funds								
Special Revenue Funds	-	81,652	1,339,691	2,932,466	-	-	-	4,353,809
Capital Projects Funds	-	-	-	660,698	-	-	15,975	676,673
Internal Service Funds	607,786	16,619	1,142,518	-	8,296	243,940	72,155	2,091,314
	607,786	98,271	2,482,209	3,593,164	8,296	243,940	88,130	7,121,796
Enterprise Funds								
Water and Sewer Fund	-	764,375	2,340,470	-	23,123	-	30,000	3,157,968
Nonmajor Enterprise Funds	-	10,336	1,210,586	-	47,458	-	-	1,268,380
	-	774,711	3,551,056	-	70,581	-	30,000	4,426,348
	$ 607,786	$ 10,853,344	$ 30,627,591	$ 19,090,244	$ 420,386	$ 243,940	$ 7,554,135	$ 69,397,426

NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

The City transfers funds from the General Fund into: the special revenue fund represents the tax increment revenues derived from appreciation of the tax bases in the redevelopment areas of the CRA; the debt service funds to meet debt service requirements; the capital projects funds to fund non-debt financed governmental projects; the internal service funds to purchase capital assets that are not covered through normal user fees; nonmajor enterprise funds included $5,648,951 in Private Collectors Fees to the Sanitation fund and $1,787,054 to the Airport fund to pay for the second installment towards the purchase of 64 acres of land based on an agreement with the Federal Aviation Administration to remove restrictive covenants.

Other transfers to the capital projects funds provide funding for specific projects within the Community Investment program.

7. CAPITAL ASSETS

Capital Asset activity for governmental and business-type activities for the year ended September 30, 2017 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental activities:				
Capital assets not being depreciated				
Land	$ 93,242,783	$ 2,301,863	$ -	$ 95,544,646
Construction in progress *	23,926,979	19,402,802	19,791,123	23,538,658
Total capital assets not being depreciated	117,169,762	21,704,665	19,791,123	119,083,304
Capital assets being depreciated				
Buildings	157,480,961	8,447,139	-	165,928,100
Improvements	113,179,606	6,487,733	-	119,667,339
Infrastructure	44,977,288	146,110	-	45,123,398
Machinery, Equipment and Vehicles	116,834,172	10,819,022	4,783,007	122,870,187
Total capital assets being depreciated	432,472,027	25,900,004	4,783,007	453,589,024
Less accumulated depreciation for:				
Buildings	68,005,910	3,699,076	-	71,704,986
Improvements	70,390,905	4,320,917	-	74,711,822
Infrastructure	10,603,086	1,720,474	-	12,323,560
Machinery, Equipment and Vehicles	92,443,513	9,074,255	4,783,007	96,734,761
Total accumulated depreciation	241,443,414	18,814,722	4,783,007	255,475,129
Total capital assets being depreciated, net	191,028,613	7,085,282	-	198,113,895
Governmental activities capital assets, net	$ 308,198,375	$ 28,789,947	$ 19,791,123	$ 317,197,199

* Construction in progress deletions includes $2.3 million in non-depreciable assets.

NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

	Beginning Balance	Additions	Deletions	Ending Balance
Business-type activities:				
Capital assets not being depreciated				
Land	$ 32,155,535	$ 23,649,261	$ 2,894,900	$ 52,909,896
Construction in progress	24,631,900	23,353,312	12,383,155	35,602,057
Total capital assets not being depreciated	56,787,435	47,002,573	15,278,055	88,511,953
Capital assets being depreciated				
Buildings	273,306,594	1,334,992	-	274,641,586
Improvements	900,984,918	9,314,777	-	910,299,695
Infrastructure	82,437	242,465	-	324,902
Machinery, Equipment and Vehicles	47,833,215	6,472,307	613,868	53,691,654
Total capital assets being depreciated	1,222,207,164	17,364,541	613,868	1,238,957,837
Less accumulated depreciation for:				
Buildings	113,829,966	5,639,846	-	119,469,812
Improvements	260,534,448	20,598,625	-	281,133,073
Infrastructure	3,298	5,379	-	8,677
Machinery, Equipment and Vehicles	35,090,485	3,293,488	613,868	37,770,105
Total accumulated depreciation	409,458,197	29,537,338	613,868	438,381,667
Total capital assets being depreciated, net	812,748,967	(12,172,797)	-	800,576,170
Business-type activities capital assets, net	$ 869,536,402	$ 34,829,776	$ 15,278,055	$ 889,088,123

Depreciation expense was charged to the various functions of the City as follows:

Governmental Activities

General Government	$ 1,580,127
Public Safety	3,851,240
Physical Environment	450,552
Transportation	1,089,021
Economic Environment	320,573
Culture and Recreation	5,386,054
Capital Assets held in the City's internal service funds are charged to general government	6,137,157
	$ 18,814,724

Business-type activities

Water and Sewer	$ 23,993,268
Sanitation	802,664
Parking System	1,126,725
Airport	2,607,657
Stormwater	1,007,024
	$ 29,537,338

This report includes all general infrastructure acquired or constructed since October 1, 1979 in accordance with GASB Statement No. 34, “Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments.”

The capital asset values include in-house built software and city acquired easements in accordance with GASB Statement No. 51, “Accounting and Financial Reporting for Intangible Assets”.

NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

8. INVESTMENT IN JOINT VENTURE

The City has agreements with the Performing Arts Center Authority (PACA) and the Downtown Development Authority (DDA) for the operation of a 950 space-parking garage in the Arts and Science District of the City. The City, as operating agent, has full and exclusive responsibility for operation and maintenance of the garage, which is being accounted for as a joint venture in the Parking System Fund using the equity method of accounting.

The City collects all revenues and pays all operating expenses for the garage and determines the allocation to each of the participants monthly. The increase in net position for the year of $1,195,527 was derived exclusively from operations. The equity interests of the City, the PACA and the DDA totaled $623,703, $787,062, and $436,340 respectively at September 30, 2017. Separate financial statements for the joint venture are available from the City's Finance Department.

9. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. The Insurance Fund is used to account for and finance both uninsured and insured risks of loss. Coverage is provided for workers' compensation, property, employment practices, public officials' liability, active shooter, crime, cyber liability, general liability, automobile liability, watercraft liability, airport liability, police professional liability, and certain medical benefits.

The City has obtained insurance coverage for the following areas:

- Workers' compensation claims in excess of $1.0 million for employees with statutory limits per occurrence.
- Property insurance for City structures with a standard peril deductible of $50,000 per loss, a named windstorm deductible of $5.0 million per loss on both the utility and non-utility property programs, and a flood deductible of either $50,000 or $5,000 per location, depending on the location.
- Employment practices liability with a $150,000 per claim deductible, public officials' liability with a $100,000 per claim deductible, and a $4.0 million combined coverage limit for both policies.
- Active shooter policy with a deductible of $10,000 and limit of $5.0 million per loss.
- Crime policy with a deductible of $25,000 and limit of $1.0 million per loss.
- Cyber liability policy with a deductible of $50,000 and limit of $2.0 million per claim.
- Automobile liability policy with no deductible and limit of $1.0 million per loss.
- Watercraft liability policy with a $2,500 deductible and limit of $1.0 million per loss.
- Airport liability policy with no deductible and limit of $20.0 million per loss.
- Commercial, specific, stop-loss insurance is also purchased for medical benefits claims in excess of $275,000 per claim.

Settlements have rarely exceeded the retention on these policies for each of the past three fiscal years.

NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

All operating funds of the City participate in the program and make payments to the fund based on estimates of the amounts needed to pay prior and current claims and to provide fund equity for catastrophic losses. The estimated insurance claims payable at September 30, 2017 of $36,454,589 (discounted at 3.8%) is based on the requirements of GASB Statement No. 10, “Accounting and Financial Reporting for Risk Financing and Related Insurance Issues” as amended by GASB Statement No. 30, “Risk Financing Omnibus”, which requires that claims liabilities be based upon the estimated ultimate costs of settling the claims. The liability also includes incurred but not reported claims developed through actuarial analyses of loss history and non-incremental claims adjustment expenses. Changes in the balance of estimated insurance claims payable for the fiscal years ended September 30, 2016 and 2017 follow:

	Medical Benefits	Other	Total
Balance September 30, 2015	$ 1,101,765	$ 32,472,370	$ 33,574,135
New Claims and Changes in Estimates	21,796,910	7,960,287	29,757,197
Claim Payments	(21,799,238)	(7,973,897)	(29,773,135)
Balance September 30, 2016	1,099,437	32,458,760	33,558,197
New Claims and Changes in Estimates	22,697,797	10,337,820	33,035,617
Claim Payments	(22,099,234)	(8,039,991)	(30,139,225)
Balance September 30, 2017	$ 1,698,000	$ 34,756,589	$ 36,454,589

10. LONG-TERM DEBT

Bonds outstanding at September 30, 2017 mature in varying amounts during succeeding fiscal years through 2041. Interest rates on fixed rate debt follow: 2.0% to 5.0% on general obligation bonds, 2.43% to 2.98% on special obligation loans, 2.1% to 5.1% on special obligation bonds, 2.0% to 5.0% on water and sewer revenue bonds, and 2.2% on state revolving fund loans.

The bond resolutions of the various revenue bond issues require that sufficient funds be available to meet the largest debt service requirement in any ensuing fiscal year. At September 30, 2017, funds available met the debt service requirements for revenue bonds.

NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

The annual requirements to pay Governmental Activities principal and interest on the bonds, notes and loans outstanding at September 30, 2017 (in thousands) follow:

Governmental Activities

Year Ending	General Obligation Bonds		Tax Increment Revenue Note		Special Obligation Loans		Special Obligation Bonds		Capital Lease		Total	
September 30	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2018	$ 1,025	$ 1,191	$ 648	$ 200	$ 3,036	$ 377	$ 16,130	$ 10,227	$ 1,352	$ 205	$ 22,191	$ 12,200
2019	1,055	1,158	669	179	2,992	298	16,680	9,803	1,386	173	22,782	11,611
2020	1,090	1,121	690	157	2,669	225	17,565	9,311	1,422	139	23,436	10,953
2021	1,135	1,076	712	135	1,431	156	19,455	8,732	963	105	23,696	10,204
2022	1,175	1,030	734	112	1,470	116	20,115	8,074	989	81	24,483	9,413
2023-2027	6,590	4,457	3,176	205	2,773	212	90,275	29,523	2,254	105	105,068	34,502
2028-2032	7,825	3,223	-	-	-	-	79,515	9,511	140	4	87,480	12,738
2033-2037	7,260	1,668	-	-	-	-	-	-	-	-	7,260	1,668
2038-2042	4,145	448	-	-	-	-	-	-	-	-	4,145	448
Total	$ 31,300	$ 15,372	$ 6,629	$ 988	$ 14,371	$ 1,384	$ 259,735	$ 85,181	$ 8,506	$ 812	$ 320,541	$ 103,737

General obligation bonds are secured by the full faith and credit of the City. The special obligation loans are secured by a pledge of non-ad valorem tax revenues and a covenant to budget and appropriate. The special obligation bonds are secured by a pledge of non-ad valorem tax revenues and a covenant to budget and appropriate.

Periodically, the City will issue conduit debt to fulfill a public need or purpose. These obligations are not reported as liabilities in the City’s financial statements and the City is not obligated in any manner for repayment of the debt. As of September 30, 2017, the City had no conduit debt outstanding.

On October 29, 2010, the City issued a $14,015,000 Special Obligation Refunding Loan, Series 2010A and a $10,095,000 Special Obligation Refunding Loan, Series 2010B. The Series 2010A was the refunding of Special Obligation Refunding Bond, Series 2008A. This refinancing reduced the interest rate from 5.14% to 2.43%. The September 1, 2020 maturity date remained unchanged. The Series 2010B provides for semi-annual payments at a rate of 2.66%, maturing on June 1, 2022. As of September 30, 2017, the City’s liability for the bonds totaled $8,436,700.

The Series 2010B proceeds were used to reissue the City’s Special Obligation Note, Series 2008B which had a principal balance of $10,051,200. The issued debt in the amount of $10,095,000 was for both the outstanding principal plus the cost of issuance. As of September 30, 2017, the City’s liability for the 2010B loan totaled $4,576,100.

The City has pledged legally available non-ad valorem revenues to repay the Special Obligation Refunding Bonds, Series 2010A and 2010B. The non-ad valorem revenue used for the bonds consists of utility taxes, franchise taxes, licenses and permits, fines and forfeitures, intergovernmental, charges for services, and other. For the current year, principal and interest of $2,419,828, was paid. Non-ad valorem revenues were $204,950,474.

NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

On September 9, 2011, the City issued Special Obligation Note, Series A for $7,218,000 and Special Obligation Note, Series B for $2,546,000. The proceeds for Series A are being used to finance certain governmental capital improvements. Series B proceeds are financing the 800MHZ microwave equipment. The Series A note provides for semi-annual interest payments at a rate of 2.98% and annual principal payments until maturity in 2027. The Series B note provides for semi-annual interest payments at a rate of 2.45% and annual principal payments until maturity in 2019. As of September 30, 2017, the City's liability for the loans totaled $5,934,000.

The City has pledged legally available non-ad valorem revenues to repay the Special Obligation Note, Series A and B. The non-ad valorem revenue used for the bonds consists of utility taxes, franchise taxes, licenses and permits, fines and forfeitures, intergovernmental, charges for services, and other. For the current year, principal and interest of $991,790, was paid. Non-ad valorem revenues were $204,950,474.

On September 28, 2011, the City issued General Obligation Bonds, Series 2011A for $20,000,000. The proceeds of Series A were used to finance upgrades to existing fire-rescue facilities and construction of new facilities. The Series A bonds provide for semi-annual interest payments at an average rate of 3.45% and annual principal payments until maturity in 2041. As of September 30, 2017, the City's liability for the bonds totaled $17,205,000.

On October 3, 2012, the City issued Taxable Special Obligation Bonds, Series 2012 for $337,755,000. The proceeds of Series 2012 were used to discharge a portion of the Unfunded Actuarial Accrued Liabilities (UAAL) of the pension plans, including, without limitation, a partial repayment to the City of its contribution to the Police and Firefighters' Pension Plan in fiscal year 2012 to prefund a portion of its UAAL for Fiscal Year 2013. The Series 2012 bonds provide for semi-annual interest payments with interest rates ranging from 2.460% to 5.143% and annual principal payments until maturity in 2032. As of September 30, 2017, the City's liability for the bonds totaled $259,735,000.

The City has designated revenues to repay the Taxable Special Obligation Bonds, Series 2012. The designated revenue used for the bonds consists of communications services tax, public services tax, guaranteed entitlement revenues, and business tax revenues. For the current year, principal and interest of $26,360,004, was paid. Designated revenues were $44,102,833.

On April 9, 2015, the City issued CRA Tax Increment Revenue Note, Series 2015 for $7,603,000. The proceeds were used to pay for costs related to the design and construction of the North Loop of the Wave modern streetcar project, which is located in the Northwest-Progresso-Flagler Heights area of the CRA. The Series 2015 note provides for semi-annual interest payments at a rate of 3.17% and annual principal payments until maturity in 2025. As of September 30, 2017, the City's liability for the note totaled $6,629,000.

On August 11, 2015, the City issued General Obligation Refunding Bonds, Series 2015 for $15,220,000. The proceeds were used to refund the City's General Obligation Bonds, Series 2005. The gross saving of the refunding was $2,277,823, with a net present value savings of $1,687,077. This refinancing reduced the average interest rate from 4.26% to 3.44%. The July 1, 2035 maturity date remained unchanged. The Series 2015 bonds provide for semi-annual interest payments at an average rate of 3.44% and annual principal payments until maturity in 2035. As of September 30, 2017, the City's liability for the bonds totaled $14,095,000.

NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

The annual requirements to pay business-type activities principal and interest on the bonds, notes and loans outstanding at September 30, 2017 (in thousands) follow:

Business-Type Activities

Year Ending September 30	Water and Sewer Revenue Bonds Principal	Water and Sewer Revenue Bonds Interest	State Revolving Fund Loans Principal	State Revolving Fund Loans Interest	Capital Lease Principal	Capital Lease Interest	Total Principal	Total Interest
2018	$ 11,190	$ 12,840	$ 3,619	$ 904	$ 84	$ 27	$ 14,893	$ 13,771
2019	11,760	12,273	3,700	822	89	25	15,549	13,120
2020	12,360	11,678	3,784	739	94	23	16,238	12,440
2021	12,940	11,090	3,870	653	99	21	16,909	11,764
2022	13,600	10,430	3,957	566	105	19	17,662	11,015
2023-2027	78,450	41,706	20,117	1,452	611	64	99,178	43,222
2028-2032	95,500	24,644	2,024	26	270	8	97,794	24,678
2033-2037	83,090	7,048	-	-	-	-	83,090	7,048
2038-2042	4,365	98	-	-	-	-	4,365	98
Total	$ 323,255	$ 131,807	$ 41,071	$ 5,162	$ 1,352	$ 187	$ 365,678	$ 137,156

All of the outstanding bonds of the Water and Sewer Fund are secured by the water and sewer net operating revenues.

In order to take advantage of low interest rates, the City is participating in the State of Florida revolving loan program to finance sewer system capital improvements and had three (3) loans, of loan agreements three, four and five were still outstanding as of September 30, 2017. The loan program operates on a reimbursement basis. When proceeds are issued, the loan accrues interest based upon the rate approved by the State at the date of closing. The liability due to the State is the original loan amount plus accrued interest until the date repayments commence, which is approximately three years from date of issue.

On May 5, 2005, the City entered into its third loan agreement for $7,256,416, which carries an interest rate of 2.19% and provides for semi-annual principal and interest payments beginning in November 2006. The loan principal was increased to $19,116,208 on August 23, 2005. The loan principal was decreased to $17,384,060 on April 30, 2010. As of September 30, 2017, the City’s liability for this loan totaled $8,503,819.

On March 3, 2006, the City entered into its fourth loan agreement for $20,393,500, which carries an interest rate of 2.1% and provides for semi-annual principal and interest payments beginning in May 2008. The loan principal was increased to $40,619,300 on October 6, 2006. The additional principal amount of $20,225,800 carried an interest rate of 2.24%. On February 15, 2008, the loan principal was decreased to $35,606,400, with no effect on the interest rate. The loan principal was increased to $45,334,292 in March 2009. The addition carries an interest rate of 2.65%. The loan principal was decreased to $44,902,893 on September 20, 2011. As of September 30, 2017, the City’s liability for this loan totaled $26,511,913.

On February 11, 2008, the City entered into its fifth loan agreement for $10,032,200, which carries an interest rate of 2.24% and provides for semi-annual principal and interest payments beginning in November 2008. The loan principal was decreased to $10,000,000 on September 20, 2011. As of September 30, 2017, the City’s liability for this loan totaled $6,055,583.

NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

On May 16, 2012, the City sold $64,585,000 Water and Sewer Revenue Refunding Bonds, Series 2012. The Series 2012 was the refunding of the Series 2003. The gross saving of the refunding was $9,747,132, with a net present value savings of $7,347,279. The issue provides for semi-annual principal and interest payments with interest rates ranging from 2% to 5% and a final maturity on September 1, 2031. This refinancing reduced the average interest rate from 4.52% to 4.12%. As of September 30, 2017, the City's liability for these bonds totaled $53,500,000.

On November 18, 2014, the City sold $121,520,000 Water and Sewer Revenue Refunding Bonds, Series 2014. The Series 2014 was the partial refunding of the Series 2006 and Series 2008 with an aggregate principal amount of $31,865,000 and $98,660,000, respectively. The gross saving of the refunding was $19,168,610, with a net present value savings of $11,520,607. The issue provides for semi-annual principal and interest payments with interest rates ranging from 4% to 5% and a final maturity on September 1, 2035. This refinancing reduced the average interest rate from 4.97% to 4.31%. As of September 30, 2017, the City's liability for these bonds totaled $121,520,000.

On April 19, 2016, the City sold $158,930,000 of Water and Sewer Revenue and Revenue Refunding Bonds, Series 2016. The Series 2016 was the full refunding of the Series 2006, Series 2008, Series 2010 and to prepay all amounts outstanding for two (2) loans obtained by the City from the State of Florida (the "Refunded SRF Loan") with aggregate principal amount of $53,045,000, $31,010,000, $72,375,000 and $18,156,248, respectively. The gross savings on the refunding was $41,392,215, with a net present value savings of $18,957,141. The issue provides for semi-annual principal and interest payments with interest rates ranging from 2.0% to 5.0% and a final maturity on September 1, 2038. This refinancing reduced the average coupon rate from 4.44% to 3.29%. As of September 30, 2017, the City's liability for these bonds totaled $148,235,000.

Following is a summary of the changes in the City's long-term liabilities for the fiscal year ended September 30, 2017:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
General Obligation Bonds Tax	$ 34,780,000	$ -	$ (3,480,000)	$ 31,300,000	$ 1,025,000
Increment Revenue Note	7,257,000	-	(628,000)	6,629,000	648,000
Special Obligation Bonds	275,505,000	-	(15,770,000)	259,735,000	16,130,000
Special Obligation Loans	17,328,800	-	(2,958,100)	14,370,700	3,036,300
Unamortized Bond Premiums and Discounts	941,835	-	(396,848)	544,987	-
Capital Leases	1,868,502	7,087,738	(450,709)	8,505,531	1,365,932
Estimated Claims Payable	33,558,197	33,035,617	(30,139,225)	36,454,589	9,798,791
Net Pension Liabilities	91,689,073	-	(52,344,968)	39,344,105	-
Net OPEB Liabilities *	24,018,138	-	(739,031)	23,279,107	-
Compensated Absences and Longevity	32,797,041	13,023,594	(15,957,908)	29,862,727	4,417,541
Total Governmental Activities	$ 519,743,586	$ 53,146,949	$ (122,864,789)	$ 450,025,746	$ 36,421,564

* Beginning balance restated due to a change in accounting principle. See Note 20.

NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business-type Activities:					
Revenue Bonds	$ 333,920,000	$ -	$ (10,665,000)	$ 323,255,000	$ 11,190,000
State Revolving Fund Loans	44,610,083	-	(3,538,768)	41,071,315	3,618,715
Unamortized Bond Premiums					
and Discounts	28,502,213	-	(6,747,268)	21,754,945	-
Capital Leases	-	1,351,599	-	1,351,599	111,114
Landfill Post-Closure Costs	871,780	-	(43,446)	828,334	44,479
Net Pension Liabilities	15,850,495	-	(13,926,236)	1,924,259	-
Net OPEB Liabilities *	7,410,249	-	(228,012)	7,182,237	-
Compensated Absences and Longevity	5,770,528	1,851,525	(2,917,132)	4,704,921	862,808
Total Business-type Activities	$ 436,935,348	$ 3,203,124	$ (38,065,862)	$ 402,072,610	$ 15,827,116

* Beginning balance restated due to a change in accounting principle. See Note 20.

Internal service funds predominantly serve the governmental funds. Accordingly, their long-term liabilities totaling $47.1 million are included as part of the above totals for governmental activities. Also, for the governmental activities, compensated absences and net OPEB liabilities are generally liquidated by the General Fund.

The City advance refunds and/or defeases long-term debt primarily to reduce debt service requirements. As of September 30, 2017, the City has the following outstanding bonds, which were funded by the placement of assets in an irrevocable trust to be used for satisfying debt service requirements therefore the debt is not reported in the financial statements.

Description of Obligation	Year Defeased	Original Issue	Amount Defeased
Water and Sewer Revenue Bonds, Series 2010	2016	$ 82,300,000	$ 69,370,000
			$ 69,370,000

11. CAPITAL LEASE

In June 2015 the City entered into a five-year lease agreement with Motorola Solutions for public safety radio equipment for $2,308,690. The lease carries an interest rate of 2.39% with annual payments of principal and interest. The lease qualifies as capital leases for accounting purposes and, therefore has been recorded at the present value of the future lease payments as of the inception date in the Central Services fund. The capital assets and depreciation thereon acquired under the lease is also accounted in the Central Services fund. As of September 30, 2017 the City's liability for this lease totaled $1,417,793.

On January 5, 2017, the City entered into a tax-exempt lease purchase agreement in the amount of $2,055,750 with Banc of America Public Capital Corp. to finance the City's energy savings performance project. The proceeds of the financing were placed into an escrow deposit account with the escrow agent. The lease agreement carries an interest rate of 1.978% and has a 12 year term with annual debt service payments and expires on January 5, 2029. As of September 30, 2017 the City's liability for this lease totaled $2,055,750.

NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

In August 2017, the City entered into a seven-year lease agreement with Motorola Solutions for public safety radio equipment for $7,029,667. The lease carries an interest rate of 2.470% with annual payments of principal and interest. The lease qualifies as capital leases for accounting purposes and, therefore has been recorded at the present value of the future lease payments as of the inception date in the Central Services Fund. The capital assets and depreciation thereon acquired under the lease is also accounted for in the Central Services Fund. As of September 30, 2017, the City's liability for these lease totaled $6,383,587.

The future (minimum) lease obligations and the net present value of capital lease payments as of September 30, 2017 are as follows:

Year Ending September 30	Total
2018	$ 1,668,605
2019	1,673,362
2020	1,678,256
2021	1,187,923
2022	1,193,102
Later Years	3,456,024
Total Lease Payments	$ 10,857,272
Less: Amount of Interest	(1,000,142)
Present Value of Lease Payments	$ 9,857,130

12. LANDFILL POST-CLOSURE COSTS

The Wingate landfill and incinerator was an active disposal site from 1954 to 1978. In 1990, the site was designated by the United States Environmental Protection Agency (USEPA) as a superfund site requiring the City to take remedial action. Based on the results of a 1994 Remedial Investigation and Feasibility Study, the USEPA agreed to various remedies including a single layer cap in 1996 in a final Record of Decision at an estimated remediation cost of $20,500,000, which was recognized as a liability in the Sanitation Fund. In 1998, the City entered into an agreement with the Potentially Responsible Parties (PRPs), known as the Wingate Superfund Group, to oversee compliance with a 1998 Consent Decree between the City, the USEPA and the PRP's. As a result of the agreement, the City reduced its estimated remediation liability to $10,000,000.

The consent decree provided for payment of expenses associated with the remediation, promoted cost effective response actions, allocated management and financial responsibilities and resolved claims for cost recovery between the parties. The consent decree was validated on December 28, 1999, allowing site remediation to commence. The agreement with the Wingate Superfund Group created a trust fund for collection and disbursement of funds for the remediation and limited the City's share of remediation costs to $8,325,000, excluding ancillary costs. The Second Five-Year Review Report was issued by the USEPA in July 2011. Monitoring data suggest that cleanup levels are being achieved and O&M procedures are currently maintaining the effectiveness of the remedy. The remedy currently protects human health and the environment in the short term because the landfill cap construction is complete and the required institutional controls (groundwater and land use restrictions) are in place. Based upon a favorable USEPA report reducing the amount of required monitoring the liability was reduced by $2,368,781. As of September 30, 2017, the liability is $828,334 to provide for estimated post closure care costs.

NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

13. FUND BALANCES

In accordance with the requirements of GASB Statement No. 54, “Fund Balance Reporting and Governmental Fund Type Definitions”, the City classifies governmental fund balances as follows:

(A) Nonspendable – includes fund balance amounts that cannot be spent because they are either not in spendable form or legal or contractually required to be maintained intact.

(B) Restricted – includes fund balance amounts that are constrained to be spent only for specific purposes which are externally imposed by creditors, grantors, contributors or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation.

(C) Committed – includes unrestricted fund balance amounts that can only be used for specific purposes pursuant to internal constraints imposed by the City’s Code of Ordinances which can only be established, modified or rescinded through the passage of ordinances by the City Commission, the City’s highest level of decision making authority.

(D) Assigned – includes unrestricted fund balance amounts that are constrained by the City’s intent to be used for specific purposes, but are neither restricted nor committed. Either the City Commission or the City Manager has the authority to assign amounts to a specific purpose. On September 17, 2013, City Commission by Resolution 13-179 authorized the City Manager to assign resources and ending fund balance.

(E) Unassigned – includes the residual fund balance of the General Fund not included in the above nonspendable, restricted, committed or assigned categories. It may also include negative fund balances of other governmental funds resulting from expenditures for specific purposes, which exceeded restricted, committed or assigned amounts available for those purposes.

It is the City’s policy to use restricted fund balances before unrestricted funds when both are available for a specific purpose unless contractual requirements, such as for a specific grant that requires dollar for dollar spending, prohibit doing so. In addition, the order of use for unrestricted fund balances available for a specific purpose is committed, assigned, and then unassigned amounts.

The Commission adopted a Fund Balance Policy by Resolution No.13-179 which is a financial standard to maintain the unrestricted fund balance for the General Fund at a level that is equivalent to two (2) months of operating expenditures and required transfers. Should the projected or actual unrestricted fund balance fall below this minimum, a plan will be submitted for consideration to achieve the minimum level within a three-year period. This plan will include a combination of cost reductions, revenue enhancements, and/or service reductions and should be submitted within 30 days of recognition of the fund shortfall.

NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

Use of fund balance below the recommended threshold is permitted only in case of an emergency, or in the case of an unanticipated economic downturn, which causes a material loss of revenues. Non-recurring revenues shall not be used to balance the annual budget for recurring expenditures.

The details of individual governmental fund balances by category at September 30, 2017 follow:

		Nonmajor Governmental				
	General	Special Revenue	Debt Service	Capital Projects	Permanent	Total
Nonspendable						
Inventories	$ 15,662	$ -	$ -	$ 6,750	$ -	$ 22,412
Endowments	-	-	-	-	14,996,603	14,996,603
Restricted For						
Debt Service	-	-	15,592,608	-		15,592,608
Inventories	-	16,667	-	-	-	16,667
Community Redevelopment	-	20,124,259	-	60,473,355	-	80,597,614
Building Code Enforcement	-	39,439,470	-	-	-	39,439,470
Law Enforcement	-	1,163,713	-	-	-	1,163,713
Capital Projects	-	-	-	24,266,045	-	24,266,045
Transportation	-	-	-	142,063	-	142,063
Endowments	-	-	-	-	14,256,581	14,256,581
Other Purposes	-	843,846	-	-	-	843,846
Committed To						
Grants and Special Programs	1,360,964	-	-	-	-	1,360,964
Beach Improvements	-	1,336,069	-	-	-	1,336,069
Assigned To						
Law Enforcement	-	910,666	-	-	-	910,666
Beach Improvements	-	84,103	-	-	-	84,103
Capital Projects	-	-	-	31,971,271	-	31,971,271
Transportation	-	-	-	338,174	-	338,174
Subsequent Year's Expenditures	2,390,941	-	-	-	-	2,390,941
Unassigned	74,468,292	(1,125,065)	-	-	-	73,343,227
Total Fund Balances	$ 78,235,859	$ 62,793,728	$ 15,592,608	$ 117,197,658	$ 29,253,184	$ 303,073,037

NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

14. EMPLOYEE RETIREMENT SYSTEMS

The City of Fort Lauderdale, sponsors two defined benefit plans – General Employees' Retirement System and Police and Firefighters' Retirement System. The General Employees' Retirement System and the Police and Firefighters' Retirement System each issue a publicly available audited GAAP financial report that includes financial statements and required supplementary information. The information reported below is a brief summary of information reported in more detail in the independently published financial statements for each pension plan.

The City's pension plans are presented in accordance with GASB Statement No. 67, "Financial Reporting for Pension Plans" and GASB Statement No. 68, Accounting and Financial Reporting for Pensions. These statements replace GASB Statement No. 27, "Accounting for Pensions by State and Local Governmental Employers", and GASB Statement No. 50, "Pension Disclosures". GASB 68, enhances accountability and transparency through revised and new note disclosures and required supplementary information (RSI).

Current Membership of Pension Plans:

Current membership, at September 30, 2017 in the General Employees' Retirement System and the Police and Firefighters' Retirement System was as follows:

	General Employees' Retirement System	Police and Firefighters' Retirement System
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	1,386	1050
Inactive Plan Members Entitled to but Not Yet Receiving Benefits	104	20
Active members	771	779
Total	2,261	1849

The following summarizes the pension related amounts for the City as of the indicated measurement date:

	Measurement Date	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense/(Income)
General Employees' Retirement System	9/30/2017	$ 5,067,840	$ 8,974,734	$ 19,082,018	$ 17,817,952
Police and Firefighters' Retirement System	9/30/2017	36,200,524	18,456,976	20,885,090	25,885,090
		$ 41,268,364	$ 27,431,710	$ 39,967,108	$ 43,703,042

NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

A) Defined Benefit Plans - Plan Descriptions and Funding Policies

1. General Employees' Retirement System

The General Employees' Retirement System is a single-employer defined benefit plan administered by an eight-member board of trustees, which covers City employees, except police and firefighters. Through collective bargaining with the general, supervisory and professional City employees, a new single-employer defined contribution pension plan was established for Teamster Union employees hired on or after October 1, 2007, Supervisory Union employees hired on or after November 7, 2007, and all other Non-Union employees hired on or after February 20, 2008. The General Employees Retirement System was then closed to new entrants. Under Ordinance No. C-11-34, adopted on December 6, 2011, a Bonus Incentive Program was offered to members eligible for either early or normal retirement as of December 1, 2011. Eligible members were granted 30 additional months of service for both benefit and eligibility purposes if, during the election period from December 7, 2011 through February 1, 2012, they elect to retire between December 14, 2011 and March 16, 2012. There were 134 members who elected to retire under the Bonus Incentive Program. The impact of the Bonus Incentive Program reflects the replacement of 20% of the members who retired under the program with promotions of the highest-paid remaining active members. The salaries of expected promoted members were increased by 5%. The City's payroll for employees covered by the plan after the plan change applicable to the September 30, 2013 actuarial valuation was approximately $57,217,000. The total City payroll at that time was approximately $158,475,000. As of the valuation date, employee membership data related to the pension plan was as follows:

Retirees and beneficiaries currently receiving benefits	1,386
Inactive, Non retired members	104
Active members	771
Total	2,261

Under the vesting provisions of the plan, employees are entitled to 100% of normal retirement benefits after 5 years of service. Members who terminate prior to vesting are entitled to a refund of employee contributions plus interest at 3% per year. Employees are eligible to retire after 30 years of service, regardless of age, or at age 55 with 5 years of service. Members who continue in employment past normal retirement may either accrue larger pensions or freeze their accrued benefit and enter the Deferred Retirement Option Plan (DROP). Each participant in the DROP has an account credited with benefits not received plus interest. Participation in the DROP must end no later than 36 months after normal retirement. Certain employees hired on or after October 1, 1983 electing reduced benefits are entitled to 100% of normal retirement benefits after 10 years of service beginning at age 65. These benefit provisions and all other requirements are established by City ordinance.

NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

Employees contribute from 4% to 6% of their earnings to the plan. The City is required to contribute the remaining amounts necessary to fund the plan, based on an amount determined by the plan's actuaries as of September 30 each year. For the current year, the City's contribution rate as a percentage of annual covered payroll was 30.85% or $14,650,881.

Net Pension Liability

The City's net pension liability was measured as of September 30, 2017. The total pension liability used to calculate the net pension liability was determined as of that date. The components of the net pension liability of the City at September 30, 2017 were as follows:

Total Pension Liability	$ 659,261,317
Plan Fiducuiary Net Position	(654,193,477)
City's Net Pension Liability	$ 5,067,840
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	99.23%

Actuarial Assumptions: The total pension liability in the September 30, 2016 actuarial valuation updated to September 30, 2017 was determined using the following actuarial assumptions, applied to all periods in the measurements:

Inflation	3.00%
Salary Increases	4.00% to 9.50% depending on age, including inflation
Investment Rate of Return	7.50%

Mortality RP-2000 Combined Healthy Participant Mortality Table for males and females with mortality improvements projected to all future years after 2000 using Scale AA.

The actuarial assumptions used in the September 30, 2017 valuation were based on the results of an actuarial experience study dated November 1, 2012 for the period from October 1, 2001 to September 30, 2011.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class.

These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the targets asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2017 are summarized in the following table:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Domestic Equity	40.0%	5.5%
International Equity	15.0%	3.7%
Emerging Equity	12.0%	7.9%
Private Equity	5.0%	10.6%
Real Estate & Timber	10.0%	6.8%
Fixed Income	15.0%	2.2%
Cash	3.0%	-1.0%
Total	100.00%	

NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

Discount Rate: A single discount rate of 7.50% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on Pension Plan investments of 7.50%. The projection of cash flows used to determine this single discount rate assumed that Plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the total actuarially determined contribution rates and the member rate. Based on these assumptions, the Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current Plan members. Therefore, the long-term expected rate of return on Pension Plan investments (7.50%) was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate assumption remained unchanged.

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances at September 30, 2016	$ 629,028,556	$ 587,283,771	$ 41,744,785
Changes for the year:			
Service Cost	9,607,674	-	9,607,674
Interest on Total Pension Liability	46,437,709	-	46,437,709
Differences between expected and actual experience on Total Pension Liability	(1,676,483)	-	(1,676,483)
Contributions - Employer	-	14,650,881	(14,650,881)
Contributions - Employee	-	2,978,329	(2,978,329)
Assumption Changes	14,797,404	-	14,797,404
Net Investment Income	-	88,659,514	(88,659,514)
Benefit Payments	(38,933,543)	(38,933,543)	-
Administrative Expense	-	(445,475)	445,475
Net Changes	30,232,761	66,909,706	(36,676,945)
Balances at September 30, 2017	$ 659,261,317	$ 654,193,477	$ 5,067,840

Sensitivity of the net pension liability to changes in the discount rate: The following presents the net pension liability of the City, calculated using the discount rate of 7.50%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50%) or 1-percentage-point higher (8.50%) than the current rate:

	1% Decrease 6.50%	Current Single Discount Rate Assumption 7.50%	1% Increase 8.50%
City's Net Pension Liability	$ 76,271,648	$ 5,067,840	$ (55,070,988)

NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

Pension expense and deferred outflows/inflows of resources related to pensions: For the year ended September 30, 2017, the City recognized a pension expense of $17,817,952. At September 30, 2017, the City reported deferred outflows and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Betweeen Expected and Actual Experience	$ -	$ 1,079,098
Changes in Assumptions	8,974,734	-
Net Difference Between Projected and Actual Earnings on Pension Investments	-	18,002,920
Total	$ 8,974,734	$ 19,082,018

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

Year ending September 30,	Net Deferred Outflows of Resources
2018	$ 7,695,448
2019	3,222,660
2020	(12,049,503)
2021	(8,975,889)
Total	$ (10,107,284)

Historical trend information is presented in required supplementary information schedules following these notes to show the changes in the net pension liability and the contributions to the plan. (See page 93).

The Plan issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained online at www.citypension.com or by writing the Board of Trustees:

Board of Trustees of the City of Fort Lauderdale General Employees' Retirement System
316 NE Fourth Street, Suite 2
Fort Lauderdale, FL 33301

NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

2. Police and Firefighters' Retirement System

The Police and Firefighters' Retirement System is a single-employer defined benefit plan administered by an eight-member board of trustees, which covers all police and firefighters.

Plan membership as of October 1, 2016:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	1,050
Inactive Plan Members Entitled to but Not Yet Receiving Benefits	20
Active Plan Memebers	779
Total	1,849

Under the vesting provisions of the plan, employees are entitled to 100% of normal retirement benefits after 10 years of service. Members who terminate prior to vesting are entitled to a refund of employee contributions plus interest at 3% per year. Employees are eligible to retire after 20 years of service, regardless of age, or at age 55 with 10 years of service. Members who continue in employment after completion of 20 years of service may either accrue larger pensions or freeze their accrued benefit and enter the Deferred Retirement Option Plan (DROP). Each participant in the DROP has an account credited with benefits not received plus interest. Participation in the DROP must end no later than 60, 72, 84 or 96 months after normal retirement depending on years of service. These benefit provisions and all other requirements are established by City ordinance.

Employees hired on or before April 18, 2010 contribute 8% of their earnings to the plan. Employees hired after April 18, 2010 contribute 8.5% of their earnings to the plan. In addition, contributions in the amount of $5,932,068 were received from the State of Florida from fire and casualty insurance premium taxes. These on-behalf payments were also recognized as tax revenues and public safety expenditures in the General Fund. The City is required to contribute the remaining amounts necessary to fund the plan, based on an amount determined by the plan's actuaries as of October 1 each year. For the current year, the City and State of Florida contribution rates as percentages of annual covered payroll were 24.38% ($17,325,393) and 8.35% ($5,932,067), respectively.

For measurement date 9/30/2017, the inflation assumption rate has been updated from 2.30% to 2.75% to match the long-term inflation assumption utilized by the Plan's investment consultant.

Net Pension Liability

The City's net pension liability was measured as of September 30, 2017. The total pension liability used to calculate the net pension liability was determined as of that date. The components of the net pension liability of the City at September 30, 2017 were as follows:

Total Pension Liability	$ 928,971,000
Plan Fiducuiary Net Position	(892,770,476)
City's Net Pension Liability	$ 36,200,524
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	96.10%

NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

Actuarial Assumptions: The total pension liability was determined by an actuarial valuation as of October 1, 2016 updated to September 30, 2017 using the following actuarial assumptions applied to all measurement periods:

Inflation	2.75%
Salary Increases	0.50% - 3.00% Expected increase in annual salary in addition to 2.75% inflationary component.
Discount Rate	7.40%
Investment Rate of Return	7.40%

Mortality rates were based on the RP-2000 Generational Annuitant White Collar Scale BB. Disability mortality rates RP-2000 Disabled, no projection scale. The most recent actuarial experience study used to review the other significant assumptions was dated July 10, 2015.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. For fiscal year 2017, the inflation rate assumption of the investment advisor was 2.30%. These ranges are combined to produce the long term expected rate by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2017 are summarized in the following table:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Domestic Equity	30.00%	6.90%
International Equity	15.00%	6.80%
Domestic Bonds	30.00%	1.80%
Real Estate	12.50%	4.50%
Other	12.50%	3.30%
Total	100.00%	

Discount Rate: The discount rate used to measure the total pension liability was 7.40%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current rate and that sponsor contribution will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	**Plan Fiduciary Net Position**	**Net Pension Liability**
Balances at September 30, 2016	$ 880,055,327	$ 814,260,544	$ 65,794,783
Changes for the year:			
Service Cost	20,106,284	-	20,106,284
Interest on Total Pension Liability	65,765,964	-	65,765,964
Share Plan Allocation	1,653,054	-	1,653,054
Changes of Benefit Terms	-	-	-
Assumption Changes	10,692,637	-	10,692,637
Differences between expected and actual experience on Total Pension Liability	(2,762,831)	-	(2,762,831)
Contributions - Employer	-	17,325,393	(17,325,393)
Contributions - State	-	5,932,068	(5,932,068)
Contributions - Employee	-	5,901,141	(5,901,141)
Contributions - Buy Back	24,749	24,749	-
Net Investment Income	-	96,510,340	(96,510,340)
Benefit Payments	(46,564,184)	(46,564,184)	-
Administrative Expense	-	(619,575)	619,575
Net Changes	48,915,673	78,509,932	(29,594,259)
Balances at September 30, 2017	$ 928,971,000	$ 892,770,476	$ 36,200,524

Sensitivity of the net pension liability to changes in the discount rate: The following presents the net pension liability of the City, calculated using the discount rate of 7.40%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1% point lower (6.40%) or 1% point higher (8.40%) than the current rate:

	1% Decrease 6.40%	**Current Single Discount Rate Assumption 7.40%**	**1% Increase 8.40%**
City's Net Pension Liability	$ 137,999,522	$ 36,200,524	$ (48,085,239)

Pension expense and deferred outflows/inflows of resources related to pensions: For the year ended September 30, 2017, the City recognized a pension expense of $25,780,290. At September 30, 2017 the City reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	**Deferred Inflows of Resources**
Difference Betweeen Expected and Actual Experience	$ -	$ 8,198,279
Changes in Assumptions	18,456,976	877,992
Net Difference Between Projected and Actual Earnings on Pension Investments	-	11,808,819
Total	$ 18,456,976	$ 20,885,090

NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

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

Year ending September 30,	Net Deferred Outflows of Resources
2018	$ 3,931,080
2019	3,931,080
2020	(4,653,072)
2021	(5,637,202)
Total	$ (2,428,114)

Historical trend information is presented in required supplementary information schedules following these notes to show the changes in the net pension liability and the contributions to the plan. (See page 96).

Changes of benefit terms

For measurement date 9/30/15, amounts reported as changes of benefit terms were resulted from:
1)For Firefighters hired on or after October 1, 2014:
- a) The Average Monthly Earnings period will be increased from 2 to 5 years.
- b) The benefit accrual rate will be decreased from 3.38% to 3.0% for each year of Credited Service.
- c) The maximum accrual rate will be decreased from 81.0% to 75.0% of Average Monthly Earnings.
- d) For each month a Firefighter delays entry into DROP following completion of 25 years of Credited Service, the 96 month maximum DROP participation period shall be correspondingly reduced by one month.
- e) The Normal Form of Benefit will be changed from 60% joint and contingent survivor to 10-Year Certain and Life.

2)Eliminating the interest component on refunds of Member Contributions for all Firefighters who separate employment with the City on or after October 1, 2014.
3) Amending the definition of Salary to provide that pensionable earnings for Firefighters will be increased from 144 hours to 159 hours for each 21-day period.
4)Implementing a special formula to determine the amount of Chapter 175 premium tax revenues that the City will be able to utilize to offset its funding requirements, effective for the plan year beginning on October 1, 2014.

For the impact these changes had on the valuation results, please refer to our September 10, 2015 Revised Actuarial Impact Statement.

The Plan issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained online at www.ftlaudpfpension.com or by writing the Board of Trustees:

Board of Trustees of the City of Fort Lauderdale Police and Firefighters' Retirement System
888 S. Andrews Avenue, Suite 202
Fort Lauderdale, Florida 33316

NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

B) Defined Contribution Plans

1. General Employees Defined Contribution Plan

The General Employees Defined Contribution Plan is a single-employer defined contribution plan administered by ICMA Retirement Corporation (ICMA-RC), which covers all City employees hired on or after October 1, 2007, except police and fire. The City's current year payroll for employees covered by the plan was approximately $40,243,731. The total City payroll for the year was approximately $194,804,022.

The City contribution requirement of 9% on earnings of participants was paid on a biweekly basis and amounted to $3,302,928 for the current year. Employee contributions are neither required nor permitted under the plan. Employees become fully vested in the plan upon entry. These benefit provisions and all other requirements are established by City ordinance.

2. General Employees Special Class Plan

The General Employees Special Class Plan is a single-employer defined contribution plan administered by ICMA-RC. It is available to City employees (except police and firefighters) as an alternative to participation in the General Employees' Retirement System. The City's current year payroll for employees covered by the plan was approximately $58,075. The total City payroll for the year was approximately $194,804,022.

The City contribution requirement of 30.85% on earnings of participants was paid on a biweekly basis and amounted to $15,325 for the current year. Employee contributions are neither required nor permitted under the plan. Employees become fully vested in the plan upon entry. These benefit provisions and all other requirements are established by City ordinance. This plan is no longer available to new entrants.

3. Non-classified Employees Retirement Plan

The Non-classified Employees Retirement Plan is a single-employer defined contribution plan administered by ICMA-RC, which covers certain non-classified City employees who have elected not to participate in the City's General Employees' Retirement System. The City's current year payroll for employees covered by the plan was approximately $2,357,496. The total City payroll for the year was approximately $194,804,022.

The City contribution requirement of 19.55% on earnings of participants was paid on a biweekly basis and amounted to $433,909 for the current year. Employee contributions are neither required nor permitted under the plan. Employees become fully vested in the plan upon entry. These benefit provisions and all other requirements are established by City ordinance. Effective October 1, 2012 the plan was closed to new entrants.

NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

15. OTHER POST-EMPLOYMENT BENEFITS

Plan Description

The City provides a single employer defined benefit post-employment health insurance benefit to its general employees, sworn police officers and certified firefighters. Employees are paid from $100 to $400 per month upon normal retirement for the purchase of health insurance. Non-Union Management and Confidential employees hired on or after October 1, 2012 shall not be eligible for any contribution from the City. Employees hired under the Fraternal Order of Police and the Federation of Public Employees on or after April 1, 2014, are no longer eligible for this contribution. Teamsters employees hired on or after December 17, 2014, and employees hired under the International Association of Firefighters hired on or after June 16, 2015, are not eligible.

Benefits provided: The benefit continues until age 65 and is funded on a pay-as-you-go basis. In addition, pursuant to Section 112.0801, Florida Statutes, general employees and certified firefighters who retire from the City may continue their participation in a City sponsored health and/or dental insurance plan at the same premiums applicable to active employee. Since retiree claims are expected to result in higher costs to the plans, on average, than those for active employees on an actuarial basis, there is an implicit subsidy included in the premiums for the retirees.

Contributions: Benefit provisions and City contribution requirements are established and may be amended by the City Commission through collective bargaining. As of September 30, 2017, there were 627 retired employees receiving a monthly benefit with an additional 1,627 employees eligible for participation in the future. Payments totaled $2,487,539 for the year, of which retiree implicit subsidies amounted to $36,017.

The Other Post-Employment Benefits (OPEB) Trust is administered by the City of Fort Lauderdale Commission as the Board of Trustees with a Trust Administrator responsible for the day-to-day administration. The Trust was established on September 16, 2014 and covers former City employees who are eligible for certain post-employment benefits. As of September 30, 2017, $15,828,581 was invested in the OPEB Trust fund.

Plan membership: As of September 30, 2017, the membership consisted of the following:

Active Plan Members	2,254
Inactive plan members entitled but not yet receiving benefit payments	562
Total	2,816

Net OPEB Liability

The City’s net OPEB liability was measured as of September 30, 2017. The total OPEB liability used to calculate the net OPEB liability was determined as of that date. The components of the net OPEB liability of the City at September 30, 2017 were as follows:

Total OPEB Liability	$ 46,289,925
Plan Fiducuiary Net Position	(15,828,581)
City's Net OPEB Liability	$ 30,461,344
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	34.19%

NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

Actuarial Assumptions: The total OPEB liability was determined by an actuarial valuation as of September 30, 2017 using the following actuarial assumptions applied to all measurement periods:

Inflation	3.0% per annum
Salary Increases	3.0%
Discount Rate	7.00% (6.0% and 8.0% are illustrated for sensitivity)
Investment Rate of Return	5.09%

Investments

Investment policy: This investment policy applies to the investment activities of the Other Post-Employment Benefits Trust ("OPEB Trust") for employees of the City of Fort Lauderdale. The City Commission serves as the OPEB Board of Directors ("Board") and has delegated the responsibility for conducting investment transactions with the Trust Administrator ("TA"). The purpose of this policy is to provide the TA with guidance for the administration of the Trust.

The long-term investment objective of the OPEB Trust is to provide for participant benefit needs. The goal of the OPEB Trust is to use a passive management strategy to invest in low-cost funds. The TA shall review and monitor the actuarial assumptions to provide for participant benefits' needs and make changes as necessary upon receipt of the actuarial report.

The target allocation for each major asset class is summarized in the following table:

Asset Class	Target Allocation
Domestic Equity	67.0%
Fixed Income	23.0%
Real Estate	4.0%
Cash	6.0%
Total	100.00%

Discount Rate: The discount rate used to measure the total OPEB liability was 7.0%. The projection of cash flows used to determine the discount rate assumed that City contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Changes in Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balances at September 30, 2016	$ 44,235,177	$ 12,806,790	$ 31,428,387
Changes for the year:			
Service Cost	1,351,238	-	1,351,238
Interest on Total OPEB Liability	3,191,049	-	3,191,049
Contributions - Employer	-	4,742,839	(4,742,839)
Net Investment Income	-	766,491	(766,491)
Benefit Payments	(2,487,539)	(2,487,539)	-
Net Changes	2,054,748	3,021,791	(967,043)
Balances at September 30, 2017	$ 46,289,925	$ 15,828,581	$ 30,461,344

NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

Sensitivity of the net OPEB liability to changes in the discount rate: The following presents the net OPEB liability of the City, calculated using the discount rate of 7.0%, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is 1% point lower (6.0%) or 1% point higher (8.0%) than the current rate:

	Discount Rate		
	1% Decrease 6.00%	Rate Assumption 7.00%	1% Increase 8.00%
Net OPEB Liability	$ 37,864,450	$ 30,461,344	$ 25,549,005

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rate: The following presents the net OPEB liability of the City, calculated using trend rates that are 1% point lower (7.0% decreasing to 4.0%) or 1% point higher (9.0% decreasing to 6.0%) than the current trend rate:

	Healthcare Cost		
	1% Decrease (7.0% decreasing to 4.0%)	Trend Rates (8.0% decreasing to 5.0%)	1% Increase (9.0% decreasing to 6.0%)
Net OPEB Liability	$ 21,746,968	$ 30,461,344	$ 40,328,852

Pension expense and deferred outflows/inflows of resources related to OPEB: For the year ended September 30, 2017, the City recognized an OPEB expense of $3,542,371. At September 30, 2017 the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net Difference Between Projected and Actual Earnings on Pension Investments	291,781	-
Total	$ 291,781	$ -

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

Year ending September 30,	Net Deferred Outflows of Resources
2018	$ 58,357
2019	58,356
2020	58,356
2021	58,356
2022	58,356
Total	$ 291,781

Historical trend information is presented in required supplementary information schedules following these notes to show the changes in the net OPEB liability and the contributions to the plan. (See page 99).

NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

16. DEFERRED COMPENSATION PLAN

The City offers a deferred compensation plan to its employees in addition to the pension plans. Participation is optional. The City has adopted the provisions of IRS Code Section 457(g) and GASB Statement No. 32, “Accounting and Financial Reporting for IRS Code Section 457 Deferred Compensation Plans”. Under these provisions, all assets and income of the plan are held in trust for the exclusive benefit of participants. Accordingly, the assets and liabilities of the plan are not reported within the City’s financial statements.

17. OPERATING LEASES

On September 1, 1962, the City entered into a lease agreement as lessor with Bahia Mar Yachting Center, Inc. (Bahia Mar) for the purpose of constructing and operating a restaurant, lounge, yacht club, motel/hotel, convention hall, marine facilities and other similar businesses. The cost of the property at the inception of the lease was $552,000. On June 30, 1994, this lease was assumed by RAHN Bahia Mar, LTD. and, as amended, will terminate on August 31, 2062, at which time, all additions to the property originally leased to Bahia Mar will revert to the City. The lease agreement provides for a minimum guaranteed annual rental of $300,000 per year. In addition, the City receives contingent rentals ($1,556,182 in 2017) based upon escalating percentages of gross receipts for the duration of the agreement. Minimum future rentals on this lease as of September 30, 2017 follow:

Fiscal Year Ending in:	Bahia Mar Lease
2018	$ 300,000
2019	300,000
2020	300,000
2021	300,000
2022	300,000
Later Years	12,000,000
	$ 13,500,000

The City has various aviation leases and non-aviation land leases, which are accounted for as operating leases in the Airport Fund. The cost and carrying amount of the property at the inception of the leases were $2,677,713. Minimum future rentals on these leases as of September 30, 2017 follow:

Fiscal Year Ending in:	Aviation Leases	Land Leases	Total
2018	$ 3,154,249	$ 3,357,541	$ 6,511,790
2019	2,998,594	3,357,541	6,356,135
2020	2,935,499	3,357,541	6,293,040
2021	2,929,825	3,357,541	6,287,366
2022	2,897,955	3,357,541	6,255,496
Later Years	38,784,722	60,550,193	99,334,915
	$ 53,700,844	$ 77,337,898	$ 131,038,742

NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

18. COMMITMENTS AND CONTINGENT LIABILITIES

The City has outstanding encumbrances in the governmental funds, as well as, other significant commitments in the various enterprise funds. The following is a summary of these commitments at September 30, 2017:

Governmental Funds	
General Fund	$ 2,390,941
Nonmajor Governmental Funds	
Special Revenue Funds	
Law Enforcement Confiscated Property Fund	108,802
Community Redevelopment Agency Fund	9,249,787
Beach Business Improvement District	33,622
Building Fund	2,780,454
Nuisance Abatement Fund	10,000
	12,182,665
Capital Projects Funds	
General Capital Projects Fund	3,834,463
Gas Tax Fund	47,838
General Obligation Construction 2005 and 2011A Fund	3,682,465
Special Obligation Construction 2008B Fund	288,829
Special Obligation Construction 2011A	292,450
Community Redevelopment Agency Projects Fund	32,832,965
Park Impact Fee Projects Fund	1,377,168
	42,356,178
Enterprise Funds	
Water and Sewer	36,936,780
Nonmajor Enterprise Funds	
Sanitation Fund	1,173,670
Parking System Fund	14,390,852
Airport Fund	2,975,728
Stormwater Fund	4,194,865
	22,735,115
Total Commitments and Contigent Liabilities	$ 116,601,679

Various substantial lawsuits have been filed against the City including personal injury claims, liability claims related to police activities and general liability claims. The estimated liabilities related to the various claims have been accrued in the City’s insurance internal service funds. In the opinion of City management, the expected liability for these claims would not materially exceed the amounts recorded in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

19. TAX ABATEMENTS

The Fort Lauderdale Community Redevelopment Agency (CRA) comprises of three distinct CRAs areas: Central Beach, Northwest-Progresso-Flagler Heights and Central City. The CRAs were established in 1989, 1995, and 2012, respectively, and are charged with eliminating and/or reversing blighting conditions within its three project areas.

The CRA has established incentive programs designed to promote development and redevelopment within the City to eliminate slum and blight, remove deterioration, update existing buildings, and encourage new investment/development with an emphasis on enhancing the overall CRA, improving the quality of existing buildings, and attracting new construction. The CRA's economic development agreements are authorized under the State of Florida Statutes, Chapter 13.

Eligible Area: All properties within the CRA that are owned by an organization that fully contributes to the tax increment income are eligible.

Eligible Properties: All commercial, multifamily, or mixed-use buildings in the CRA with uses permitted by applicable land use codes or approved conditional uses that have had substantial capital improvements or new construction.

Eligible Project Costs: The benefits of this program are based on capital improvements on existing properties or the development cost of new buildings that result in a substantial increase of Ad Valorem Tax (Property Tax).

Basis/Limits of Benefits: Property Tax Reimbursement (PTR) are disbursed upon verification that property taxes for the year has been paid. A PTR award will run for a maximum of five (5) years and the limits are as follows:

- Year 1 – 95% of real property Ad Valorem taxes returned to the CRA as tax increment revenue
- Year 2 – 90% of real property Ad Valorem taxes returned to the CRA as tax increment revenue
- Year 3 – 85% of real property Ad Valorem taxes returned to the CRA as tax increment revenue
- Year 4 – 80% of real property Ad Valorem taxes returned to the CRA as tax increment revenue
- Year 5 – 75% of real property Ad Valorem taxes returned to the CRA as tax increment revenue

On December 16, 2016, the CRA entered into a Property Tax Reimbursement Agreement with 315 Flagler LP (Developer) to develop an eighteen (18) story Tier 1 Flag Hotel. The total increment payments to the Developer shall not exceed $1,711,020. Reimbursements under this incentive program will only commence following completion of the project and once all the conditions of the agreement have been met. No reimbursement payments were processed for this agreement in FY2017.

NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

20. RESTATEMENT OF BEGINNING NET POSITION/FUND BALANCE

In FY2017, the City adopted GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. The effect of the change in accounting principle resulted in a decrease of $14,093,946 in the governmental activities and a decrease of $6,372,241 in the business-type activities.

Governmental Activities	
Net Position, October 1, 2016 as previously reported	$ 184,158,338
Change in Accounting Principle, GASB 75	(14,093,946)
Restated Net Position, October 1, 2016 (as restated)	$ 170,064,392
Business-type Activities	
Net Position, October 1, 2016 as previously reported	$ 680,461,936
Change in Accounting Principle, GASB 75	(6,372,241)
Restated Net Position, October 1, 2016	$ 674,089,695

21. NEW ACCOUNTING PRONOUNCEMENTS

Implemented

In June 2015, the GASB issued Statement No. 74, “Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans”. This Statement establishes new accounting and financial reporting requirements for governments whose employees are provided with OPEB, as well as for certain nonemployer governments that have a legal obligation to provide financial support for OPEB provided to the employees of other entities. This Statement replaces Statements No. 43, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, as amended, and No. 57, OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans. It also includes requirements for defined contribution OPEB plans that replace the requirements for those OPEB plans in Statement No. 25, Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans, as amended, Statement 43, and Statement No. 50, Pension Disclosures. The requirements of this Statement are effective for the City’s financial year ending September 30, 2017. The impact of this statement can be found on Note 15.

In June 2013, the GASB issued Statement No. 75, “Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions”. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. This Statement replaces the requirements of Statements No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, as amended, and No. 57, OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans, for OPEB. Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, establishes new accounting and financial reporting requirements for OPEB plans. The requirements of this Statement are effective for the City’s financial year ending September 30, 2018. The impact of this statement can be found on Note 15 and Note 20.

NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

In August 2015, the GASB issued Statement No. 77, “Tax Abatement Disclosures”. Financial statements prepared by state and local governments in conformity with generally accepted accounting principles provide citizens and taxpayers, legislative and oversight bodies, municipal bond analysts, and others with information they need to evaluate the financial health of governments, make decisions, and assess accountability. This information is intended, among other things, to assist these users of financial statements in assessing (1) whether a government’s current-year revenues were sufficient to pay for current-year services (known as interperiod equity), (2) whether a government complied with finance-related legal and contractual obligations, (3) where a government’s financial resources come from and how it uses them, and (4) a government’s financial position and economic condition and how they have changed over time. The requirements of this Statement are effective for the City’s financial year ending September 30, 2017. The impact of this statement can be found on Note 19.

In January 2016, the GASB issued Statement No, 80, “Blending Requirements for Certain Component Units, an amendment of GASB Statement No. 14”. The objective of this Statement is to improve financial reporting by clarifying the financial statement presentation requirements for certain component units. This Statement amends the blending requirements established in paragraph 53 of Statement No. 14, The Financial Reporting Entity, as amended. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The additional criterion does not apply to component units included in the financial reporting entity pursuant to the provisions of Statement No. 39, Determining Whether Certain Organizations Are Component Units. The provisions of this statement are effective for the City's financial year ending September 30, 2017. There was no impact to the City.

Not Yet Implemented

In November 2016, the GASB issued Statement No. 83, "Certain Asset Retirement Obligation". This Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. This Statement establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for AROs. It requires the measurement of an ARO to be based on the best estimate of the current value of outlays expected to be incurred, and requires the current value of a government's AROs to be adjusted for the effects of general inflation or deflation at least annually. The provisions of this Statement are effective for financial statements for the City's financial year ending September 30, 2019.

In January 2017, the GASB issued Statement No. 84, "Fiduciary Activities". The objective of this GASB is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The focus of the criteria is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. The provisions of this Statement are effective for financial statements for the City's financial year ending September 30, 2019.

In March 2017, the GASB issued Statement No. 85, "Omnibus 2017". The objective of this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits. The provisions of this Statement are effective for financial statements for the City's financial year ending September 30, 2018.

NOTES TO THE FINANCIAL STATEMENTS
September 30, 2017

In May 2017, the GASB issued Statement No. 86, "Certain Debt Extinguishment Issues". The primary objective of this Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources—resources other than the proceeds of refunding debt—are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance. The provisions of this Statement are effective for financial statements for the City's financial year ending September 30, 2018.

In June 2017, the GASB issued Statement No. 87, "Leases". The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The provisions of this Statement are effective for financial statements for the City's financial year ending September 30, 2020.

Management has not determined what impact these GASB statements might have on its financial statements.

22. SUBSEQUENT EVENTS

On November 21, 2017, the City entered into an agreement with Regions Capital Advantage, Inc. in the form of a non-revolving line of credit not to exceed the amount of $13,000,000 for the purpose of funding a portion of the Las Olas Parking Garage Project. The interest rate on the Non-Revolving Credit Note is subject to change based the One-Month LIBOR for the applicable Interest Period.

On February 20, 2018, the City issued $196,035,000 in Water and Sewer Revenue Bonds, Series 2018. The proceeds from the sale are being used to finance certain improvements and upgrades to the City's Water and Sewer System. The issue provides for semi-annual principal and interest payments with interest rates ranging from 3.5% to 4.0% and a final maturity on September 1, 2048.

Required Supplementary Information

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended September 30, 2017

	Budgeted Amounts		Actual	Variance Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Taxes:				
Ad Valorem	$ 123,383,471	$ 123,383,471	$ 123,300,731	$ (82,740)
Utility Service	37,220,976	37,220,976	37,996,030	775,054
Franchise Fees	23,123,400	23,123,400	22,561,358	(562,042)
Insurance Premium	5,799,229	6,049,229	5,913,325	(135,904)
Total Taxes	189,527,076	189,777,076	189,771,444	(5,632)
Licenses and Permits:				
Business Tax Receipts	2,910,100	2,910,100	2,910,633	533
Other Licenses and Permits	190,000	190,000	240,843	50,843
Total Licenses and Permits	3,100,100	3,100,100	3,151,476	51,376
Intergovernmental Revenues:				
Federal				
FEMA	-	-	25,051	25,051
State				
State Revenue Sharing	5,473,009	5,473,009	5,516,207	43,198
Half Cent Sales Tax	11,916,796	11,916,796	11,613,987	(302,809)
State Other	622,000	622,000	638,882	16,882
Local				
County Shared Gas Tax	2,808,195	2,808,195	2,801,148	(7,047)
County Business Tax Receipts	160,000	160,000	168,047	8,047
Total Intergovernmental Revenues	20,980,000	20,980,000	20,763,322	(216,678)
Charges for Services:				
General Government Charges	1,873,460	1,873,460	2,200,453	326,993
Public Safety Charges				
Police Service Fees	470,016	470,016	495,929	25,913
Alarm Fees	1,331,400	1,331,400	1,029,179	(302,221)
Fire Fees	2,062,000	2,062,000	2,316,028	254,028
EMS Transport Fees	9,308,813	10,102,619	9,688,844	(413,775)
Culture/Recreation Charges				
Auditorium	757,500	757,500	850,038	92,538
Stadium	60,000	60,000	65,476	5,476
Swimming Pools	562,000	562,000	619,656	57,656
Tennis Courts	668,000	668,000	652,994	(15,006)
Parks	428,250	428,250	322,417	(105,833)
Docks	3,321,000	3,321,000	3,722,678	401,678
Program Fees	962,000	962,000	828,979	(133,021)
Special Events	40,000	40,000	121,974	81,974
Miscellaneous	314,400	314,400	304,660	(9,740)
Total Charges for Services	22,158,839	22,952,645	23,219,305	266,660
Fines and Forfeitures:				
Court Fines and Forfeitures	1,277,000	1,277,000	1,279,699	2,699
Code Enforcement Fines	956,000	956,000	1,072,646	116,646
Other Fines and Forfeitures	50,000	50,000	28,850	(21,150)
Total Fines and Forfeitures	2,283,000	2,283,000	2,381,195	98,195
Miscellaneous Revenue:				
Assessments and Other Fees	38,526,329	38,725,658	38,841,875	116,217
Investment Income	1,169,928	1,169,928	1,789,033	619,105
Rents and Concession	4,522,730	4,522,730	4,584,347	61,617
Interfund Service Charges	44,630,255	45,350,760	44,205,229	(1,145,531)
Other Miscellaneous	3,463,466	4,448,757	4,886,092	437,335
Total Miscellaneous Revenue	92,312,708	94,217,833	94,306,576	88,743
Total Revenues	330,361,723	333,310,654	333,593,318	282,664

Continued

CITY OF FORT LAUDERDALE, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended September 30, 2017

	Budgeted Amounts		Actual	Variance Positive
	Original	Final	Amounts	(Negative)
EXPENDITURES				
General Government:				
City Attorney	$ 5,136,879	$ 4,997,902	$ 4,291,762	$ 706,140
City Auditor	1,120,498	1,120,498	1,090,079	30,419
City Clerk	956,206	956,206	887,342	68,864
City Commission	1,210,976	1,210,976	1,203,968	7,008
City Manager	6,486,407	6,437,549	6,198,623	238,926
Finance	5,639,504	5,639,504	5,414,211	225,293
Human Resources	3,896,304	3,896,304	3,290,461	605,843
Parks and Recreation	6,718,093	7,085,352	6,697,215	388,137
Public Works	1,263,830	1,967,981	1,807,762	160,219
Sustainable Development	6,250,646	6,684,285	6,048,208	636,077
Other General Government	19,832,806	19,832,806	19,347,240	485,566
Total General Government	58,512,149	59,829,363	56,276,871	3,552,492
Public Safety:				
Code Enforcement	3,911,518	3,671,704	3,562,002	109,702
Fire-Rescue	71,654,175	71,814,615	71,261,776	552,839
Police	97,850,211	99,469,706	99,705,511	(235,805)
Total Public Safety	173,415,904	174,956,025	174,529,289	426,736
Physical Environment:				
Parks and Recreation	98,395	98,395	132,418	(34,023)
Public Works	6,482,893	6,506,893	5,863,942	642,951
Total Physical Environment	6,581,288	6,605,288	5,996,360	608,928
Transportation:				
Parks and Recreation	2,127,755	2,127,755	2,429,809	(302,054)
Transportation and Mobility	3,720,716	3,696,343	3,400,092	296,251
Total Transportation	5,848,471	5,824,098	5,829,901	(5,803)
Economic Environment:				
Sustainable Development	1,359,633	1,359,633	1,172,428	187,205
Housing Grant Operations	18,099	18,099	1,579,250	(1,561,151)
Total Economic Environment	1,377,732	1,377,732	2,751,678	(1,373,946)
Culture/Recreation:				
Parks and Recreation	32,896,736	33,086,585	32,545,719	540,866
Total Culture/Recreation	32,896,736	33,086,585	32,545,719	540,866
Debt Service				
Interest and Fiscal Charges	-	-	3,425	(3,425)
Total Debt Service	-	-	3,425	(3,425)
Total Expenditures	278,632,280	281,679,091	277,933,243	3,745,848
Excess of Revenues Over Expenditures	51,729,443	51,631,563	55,660,075	4,028,512

Continued

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended September 30, 2017

	Budgeted Amounts		Actual	Variance Positive
	Original	Final	Amounts	(Negative)
OTHER FINANCING SOURES (USES)				
Debt Proceeds	$ -	$ 704,151	$ 704,151	$ -
Transfers In:				
City Insurance	607,786	607,786	607,786	-
Total Transfers In	607,786	607,786	607,786	-
Transfers Out:				
Community Redevelopment Agency Projects	(6,377,203)	(6,377,203)	(6,371,372)	5,831
Miscellaneous Grants Fund	(1,234,571)	(1,141,030)	(1,070,727)	70,303
Special Obligation Bonds Fund	(21,574,331)	(21,574,331)	(21,574,331)	-
Hurricane Fund	-	(2,538,263)	(2,538,263)	-
Special Obligation Loans Fund	(3,019,122)	(3,019,122)	(3,019,995)	(873)
General Capital Projects Fund	(14,434,586)	(15,341,089)	(15,341,089)	-
General Obligation Construction Fund	-	(155,991)	(155,991)	-
Sanitation Fund	(5,648,951)	(5,648,951)	(5,648,951)	-
Airport Fund	(1,342,735)	(1,787,054)	(1,787,054)	-
Vehicle Rental Fund	-	(341,509)	(341,509)	-
Total Transfers Out	(53,631,499)	(57,924,543)	(57,849,282)	75,261
Total Other Financing Sources (Uses)	(53,023,713)	(56,612,606)	(56,537,345)	75,261
Net Change in Fund Balances	(1,294,270)	(4,981,043)	(877,270)	4,103,773
Fund Balance - Beginning of Year	67,638,461	60,079,907	73,759,546	13,679,639
Encumbrances at September 30, 2016	2,962,642	2,962,642	2,962,642	-
Fund Balance - End of Year	$ 69,306,833	$ 58,061,506	$ 75,844,918	$ 17,783,412

Statement of revenues, expenditures and changes in fund balance – page 22	$ 78,235,859
Basis of accounting adjustments encumbrances as of September 30, 2017	(2,390,941)
Statement of revenues, expenditures and changes in fund balance – budget and actual	$ 75,844,918

CITY OF FORT LAUDERDALE, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS - GENERAL EMPLOYEES' RETIREMENT SYSTEM LAST FOUR FISCAL YEARS *

	2017	2016
Total Pension Liability		
Service Cost	$ 9,607,674	$ 9,940,115
Interest	46,437,709	45,329,190
Differences between Actual and Expected Experience	(1,676,483)	(657,609)
Assumption Changes	14,797,404	3,054,924
Benefit Payments, Including Refunds of Employee Contributions	(38,933,543)	(38,169,155)
Net Change in Total Pension Liability	30,232,761	19,497,465
Total Pension Liability - Beginning	629,028,556	609,531,091
Total Pension Liability - Ending (a)	$ 659,261,317	$ 629,028,556
Plan Fiduciary Net Position		
Contributions - Employer	$ 14,650,881	$ 14,393,012
Contributions - Employee	2,978,329	3,152,504
Net Investment Income	88,659,514	56,764,958
Benefit Payments, Including Refunds of Member Contributions	(38,933,543)	(38,169,155)
Administrative Expense	(445,475)	(551,683)
Net Change in Plan Fiduciary Net Position	66,909,706	35,589,636
Plan Fiduciary Net Position - Beginning	587,283,771	551,694,135
Plan Fiduciary Net Position - Ending (b)	$ 654,193,477	$ 587,283,771
City's Net Pension Liability - Ending (a) - (b)	$ 5,067,840	$ 41,744,785
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	99.23%	93.36%
Covered-employee Payroll	$ 47,494,154	$ 53,303,766
City's Net Position Liability as a Percentage of Covered-employee Payroll	10.67%	78.31%

Continued

* This is a 10-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of information is available. The discount rate assumption is 7.50%.

CITY OF FORT LAUDERDALE, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS - GENERAL EMPLOYEES' RETIREMENT SYSTEM LAST FOUR FISCAL YEARS *

	2015	2014
Total Pension Liability		
Service Cost	$ 9,917,828	$ 10,774,138
Interest	44,655,792	43,346,733
Differences between Actual and Expected Experience	(6,253,927)	-
Assumption Changes	5,940,974	-
Benefit Payments, Including Refunds of Employee Contributions	(37,095,194)	(36,240,606)
Net Change in Total Pension Liability	17,165,473	17,880,265
Total Pension Liability - Beginning	592,365,618	574,485,353
Total Pension Liability - Ending (a)	$ 609,531,091	$ 592,365,618
Plan Fiduciary Net Position		
Contributions - Employer	$ 15,501,180	$ 15,061,353
Contributions - Employee	3,200,689	3,264,583
Net Investment Income	(22,561,456)	59,588,725
Benefit Payments, Including Refunds of Member Contributions	(37,095,194)	(36,240,606)
Administrative Expense	(398,274)	(469,862)
Net Change in Plan Fiduciary Net Position	(41,353,055)	41,204,193
Plan Fiduciary Net Position - Beginning	593,047,190	551,842,997
Plan Fiduciary Net Position - Ending (b)	$ 551,694,135	$ 593,047,190
City's Net Pension Liability - Ending (a) - (b)	$ 57,836,956	$ (681,572)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	90.51%	100.12%
Covered-employee Payroll	$ 57,804,651	$ 59,303,500
City's Net Position Liability as a Percentage of Covered-employee Payroll	100.06%	1.15%

SCHEDULE OF CONTRIBUTIONS -
GENERAL EMPLOYEES' RETIREMENT SYSTEM
LAST FOUR FISCAL YEARS *

	2017	2016	2015	2014
Actuarially Determined Contribution	$ 14,650,881	$ 14,393,012	$ 15,501,180	$ 15,061,353
Actual Contribution	14,650,881	14,393,012	15,501,180	15,061,353
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -
Covered-employee Payroll	$ 47,494,154	$ 53,951,321	$ 57,804,651	$ 59,303,500
Contributions as a Percentage of Covered-employee Payroll	30.85%	26.68%	26.82%	25.40%

Notes to Schedule:

Valuation Date: 9/30/2015

Actuarially determined contribution rates are calculated as of September 30, which is two year(s) prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method:	Entry Age Normal
Amortization Method:	Level Dollar, Closed
Remaining Amortization Period:	27 Years
Asset Valuation Method:	5-year smoothed market
Inflation:	3.00%
Salary Increases:	4.00% to 9.50% depending on age, including inflation
Investment Rate of Return:	7.50%
Retirement Age:	Experience-based table of rates that are specific to the type of eligibility condition.
Mortality:	RP-2000 Combined Healthy Participant Mortality Table for males and females with mortality improvements projected to all future years after 2000 using Scale AA.
Other Information:	See Summary of Valuation Results from the September 30, 2015 Actuarial Valuation Report. Effective in the September 30, 2015 Actuarial Valuation Report dated May 4, 2016.

Termination, Disability and Salary Rate Tables

Age	% Terminating During the Year	% Becoming Disabled During the Year	Average Salary Increase
20	18.6%	0.14%	7.8%
30	11.0%	0.18%	6.3%
40	9.2%	0.30%	5.4%

*Note: This is a 10-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of information is available.

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS - POLICE AND FIREFIGHTER'S RETIREMENT SYSTEM LAST TEN FISCAL YEARS *

	2017	2016	2015
Total Pension Liability			
Service Cost	$ 20,106,284	$ 19,199,538	$ 18,531,300
Interest	65,765,964	62,181,617	60,367,031
Change in Excess State Money	-	-	-
Share Plan Allocation	1,653,054	1,732,185	1,826,197
Changes of Benefit Terms	-	-	1,097,988
Differences between Expected and Actual Experience	(2,762,831)	(5,100,657)	(7,319,054)
Assumption Changes	10,692,637	16,504,779	(2,194,981)
Contributions - Buy Back	24,749	73,763	43,865
Contributions - Transfer from General Plan	-	-	26,692
Benefit Payments, Including Refunds of Employee Contributions	(46,564,184)	(48,849,184)	(46,660,430)
Net Change in Total Pension Liability	48,915,673	45,742,041	25,718,608
Total Pension Liability - Beginning	880,055,327	834,313,286	808,594,678
Total Pension Liability - Ending (a)	$ 928,971,000	$ 880,055,327	$ 834,313,286
Plan Fiduciary Net Position			
Contributions - Employer	$ 17,325,393	$ 13,867,934	$ 15,599,916
Contributions - State	5,932,067	5,860,782	5,799,229
Contributions - Employee	5,901,142	5,732,925	5,584,263
Contributions - Buy Back	24,749	73,763	43,865
Contributions - Transfer from General Plan	-	-	26,692
Net Investment Income	96,510,340	63,676,001	5,969,880
Benefit Payments, Including Refunds of Member Contributions	(46,564,184)	(48,849,184)	(46,660,430)
Administrative Expense	(619,575)	(651,146)	(692,348)
Other	-	-	-
Net Change in Plan Fiduciary Net Position	78,509,932	39,711,075	(14,328,933)
Plan Fiduciary Net Position - Beginning	814,260,544	774,549,469	788,878,402
Plan Fiduciary Net Position - Ending (b)	$ 892,770,476	$ 814,260,544	$ 774,549,469
City's Net Pension Liability - Ending (a) - (b)	$ 36,200,524	$ 65,794,783	$ 59,763,817
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	96.10%	92.52%	92.84%
Covered Payroll	$ 71,050,792	$ 69,470,181	$ 68,064,001
City's Net Position Liability as a Percentage of Covered-employee Payroll	50.95%	94.71%	87.81%

* Note: This is a 10-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of information is available. The covered payroll figures shown are in compliance with GASB 82.

Changes of assumptions: For measurement date 09/30/2017, as required by Chapter 2015-157, Laws of Florida, the assumed rates of mortality have been changed from those in the July 1, 2015 FRS valuation report to those used in the July 1, 2016 FRS valuation report. Additionally, the investment rate of return was lowered from 7.50% to 7.40%, net of investment related expenses. Finally, the inflation rate assumption has been updated from 2.30% to 2.75% to match the long-term inflation rate assumption of the valuation report.

For measurement date 9/30/2015, amounts reported as changes of benefit terms were resulted from:
1) For Firefighters hired on or after October 1, 2014:
a) The Average Monthly Earnings period will be increased from 2 to 5 years.
b) The benefit accrual rate will be decreased from 3.38% to 3.0% for each year of Credited Service.
c) The maximum accrual rate will be decreased from 81.0% to 75.0% of Average Monthly Earnings.
d) For each month a Firefighter delays entry into DROP following completion of 25 years of Credited Service, the 96 month maximum DROP participation period shall be correspondingly reduced by one month.
e) The Normal Form of Benefit will be changed from 60% joint and contingent survivor to 10-Year Certain and Life.
2) Eliminating the interest component on refunds of Member Contributions for all Firefighters who separate employment with the City on or after October 1, 2014.
3) Amending the definition of Salary to provide that pensionable earnings for Firefighters will be increased from 144 hours to 159 hours for each 21-day period.
4) Implementing a special formula to determine the amount of Chapter 175 premium tax revenues that the City will be able to utilize to offset its funding requirements, effective for the plan year beginning on October 1, 2014.

Continued

CITY OF FORT LAUDERDALE, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

SSCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS - FIREFIGHTER'S RETIREMENT SYSTEM
LAST FIVE FISCAL YEARS *

	2014	2013
Total Pension Liability		
Service Cost	$ 18,025,712	$ 16,768,104
Interest	57,797,227	55,119,489
Change in Excess State Money	(1,223,158)	-
Share Plan Allocation	2,561,814	-
Changes of Benefit Terms	-	-
Differences between Expected and Actual Experience	-	-
Assumption Changes	-	-
Contributions - Buy Back	-	-
Contributions - Transfer from General Plan	-	-
Benefit Payments, Including Refunds of Employee Contributions	(44,137,555)	(31,351,671)
Net Change in Total Pension Liability	33,024,040	40,535,922
Total Pension Liability - Beginning	775,570,638	735,034,716
Total Pension Liability - Ending (a)	$ 808,594,678	$ 775,570,638
Plan Fiduciary Net Position		
Contributions - Employer	$ 14,498,457	$ 11,219,401
Contributions - State	5,875,363	6,053,952
Contributions - Employee	5,581,044	4,113,451
Contributions - Buy Back	-	-
Contributions - Transfer from General Plan	-	-
Net Investment Income	59,358,824	69,488,348
Benefit Payments, Including Refunds of Member Contributions	(44,137,555)	(31,351,671)
Administrative Expense	(647,397)	(507,376)
Other	4,000,034	-
Net Change in Plan Fiduciary Net Position	44,528,770	59,016,105
Plan Fiduciary Net Position - Beginning	744,349,632	685,333,527
Plan Fiduciary Net Position - Ending (b)	$ 788,878,402	$ 744,349,632
City's Net Pension Liability - Ending (a) - (b)	$ 19,716,276	$ 31,221,006
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	97.56%	95.97%
Covered Payroll	$ 67,279,327	$ 65,886,733
City's Net Position Liability as a Percentage of Covered-employee Payroll	29.31%	47.39%

CITY OF FORT LAUDERDALE, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CONTRIBUTIONS -
POLICE AND FIREFIGHTERS' RETIREMENT SYSTEM
LAST FIVE FISCAL YEARS *

	2017	2016	2015	2014	2013
Actuarially Determined Contribution	$ 21,265,207	$ 17,665,942	$ 18,913,469	$ 19,012,474	$ 14,208,593
Actual Contribution	21,604,408	17,996,531	18,913,469	19,012,474	14,208,593
Contribution Deficiency (Excess)	$ (339,201)	$ (330,589)	$ -	$ -	$ -
Covered Payroll	$ 71,050,792	$ 69,470,181	$ 68,064,001	$ 67,279,327	$ 65,886,733
Contributions as a Percentage of Covered Payroll	30.41%	25.91%	27.79%	28.26%	21.57%

Notes to Schedule:

Valuation Date: 10/1/2015

Actuarially determined contribution rates are calculated as of October 1, two year(s) prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Funding Method: Entry Age Normal Actuarial Cost Method

Amortization Method: Level Percentage of Pay, Closed

Remaining Amortization Period: 20 Years

Mortality: RP-2000 Table projected by Scale AA to 2012.

Disability Rates: RP-2000 Disable Table projected by Scale AA to 2012.

Interest Rate: 7.5% per year compounded annually, net of investment related expenses.

Retirement Rates:

Service	Probability of Retirement (Police)	Probability of Retirement (Fire)
10-19	5%	5%
20	30%	25%
21	30%	35%
22	30%	45%
23	50%	50%
24	80%	50%
25-34	10%	20%
35+	100%	100%

No members are expected to take early retirement.

Salary Increases:

Service	Annual % Increase
1-6	3.0%
7-10	2.5%
11-25	1.0%
26+	0.5%

Cost of Living: None

Payroll Increase: 2.0% per year.

Marital Status: All employed members and all retired members are assumed to be married, Females are assumed to be 3 years younger than males.

Actuarial Value of Assets: All assets are valued at market value with an adjustment to uniformly spread investment gains and losses (as measured by actual market value investment return against expected market value investment return) over a five-year period.

*Note: This is a 10-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of information is available. The covered payroll figures are in compliance with GASB 82.

Actual contributions include certain Chapter 175/185 nonemployer contributing entity amounts.

CITY OF FORT LAUDERDALE, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS - OTHER POST-EMPLOYMENT BENEFITS
LAST TWO FISCAL YEARS

	2017	2016
Total OPEB Liability		
Service Cost	$ 1,351,238	$ 3,543,840
Interest	3,191,049	3,969,420
Differences between Actual and Expected Experience	-	(171,753)
Assumption Changes	-	(16,910,330)
Benefit Payments	(2,487,539)	(2,902,000)
Net Change in Total OPEB Liability	2,054,748	(12,470,823)
Total OPEB Liability - Beginning	44,235,177	56,706,000
Total OPEB Liability - Ending (a)	$ 46,289,925	$ 44,235,177
Plan Fiduciary Net Position		
Contributions - Employer	$ 4,742,839	$ 3,902,000
Net Investment Income	766,491	1,140
Benefit Payments	(2,487,539)	(2,902,000)
Net Change in Plan Fiduciary Net Position	3,021,791	1,001,140
Plan Fiduciary Net Position - Beginning	12,806,790	11,805,650
Plan Fiduciary Net Position - Ending (b)	$ 15,828,581	$ 12,806,790
City's Net OPEB Liability - Ending (a) - (b)	$ 30,461,344	$ 31,428,387
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	34.19%	28.95%
Covered-employee Payroll	$ 194,804,022	$ 194,804,022
City's Net OPEB Liability as a Percentage of Covered-employee Payroll	15.64%	16.13%

Notes to the Schedule:

Benefit Changes: None

Changes in Assumption: None

*Note: This is a 10-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of information is available.

SCHEDULE OF CONTRIBUTIONS - OTHER POST-EMPLOYMENT BENEFITS LAST FISCAL YEAR *

	2017	2016
Actuarially Determined Contribution	$ 4,542,287	$ 6,627,000
Contributions in relation to Actuarially Determined Contribution	4,742,839	3,902,000
Contribution Excess/ (Deficiency)	$ (200,552)	$ 2,725,000
Covered Payroll	$ 194,804,022	$ 194,804,022
Contributions as a Percentage of Covered Payroll	2.43%	2.00%

Notes to Schedule

Valuation date:	September 30, 2017
Methods and assumptions used to determine contribution rates:	
Actuarial cost method:	Entry Age Normal
Amortization method:	N/A
Amortization period:	N/A
Asset valuation method:	Market
Inflation:	3.00%
Healthcare cost trend rates:	8.0% decrease to an ultimatte rate of 5.0%
Salary increases:	3.00%
Investment rate of return:	7.00%
Retirement age:	Rates from age 55 or 20 years
Mortality:	RP 2014 with MP2014 proj

*Note: This is a 10-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of information is available.

SCHEDULE OF INVESTMENT RETURNS - OTHER POST-EMPLOYMENT BENEFITS LAST THREE FISCAL YEARS *

	2017	2016	2015
Annual Money-weighted Rate of Return, net of Investment Expense	5.09%	0.01%	0.04%

*Note: This is a 10-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of information is available.

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION:

Budgetary Data

The City Commission follows these procedures in establishing the budgetary data reflected in the financial statements:

(1) Prior to August 1, the City Manager submits to the City Commission a proposed operating budget for the fiscal year commencing on October 1. The operating budget includes proposed expenditures and the means of financing them.

(2) Public hearings are conducted.

(3) Prior to October 1, the budget is legally enacted.

(4) The level of control (level at which expenditures may not exceed budget) is the department. The City Manager is authorized to transfer budgeted amounts within departments of any fund. The City Commission must approve any revisions that alter the total expenditures of any department.

(5) Annual budgets are adopted for all governmental and proprietary funds except for the capital project funds. The original and final budgets, as presented, include re-appropriated encumbrances of the prior year. The budgets have been adopted on a basis consistent with GAAP with the following exceptions: Budgetary expenditures include GAAP expenditures adjusted for encumbrances at September 30, 2017 and principal on the long-term debt of proprietary funds. Unencumbered balances of appropriations lapse at year-end.

The reported budgetary data represents the final approved budget after amendments adopted by the City Commission with one exception. Budgets for grants and shared revenues from other governmental units which do not lapse at year-end are only reported to the extent of revenues recognized and expenditures incurred for the current year. Individual amendments were not material in relation to the original adopted budget.

Combining Financial Statements

Nonmajor Governmental Funds

Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources (other than debt service or major capital projects) requiring separate accounting because of legal or regulatory provisions or administrative action.

Law Enforcement Confiscated Property Fund – to account for the proceeds from court awarded forfeitures of currency and personal property that are restricted to expenditure for law enforcement purposes.

Community Redevelopment Agency Fund – to account for the operation of the agency overseeing the financing and redevelopment of the designated redevelopment areas.

State Housing Initiative Partnership Fund – to account for revenues from the State Housing Initiative Partnership restricted to expenditure for low income housing.

Intergovernmental Revenue Fund – to account for revenues from Federal, State and local governments restricted to expenditure for specific current operating purposes or the acquisition of capital assets.

Beach Business Improvement District Fund – to account for the services and improvements to a portion of the beach area funded through assessments imposed on the businesses within that area.

Building Fund – to account for revenues derived from building permit fees restricted to expenditures associated with the enforcement of the Florida Building Code.

School Crossing Guards Fund – to account for revenues derived from parking citation surcharges restricted to expenditures related to the school crossing guard program.

Nuisance Abatement Fund – to account for fines collected due to public nuisance violations.

Special Assessment Fund – to account for revenues derived from special assessments fees restricted to expenditures related to the WAVE Modern Streetcar project.

Debt Service Funds

Debt Service funds are used to account for resources that are restricted, committed or assigned to payment of principal, interest and other expenditures on general long-term debt, other than bonds payable from the operations of the enterprise funds.

General Obligation Bonds Fund – to accumulate monies for payment of the Series 1997, 1998, 2002, 2005 and 2011 General Obligation Bonds with remaining principal and interest due in varying amounts until maturity in 2041.

Special Obligation Bonds Fund – to accumulate monies for payment of the Special Obligation Bonds with remaining principal and interest due in varying amounts until maturity in 2032.

Special Obligation Loans Fund – to accumulate monies for payment of the Special Obligation Loans with remaining principal and interest due in varying amounts until maturity in 2026.

Tax Increment Revenue Note – to accumulate monies for payment of the Tax Increment Revenue Note with remaining principal and interest due in varying amounts until maturity in 2025.

Capital Projects Funds

Capital projects funds are used to account for financial resources segregated for the acquisition or construction of major capital facilities other than those financed by enterprise operations.

General Capital Projects Fund – to account for the acquisition or construction of, or improvements to, major capital facilities.

General Obligation Construction Fund 2005 and 2011A – to account for the construction of, or improvements to fire rescue facilities financed through the issuance of long-term debt.

Special Obligation Construction 2008B – to account for the acquisition or construction of, or improvements to, major capital facilities financed through the issuance of long-term debt.

Special Obligation Construction 2011A – to account for the acquisition or construction of, or improvements to, major capital facilities financed through the issuance of long-term debt.

Community Redevelopment Agency Projects Fund – to account for the construction of, or improvements to infrastructure within the designated redevelopment areas of the Community Redevelopment Agency.

Gas Tax Fund – to account for the construction of, or improvements to, streets and highways financed by county-shared gas tax revenues.

Parks Impact Fee Projects – to account for the construction of, or improvements to, parks facilities financed by impact fees.

Permanent Fund

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting government's programs.

Perpetual Care Fund – to account for a portion of the lot sale proceeds of the City's cemeteries to be used for maintenance of the cemetery grounds and lots.

CITY OF FORT LAUDERDALE, FLORIDA

COMBINING FINANCIAL STATEMENT

COMBINING BALANCE SHEET
ALL NONMAJOR GOVERNMENTAL FUNDS
September 30, 2017

	Special Revenue Funds				
	Law Enforcement Confiscated Property	Community Redevelopment Agency	State Housing Initiative Partnership	Intergovern-mental Revenue	Beach Business Improvement District
ASSETS					
Cash and Cash Equivalents	$ 2,110,892	$ 3,267,150	$ 1,547,122	$ 4,340,676	$ 1,483,953
Investments	-	6,441,565	-	-	-
Accounts Receivable (Net)	-	2,355	-	268,809	126
Accrued Interest Receivable	-	-	-	-	-
Due from Other Governments	-	-	-	9,728,047	-
Inventories	-	-	16,667	-	-
Property Held for Resale	-	8,070,583	-	2,755,594	-
Deposits	-	-	-	-	-
Total Assets	$ 2,110,892	$ 17,781,653	$ 1,563,789	$ 17,093,126	$ 1,484,079
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	$ 36,513	$ 412,988	$ 41,357	$ 8,296,933	$ 63,781
Accrued Liabilities	-	-	-	10,582	-
Due to Other Funds	-	-	-	-	-
Deposits	-	-	-	5,725	-
Unearned Revenue	-	-	1,505,765	119,569	126
Total Liabilities	36,513	412,988	1,547,122	8,432,809	63,907
Deferred Inflows					
Unavailable Property Tax Revenues	-	-	-	7,029,788	-
Unavailable Assessment Revenues	-	-	-	-	-
Total Deferred Inflows	-	-	-	7,029,788	-
Fund Balances:					
Nonspendable	-		-	-	-
Restricted	1,163,713	17,368,665	16,667	2,755,594	-
Committed	-	-	-	-	1,336,069
Assigned	910,666	-	-	-	84,103
Unassigned	-	-	-	(1,125,065)	-
Total Fund Balances	2,074,379	17,368,665	16,667	1,630,529	1,420,172
Total Liabilities, Deferred Inflows, and Fund Balances	$ 2,110,892	$ 17,781,653	$ 1,563,789	$ 17,093,126	$ 1,484,079

Continued

Special Revenue Funds				Debt Service Funds	
Building	School Crossing Guards	Nuisance Abatement	Special Assessment	General Obligation Bonds	Special Obligation Bonds
$ 40,219,960	$ 438,077	$ 422,889	$ 621,952	$ 837,921	$ 14,271,612
-	-	-	-	-	-
-	-	-	40,471	78,460	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
$ 40,219,960	$ 438,077	$ 422,889	$ 662,423	$ 916,381	$ 14,271,612
$ 458,188	$ -	$ 17,120	$ -	$ -	$ -
125,822	-	-	-	-	-
-	-	-	-	-	-
196,480	-	-	621,952	-	-
-	-	-	40,471	-	-
780,490	-	17,120	662,423	-	-
-	-	-	-	77,774	-
-	-	-	-	-	-
-	-	-	-	77,774	-
-	-	-	-	-	-
39,439,470	438,077	405,769	-	838,607	14,271,612
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
39,439,470	438,077	405,769	-	838,607	14,271,612
$ 40,219,960	$ 438,077	$ 422,889	$ 662,423	$ 916,381	$ 14,271,612

CITY OF FORT LAUDERDALE, FLORIDA

COMBINING FINANCIAL STATEMENT

COMBINING BALANCE SHEET
ALL NONMAJOR GOVERNMENTAL FUNDS - Continued
September 30, 2017

	Debt Service Funds		Capital Projects Funds		
	Special Obligation Loans	Tax Increment Revenue Notes	General Capital Projects	General Obligation Construction 2005 and 2011A	Special Obligation Construction 2008B
ASSETS					
Cash and Cash Equivalents	$ 22,743	$ 459,646	$ 33,090,751	$ -	$ -
Investments	-	-	-	13,073,548	773,595
Accounts Receivable (Net)	-	-	288,059	-	-
Accrued Interest Receivable	-	-	-	-	-
Due from Other Governments	-	-	-	-	-
Inventories	-	-	6,750	-	-
Property Held for Resale	-	-	-	-	-
Deposits	-	-	182,772	-	-
Total Assets	$ 22,743	$ 459,646	$ 33,568,332	$ 13,073,548	$ 773,595
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	$ -	$ -	$ 1,059,979	$ 273,999	$ 109,889
Accrued Liabilities	-	-	-	-	-
Due to Other Funds	-	-	-	2,870	663,545
Deposits	-	-	70,895	-	-
Unearned Revenue	-	-	249,346	-	-
Total Liabilities	-	-	1,380,220	276,869	773,434
Deferred Inflows					
Unavailable Property Tax Revenues	-	-	-	-	-
Unavailable Assessment Revenues	-	-	210,091	-	-
Total Deferred Inflows	-	-	210,091	-	-
Fund Balances:					
Nonspendable	-	-	6,750	-	-
Restricted	22,743	459,646	-	12,796,679	161
Committed	-	-	-	-	-
Assigned	-	-	31,971,271	-	-
Unassigned	-	-	-	-	-
Total Fund Balances	22,743	459,646	31,978,021	12,796,679	161
Total Liabilities, Deferred Inflows, and Fund Balances	$ 22,743	$ 459,646	$ 33,568,332	$ 13,073,548	$ 773,595

Continued

CITY OF FORT LAUDERDALE, FLORIDA

COMBINING FINANCIAL STATEMENT

Capital Projects Funds				Permanent	
Special Obligation Construction 2011A	Community Redevelopment Agency Projects	Gas Tax	Parks Impact Fee Projects	Perpetual Care	Total Nonmajor Governmental Funds
$ -	$ 14,359,024	$ 696,651	$ 9,246,157	$ 6,975	$ 127,444,151
2,504,517	47,240,424	-	-	29,536,765	99,570,414
-	-	-	-	-	678,280
-	-	-	-	94,407	94,407
-	864,006	59,166	-	-	10,651,219
-	-	-	-	-	23,417
-	-	-	-	-	10,826,177
-	-	-	498,720	-	681,492
$ 2,504,517	$ 62,463,454	$ 755,817	$ 9,744,877	$ 29,638,147	$ 249,969,557
$ 205,068	$ 1,918,894	$ 275,580	$ 528,718	$ 384,963	$ 14,083,970
-	-	-	-	-	136,404
46,403	-	-	-	-	712,818
-	71,205	-	-	-	966,257
-	-	-	-	-	1,915,277
251,471	1,990,099	275,580	528,718	384,963	17,814,726
-	-	-	-	-	7,107,562
-	-	-	-	-	210,091
-	-	-	-	-	7,317,653
-	-	-	-	14,996,603	15,003,353
2,253,046	60,473,355	142,063	9,216,159	14,256,581	176,318,607
-	-	-	-	-	1,336,069
-	-	338,174	-	-	33,304,214
-	-	-	-	-	(1,125,065)
2,253,046	60,473,355	480,237	9,216,159	29,253,184	224,837,178
$ 2,504,517	$ 62,463,454	$ 755,817	$ 9,744,877	$ 29,638,147	$ 249,969,557

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
ALL NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2017

	Special Revenue Funds				
	Law Enforcement Confiscated Property	Community Redevelopment Agency	State Housing Initiative Partnership	Intergovern-mental Revenue	Beach Business Improvement District
REVENUES					
Taxes	$ -	$ -	$ -	$ -	$ -
Licenses and Permits	-	-	-	-	3,000
Intergovernmental Revenues	-	11,002,524	436,397	11,624,282	-
Charges for Services	-	-	-	-	-
Fines and Forfeitures	681,457	-	-	-	-
Miscellaneous Revenues:					
Assessments and Other Fees	-	-	-	-	852,294
Investment Income	23,340	392,379	7,731	5,669	15,039
Rents and Concessions	-	-	-	173,334	-
Contributions and Donations	-	-	-	-	-
Other Miscellaneous	-	-	-	228,657	-
Total Revenues	$ 704,797	$ 11,394,903	$ 444,128	$ 12,031,942	$ 870,333
EXPENDITURES					
Current:					
General Government	$ -	$ -	$ -	$ -	$ -
Public Safety	642,590	-	-	878,630	-
Physical Environment	-	-	-	-	-
Transportation	-	-	-	412,581	-
Economic Environment	-	3,951,842	444,128	14,789,185	1,035,275
Culture/Recreation	-	-	-	239,315	-
Debt Service:				-	
Principal Retirement	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
Capital Outlay	545,049	60,766	-	1,617,416	-
Total Expenditures	1,187,639	4,012,608	444,128	17,937,127	1,035,275
Excess (Deficiency) of Revenues Over (Under) Expenditures	(482,842)	7,382,295	-	(5,905,185)	(164,942)
OTHER FINANCING SOURCES (USES)					
Transfers In	-	6,372,744	-	4,466,103	-
Transfers (Out)	-	(3,860,711)	-	(36,456)	-
Total Other Financing Sources (Uses)	-	2,512,033	-	4,429,647	-
Net Change in Fund Balances	(482,842)	9,894,328	-	(1,475,538)	(164,942)
Fund Balances - Beginning	2,557,221	7,474,337	16,667	3,106,067	1,585,114
Fund Balances - Ending	$ 2,074,379	$ 17,368,665	$ 16,667	$ 1,630,529	$ 1,420,172

Continued

Special Revenue Funds				Debt Service Funds	
Building	School Crossing Guards	Nuisance Abatement	Special Assessment	General Obligation Bonds	Special Obligation Bonds
$ -	$ -	$ -	$ -	$ 4,820,249	$ -
21,419,855	-	-	-	-	-
-	-	-	-	-	-
134,789	-	118,844	-	-	-
-	944,107	-	-	-	-
-	-	-	1,884,282	-	-
326,006	3,514	3,261	577	1,467	-
-	-	-	-	-	-
-	-	-	-	-	-
368,092	-	101,108	-	-	-
$ 22,248,742	$ 947,621	$ 223,213	$ 1,884,859	$ 4,821,716	$ -
$ -	$ 821,684	$ 142,640	$ -	$ -	$ -
13,877,103	-	-	-	-	-
-	-	-	-	-	-
-	-	-	1,884,918	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	3,480,000	15,770,000
-	-	-	-	1,276,254	10,600,441
2,296,948	-	-	-	-	-
16,174,051	821,684	142,640	1,884,918	4,756,254	26,370,441
6,074,691	125,937	80,573	(59)	65,462	(26,370,441)
14,497	-	-	-	-	26,362,004
(456,642)	-	-	-	-	-
(442,145)	-	-	-	-	26,362,004
5,632,546	125,937	80,573	(59)	65,462	(8,437)
33,806,924	312,140	325,196	59	773,145	14,280,049
$ 39,439,470	$ 438,077	$ 405,769	$ -	$ 838,607	$ 14,271,612

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
ALL NONMAJOR GOVERNMENTAL FUNDS - Continued
For the Year Ended September 30, 2017

	Debt Service Funds		Capital Projects Funds		
	Special Obligation Loans	Tax Increment Revenue Notes	General Capital Projects	General Obligation Construction 2005 and 2011A	Special Obligation Construction 2008B
REVENUES					
Taxes	$ -	$ -	$ -	$ -	$ -
Licenses and Permits	-	-	-	-	-
Intergovernmental Revenues	-	-	-	-	-
Charges for Services	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-
Miscellaneous Revenues:					
Assessments and Other Fees	-	-	35,844	-	-
Investment Income	-	-	270,523	69,320	847
Rents and Concessions	-	-	-	-	-
Contributions and Donations	-	-	10,000	-	-
Other Miscellaneous	-	-	313,585	-	-
Total Revenues	$ -	$ -	$ 629,952	$ 69,320	$ 847
EXPENDITURES					
Current:					
General Government	$ -	$ -	$ 1,532	$ 170	$ 1,623
Public Safety	-	-	-	-	-
Physical Environment	-	-	-	-	-
Transportation	-	-	-	-	-
Economic Environment	-	-	-	-	-
Culture/Recreation	-	-	-	-	-
Debt Service:					
Principal Retirement	2,958,100	628,000	-	-	-
Interest and Fiscal Charges	453,518	220,301	-	-	-
Capital Outlay	-	-	5,789,496	687,070	1,701,446
Total Expenditures	3,411,618	848,301	5,791,028	687,240	1,703,069
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,411,618)	(848,301)	(5,161,076)	(617,920)	(1,702,222)
OTHER FINANCING SOURCES (USES)					
Transfers In	3,416,494	849,093	16,001,787	155,991	-
Transfers (Out)	-	-	(15,975)	-	(660,698)
Total Other Financing Sources (Uses)	3,416,494	849,093	15,985,812	155,991	(660,698)
Net Change in Fund Balances	4,876	792	10,824,736	(461,929)	(2,362,920)
Fund Balances - Beginning	17,867	458,854	21,153,285	13,258,608	2,363,081
Fund Balances - Ending	$ 22,743	$ 459,646	$ 31,978,021	$ 12,796,679	$ 161

Continued

Capital Projects Funds				Permanent	
Special Obligation Construction 2011A	Community Redevelopment Agency Projects	Gas Tax	Parks Impact Fee Projects	Perpetual Care	Total Nonmajor Governmental Funds
$ -	$ -	$ -	$ -	$ -	$ 4,820,249
-	-	-	-	-	21,422,855
-	-	710,000	-	-	23,773,203
-	-	-	-	-	253,633
-	-	-	-	-	1,625,564
-	-	-	5,202,930	-	7,975,350
9,248	10,420	5,803	78,679	2,540,993	3,764,816
-	-	-	-	-	173,334
-	1,204,122	-	-	-	1,214,122
-	175,925	-	-	689,206	1,876,573
$ 9,248	$ 1,390,467	$ 715,803	$ 5,281,609	$ 3,230,199	$ 66,899,699
$ 60	$ -	$ 247	$ 310	$ -	$ 968,266
-	-	-	-	-	15,398,323
-	-	-	-	866,536	866,536
-	-	-	-	-	2,297,499
-	-	-	-	-	20,220,430
-	-	-	-	-	239,315
-	-	-	-	-	22,836,100
-	-	-	-	-	12,550,514
904,859	8,210,523	587,161	3,878,160	-	26,278,894
904,919	8,210,523	587,408	3,878,470	866,536	101,655,877
(895,671)	(6,820,056)	128,395	1,403,139	2,363,663	(34,756,178)
-	2,932,466	-	-	-	60,571,179
-	-	-	-	-	(5,030,482)
-	2,932,466	-	-	-	55,540,697
(895,671)	(3,887,590)	128,395	1,403,139	2,363,663	20,784,519
3,148,717	64,360,945	351,842	7,813,020	26,889,521	204,052,659
$ 2,253,046	$ 60,473,355	$ 480,237	$ 9,216,159	$ 29,253,184	$ 224,837,178

Nonmajor Enterprise Funds and Internal Service Funds

Enterprise Funds

Each of the enterprise funds accounts for all activities necessary to provide the respective services of the fund, including but not limited to, administration, operations, maintenance, financing and related debt service.

Sanitation Fund – to account for the provision of solid waste disposal services to City residents, including collection and disposal of solid waste, curbside recycling, street sweeping, lot clearing and canal cleaning.

Parking System Fund - to account for the operations of various parking facilities throughout the City.

Airport Fund - to account for the operation of the Fort Lauderdale Executive Airport.

Stormwater Fund - to account for the development and operation of the City's stormwater management program.

Internal Service Funds

Internal service funds are used to account for the financing of goods or services provided by one department or fund to the other departments or funds of the City on a cost reimbursement basis.

City Insurance Fund - to account for the costs of insuring the City in the areas of general liability, auto liability, workers' compensation, police professional liability, employment practices and medical benefits. The City is primarily self-insured in these areas. Other funds are billed to cover actual costs of premiums and claims and to maintain an adequate balance in fund equity.

Central Services Fund - to account for the costs of providing communications and printing services to other departments. The other departments are billed at actual cost.

Vehicle Rental Fund - to account for the costs of operating a maintenance facility for City vehicles. Departments are billed to cover operating costs and to provide for future replacement of the vehicles. Funding for the initial purchase of vehicles is provided by the user departments.

COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
September 30, 2017

	Sanitation	Parking System	Airport	Stormwater	Total Nonmajor Enterprise Funds
ASSETS					
Current Assets:					
Cash and Cash Equivalents	$ 4,973,290	$ 24,953,619	$ 19,164,483	$ 15,297,696	$ 64,389,088
Restricted Cash and Cash Equivalents	1,015,507	85,072	986,208	-	2,086,787
Accounts Receivable - (Net)	1,810,756	5,505	481,997	1,901,593	4,199,851
Due from Other Governments	42,389	78,328	958,834	12,322	1,091,873
Prepaid Items	-	-	468,303	-	468,303
Total Current Assets	7,841,942	25,122,524	22,059,825	17,211,611	72,235,902
Noncurrent Assets:					
Restricted Assets:					
Cash and Cash Equivalents	-	9,269	1,754,053	-	1,763,322
Total Restricted Assets	-	9,269	1,754,053	-	1,763,322
Investment in Joint Venture	-	623,703	-	-	623,703
Capital Assets:					
Land	1,006,568	35,434,344	2,677,713	6,052,071	45,170,696
Construction in Progress	15,480	1,591,809	3,824,614	5,454,454	10,886,357
Building	685,014	28,821,422	9,241,518	-	38,747,954
Improvements	2,123,621	4,440,723	60,279,322	15,642,203	82,485,869
Infrastructure	-	324,902	-	-	324,902
Machinery, Equipment and Vehicles	5,390,363	7,873,926	2,807,633	2,426,910	18,498,832
Less: Accumulated Depreciation	(3,787,796)	(28,771,409)	(40,299,152)	(9,374,044)	(82,232,401)
Total Capital Assets (Net)	5,433,250	49,715,717	38,531,648	20,201,594	113,882,209
Total Noncurrent Assets	5,433,250	50,348,689	40,285,701	20,201,594	116,269,234
DEFERRED OUTFLOWS OF RESOURCES					
Deferred Outflows for Pensions	462,199	326,680	132,826	195,649	1,117,354
Deferred Outflows for OPEB	11,293	8,412	2,305	3,342	25,352
Total Deferred Outflows of Resources	473,492	335,092	135,131	198,991	1,142,706
Total Assets and Deferred Outflows of Resources	13,748,684	75,806,305	62,480,657	37,612,196	189,647,842
LIABILITIES					
Current Liabilities:					
Accounts Payable	1,086,039	987,676	1,030,599	1,179,795	4,284,109
Accrued Liabilities	94,353	80,290	25,292	30,305	230,240
Unearned Revenues	-	-	-	467,852	467,852
Capital Leases Payable	-	111,114	-	-	111,114
Compensated Absences Payable	119,776	93,015	35,468	35,727	283,986
Landfill Post-Closure Costs	44,479	-	-	-	44,479
Current Liabilities Payable from Restricted Assets:					
Customer Deposits	1,015,507	32,248	986,208	-	2,033,963
Total Current Liabilities	2,360,154	1,304,343	2,077,567	1,713,679	7,455,743
Noncurrent Liabilities:					
Capital Leases Payable	-	1,240,485	-	-	1,240,485
Net Pension Liabilities	260,994	184,469	75,004	110,479	630,946
Net OPEB Liability	1,178,994	878,230	240,611	348,886	2,646,721
Compensated Absences Payable	493,949	442,872	189,232	149,686	1,275,739
Landfill Post-Closure Costs	783,855	-	-	-	783,855
Total Noncurrent Liabilities	2,717,792	2,746,056	504,847	609,051	6,577,746
DEFERRED INFLOWS OF RESOURCES					
Deferred Inflows for Pensions	982,725	694,585	282,414	415,988	2,375,712
Total Deferred Inflows of Resources	982,725	694,585	282,414	415,988	2,375,712
Total Liabilities and Deferred Inflows of Resources	6,060,671	4,744,984	2,864,828	2,738,718	16,409,201
NET POSITION					
Net Investment in Capital Assets	5,433,250	48,364,118	38,531,648	20,201,594	112,530,610
Restricted:					
Capital Improvements	-	-	1,754,053	-	1,754,053
Renewal and Replacement	-	62,093	-	-	62,093
Unrestricted	2,254,763	22,635,110	19,330,128	14,671,884	58,891,885
Total Net Position	$ 7,688,013	$ 71,061,321	$ 59,615,829	$ 34,873,478	$ 173,238,641

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
NONMAJOR ENTERPRISE FUNDS
For The Year Ended September 30, 2017

	Sanitation	Parking System	Airport	Stormwater	Total Nonmajor Enterprise Funds
Operating Revenues:					
Charges for Services	$ 16,108,213	$ 15,035,972	$ 3,928,719	$ 11,422,751	$ 46,495,655
Equity in Joint Venture	-	167,751	-	-	167,751
Parking Citations	-	3,337,244	-	-	3,337,244
Land Leases	-	-	3,456,737	-	3,456,737
Miscellaneous Income	307,667	593,758	162,036	256,525	1,319,986
Total Operating Revenues	16,415,880	19,134,725	7,547,492	11,679,276	54,777,373
Operating Expenses:					
Personal Services	7,191,193	5,693,750	1,955,653	2,418,678	17,259,274
Material, Supplies, and Operating expenses	14,539,270	12,292,528	4,645,335	4,216,185	35,693,318
Depreciation	802,664	1,126,725	2,607,657	1,007,024	5,544,070
Total Operating Expenses	22,533,127	19,113,003	9,208,645	7,641,887	58,496,662
Operating Income (Loss)	(6,117,247)	21,722	(1,661,153)	4,037,389	(3,719,289)
Nonoperating Revenues:					
Interest Income	97,067	193,611	190,231	186,941	667,850
Interest Expense and Fiscal Charges	-	(6,575)	-	-	(6,575)
Gain on Disposal of Capital Assets	206,519	20,778,847	22,429	97,958	21,105,753
Total Nonoperating Revenues (Expenses)	303,586	20,965,883	212,660	284,899	21,767,028
Income Before Contributions and Transfers	(5,813,661)	20,987,605	(1,448,493)	4,322,288	18,047,739
Capital Contributions	-	-	2,539,577	73,048	2,612,625
Transfers In	5,725,329	20,858	1,799,539	8,409	7,554,135
Transfers (Out)	(564,439)	(314,442)	(171,508)	(217,991)	(1,268,380)
Change in Net Position	(652,771)	20,694,021	2,719,115	4,185,754	26,946,119
Net Position - Beginning	9,335,500	51,102,699	57,098,792	30,989,179	148,526,170
Change in Accounting Principle	(994,716)	(735,399)	(202,078)	(301,455)	(2,233,648)
Net Position - Beginning, as restated (Note 20)	8,340,784	50,367,300	56,896,714	30,687,724	146,292,522
Net Position - Ending	$ 7,688,013	$ 71,061,321	$ 59,615,829	$ 34,873,478	$ 173,238,641

The notes to the financial statements are an integral part of the financial statements.

COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
For The Year Ended September 30, 2017

	Sanitation	Parking System	Airport	Stormwater	Total Nonmajor Enterprise Funds
Cash Flows from Operating Activities					
Receipts from Customers and Users	$ 16,159,322	$ 19,078,558	$ 6,859,556	$ 11,863,380	$ 53,960,816
Payments to Suppliers	(10,659,560)	(5,859,244)	(1,871,856)	(2,097,145)	(20,487,805)
Payments to Employees	(7,271,110)	(5,646,009)	(1,983,823)	(2,374,028)	(17,274,970)
Payments to Other Funds	(3,706,066)	(5,833,324)	(2,364,419)	(1,519,419)	(13,423,228)
Net Cash Provided (Used) by Operating Activities	(5,477,414)	1,739,981	639,458	5,872,788	2,774,813
Cash Flows from Noncapital Financing Activities					
Transfers from Other Funds	5,725,329	20,858	1,799,539	8,409	7,554,135
Transfers (to) Other Funds	(564,439)	(314,442)	(171,508)	(217,991)	(1,268,380)
Net Cash Provided (Used) by Noncapital Financing Activities	5,160,890	(293,584)	1,628,031	(209,582)	6,285,755
Cash Flows from Capital and Related Financing Activities					
Acquisition/Construction of Capital Assets	(2,156,893)	(19,417,317)	(4,601,602)	(5,908,830)	(32,084,642)
Interest Paid on Capital Debt	-	(6,575)	-	-	(6,575)
Contributions	-	-	2,539,577	73,048	2,612,625
Proceeds from Sale of Capital Assets	206,519	20,778,847	22,429	97,958	21,105,753
Net Cash (Used) Provided by Capital and Related Financing Activities	(1,950,374)	1,354,955	(2,039,596)	(5,737,824)	(8,372,839)
Cash Flows from Investing Activities					
Interest Income on Investments	97,067	193,611	190,231	186,941	667,850
Net Cash Provided by Investing Activities	97,067	193,611	190,231	186,941	667,850
Net Increase (Decrease) in Cash and Cash Equivalents	(2,169,831)	2,994,963	418,124	112,323	1,355,579
Cash and Cash Equivalents at Beginning of Year	8,158,628	22,052,997	21,486,620	15,185,373	66,883,618
Cash and Cash Equivalents at End of Year	$ 5,988,797	$ 25,047,960	$ 21,904,744	$ 15,297,696	$ 68,239,197
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities					
Operating Income (Loss)	$ (6,117,247)	$ 21,722	$ (1,661,153)	$ 4,037,389	$ (3,719,289)
Depreciation	802,664	1,126,725	2,607,657	1,007,024	5,544,070
Equity in Earnings on Unconsolidated Joint Venture	-	27,476	-	-	27,476
Change in Assets and Liabilities:					
(Increase) in Accounts Receivable	(275,120)	(5,505)	(8,953)	(283,821)	(573,399)
(Increase) Decrease in Due from Other Governments	15,515	(78,028)	(825,495)	341,490	(546,518)
(Increase) in Prepaid Expenses	-	-	(255,783)	-	(255,783)
Decrease in Deferred Outflows	1,170,292	826,728	337,255	496,824	2,831,099
Increase in Accounts Payable	217,089	547,136	664,845	658,128	2,087,198
Increase (Decreased) in Accrued Liabilities	(4,697)	6,634	(2,381)	232	(212)
Increase in Unearned Revenues	-	-	-	126,435	126,435
Increase in Deposits	3,047	(110)	146,513	-	149,450
(Decrease) in Pension Liabilities	(1,888,862)	(1,335,041)	(542,819)	(799,557)	(4,566,279)
(Decrease) in Net OPEB Liability	(37,429)	(27,881)	(7,639)	(11,076)	(84,025)
Increase (Decrease) in Compensated Absences and Longevity	(189,603)	14,943	(62,718)	(68,713)	(306,091)
(Decrease) in Landfill Post-Closure Costs	(43,446)	-	-	-	(43,446)
Increase in Deferred Inflows	870,383	615,182	250,129	368,433	2,104,127
Total Adjustments	639,833	1,718,259	2,300,611	1,835,399	6,494,102
Net Cash Provided by (Used in) Operating Activities	$ (5,477,414)	$ 1,739,981	$ 639,458	$ 5,872,788	$ 2,774,813

The notes to the financial statements are an integral part of the financial statements.

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
September 30, 2017

	City Insurance	Central Services	Vehicle Rental	Total
ASSETS				
Current Assets:				
Cash and Cash Equivalents	$ 39,936,418	$ 9,917,222	$ 16,427,147	$ 66,280,787
Investments	-	-	105,798	105,798
Accounts Receivable (Net)	45,642	6,429,282	170,204	6,645,128
Inventory	-	101,366	-	101,366
Total Current Assets	39,982,060	16,447,870	16,703,149	73,133,079
Capital Assets:				
Construction in Progress	-	484,003	-	484,003
Buildings	-	-	962,879	962,879
Improvements	-	3,488,648	898,304	4,386,952
Machinery, Equipment and Vehicles	198,474	10,856,094	54,623,557	65,678,125
Less Accumulated Depreciation	(162,948)	(9,765,080)	(44,458,287)	(54,386,315)
Total Capital Assets (Net)	35,526	5,063,665	12,026,453	17,125,644
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Outflows for Pensions	67,311	626,436	17,052	710,799
Deferred Outflows for OPEB	1,613	8,528	461	10,602
Total Deferred Outflows of Resources	68,924	634,964	17,513	721,401
Total Assets and Deferred Outflows of Resources	40,086,510	22,146,499	28,747,115	90,980,124
LIABILITIES				
Current Liabilities:				
Accounts Payable	521,940	442,004	1,103,649	2,067,593
Accrued Liabilities	23,109	137,411	5,248	165,768
Capital Leases Payable	-	1,308,045	-	1,308,045
Estimated Claims Payable	9,798,791	-	-	9,798,791
Compensated Absences and Longevity	32,314	161,060	1,073	194,447
Total Current Liabilities	10,376,154	2,048,520	1,109,970	13,534,644
Noncurrent Liabilities:				
Capital Leases Payable	-	6,493,335	-	6,493,335
Estimated Claims Payable	26,655,798	-	-	26,655,798
Net Pension Liabilities	38,009	353,735	9,629	401,373
Net OPEB Liability	168,428	890,260	48,122	1,106,810
Compensated Absences Payable	194,606	889,071	12,093	1,095,770
Total Noncurrent Liabilities	27,056,841	8,626,401	69,844	35,753,086
DEFERRED INFLOWS OF RESOURCES				
Derivative Instruments	-	-	105,798	105,798
Deferred Inflows for Pensions	143,115	1,331,925	36,255	1,511,295
Total Deferred Inflows of Resources	143,115	1,331,925	142,053	1,617,093
Total Liabilities and Deferred Inflows of Resources	37,576,110	12,006,846	1,321,867	50,904,823
NET POSITION				
Net Investment in Capital Assets	35,526	(2,737,715)	12,026,453	9,324,264
Unrestricted	2,474,874	12,877,368	15,398,795	30,751,037
Total Net Position	$ 2,510,400	$ 10,139,653	$ 27,425,248	$ 40,075,301

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
For the Year Ended September 30, 2017

	City Insurance	Central Services	Vehicle Rental	Total
Operating Revenues:				
Charges for Services	$ 42,832,073	$ 19,839,929	$ 15,939,261	$ 78,611,263
Miscellaneous Revenues	106,790	57,224	1,014,402	1,178,416
Total Operating Revenues	42,938,863	19,897,153	16,953,663	79,789,679
Operating Expenses:				
Personal Services	1,473,423	8,488,575	306,682	10,268,680
Current Expenses	42,893,533	7,354,111	10,641,250	60,888,894
Depreciation	17,763	1,273,717	4,845,677	6,137,157
Total Operating Expenses	44,384,719	17,116,403	15,793,609	77,294,731
Operating Income (Loss)	(1,445,856)	2,780,750	1,160,054	2,494,948
Nonoperating Revenues (Expenses)				
Interest Income	338,916	80,513	142,662	562,091
Interest Expense	-	(44,657)	-	(44,657)
Gain (Loss) on Disposal	-	-	682,646	682,646
Total Nonoperating Revenues (Expenses)	338,916	35,856	825,308	1,200,080
Income Before Transfers	(1,106,940)	2,816,606	1,985,362	3,695,028
Transfers In	-	4,603	415,783	420,386
Transfers (Out)	(1,027,759)	(1,038,025)	(25,530)	(2,091,314)
Change in Net Position	(2,134,699)	1,783,184	2,375,615	2,024,100
Net Position - Beginning	4,810,035	9,074,676	25,091,146	38,975,857
Change in Accounting Principle	(164,936)	(718,207)	(41,513)	(924,656)
Net Position - Beginning, as restated (Note 20)	4,645,099	8,356,469	25,049,633	38,051,201
Net Position - Ending	$ 2,510,400	$ 10,139,653	$ 27,425,248	$ 40,075,301

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For The Year Ended September 30, 2017

	City Insurance	Central Services	Vehicle Rental	Total
Cash Flows from Operating Activities				
Receipts from Customers and Users	$ 42,893,503	$ 13,483,913	$ 16,798,534	$ 73,175,950
Payments to Suppliers	(37,687,415)	(5,993,070)	(9,683,612)	(53,364,097)
Payments to Employees	(1,470,727)	(8,521,191)	(319,932)	(10,311,850)
Payments to Other Funds	(2,370,223)	(1,586,978)	(595,345)	(4,552,546)
Net Cash Provided (Used) by Operating Activities	1,365,138	(2,617,326)	6,199,645	4,947,457
Cash Flows from Noncapital Financing Activities				
Transfers from Other Funds	-	4,603	415,783	420,386
Transfers (to) Other Funds	(1,027,759)	(1,038,025)	(25,530)	(2,091,314)
Net Cash Provided (Used) in Noncapital Financing Activities	(1,027,759)	(1,033,422)	390,253	(1,670,928)
Cash Flows from Capital and Related Financing Activities				
Acquisition/Construction of Capital Assets	(22,089)	(1,392,482)	(4,968,370)	(6,382,941)
Acquisition of Capital Lease	-	5,932,879	-	5,932,879
Interest Paid on Capital Debt	-	(44,657)	-	(44,657)
Proceeds from Sales of Capital Assets	-	-	682,646	682,646
Net Cash Provided (Used) in Capital and Related Financing Activities	(22,089)	4,495,740	(4,285,724)	187,927
Cash Flows from Investing Activities				
Interest Income on Investments	338,916	80,513	142,662	562,091
Net Cash Provided By Investing Activities	338,916	80,513	142,662	562,091
Net Increase in Cash and Cash Equivalents	654,206	925,505	2,446,836	4,026,547
Cash and Cash Equivalents at Beginning of Year	39,282,212	8,991,717	13,980,311	62,254,240
Cash and Cash Equivalents at End of Year	$ 39,936,418	$ 9,917,222	$ 16,427,147	$ 66,280,787
Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities				
Operating Income (Loss)	$ (1,445,856)	$ 2,780,750	$ 1,160,054	$ 2,494,948
Depreciation	17,763	1,273,717	4,845,677	6,137,157
Change in Assets and Liabilities:				
(Increase) in Accounts Receivable	(45,360)	(6,413,240)	(155,129)	(6,613,729)
(Increase) in Inventories	-	(30,241)	-	(30,241)
Decrease in Deferred Outflows	170,463	1,592,920	43,132	1,806,515
Increase (Decrease) in Accounts Payable	(85,497)	(195,696)	362,293	81,100
Increase (Decrease) in Accrued Liabilities	1,305	5,438	(579)	6,164
Increase in Deposits	25,000	-	-	25,000
(Decrease) in Net Pension Liabilities	(275,077)	(2,560,051)	(69,686)	(2,904,814)
(Decrease) Increase in Net OPEB Liability	(5,347)	(28,263)	(1,528)	(35,138)
(Decrease) in Compensated Absences and Longevity	(15,402)	(222,323)	(16,699)	(254,424)
Increase in Claims Payable	2,896,392	-	-	2,896,392
Increase in Deferred Inflows	126,754	1,179,663	32,110	1,338,527
Total Adjustments	2,810,994	(5,398,076)	5,039,591	2,452,509
Net Cash Provided by Operating Activities	$ 1,365,138	$ (2,617,326)	$ 6,199,645	$ 4,947,457

Fiduciary Funds

Trust Funds

The trust funds are used to account for assets held by the government in a trustee capacity. They are accounted for in essentially the same manner as enterprise funds since capital maintenance is critical.

Pension Trust Funds

General Employees' Fund - is used to account for the accumulation of resources to be used for retirement benefit payments to City employees, except police and fire. Resources are contributed by employees at rates fixed by law and by the City at amounts determined by annual actuarial valuations.

Police and Firefighters' Fund - is used to account for the accumulation of resources to be used for retirement benefit payments to police and fire employees. Resources are contributed by employees at rates fixed by law and by the City at amounts determined by annual actuarial valuations.

Other Post-Employment Benefits Trust Fund - is used to account for the future liability of costs for medical/prescription/dental coverage, extended life insurance coverage and benefits under the Employee Assistance Program available to retirees and their dependents.

Agency Fund

Agency funds are used to account for assets held by the government as an agent for individuals, private organizations and other governmental units. They are custodial in nature and do not involve the measurement of results of operations.

Arts and Science District Garage Fund - to account for the operations of the Arts and Science District Garage.

COMBINING STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
September 30,2017

	Pension Trust Funds			
	General Employees'	Police and Firefighters'	Other Post-Employment Benefits	Total
ASSETS				
Cash and Cash Equivalents	$ 150,291	$ 3,257	$ 1,701	$ 155,249
Investments				
Money Market Funds	52,764,323	13,289,317	1,023,172	67,076,812
U.S. Treasury Securities	28,258,716	63,755,193	1,801,908	93,815,817
U.S. Government Agency Obligations	38,587,049	352,869	-	38,939,918
Corporate Bonds and Other Fixed Income	10,828,602	145,326,162	1,737,195	157,891,959
Index Funds & Other	-	194,907,421	1,240,000	196,147,421
Mutual Funds & Other	114,079,256	-	9,413,261	123,492,517
Fund of Funds	-	37,857,277	-	37,857,277
Common and Preferred Stocks	242,989,380	103,233,044	-	346,222,424
Commingled Funds	100,783,694	206,128,887	-	306,912,581
Real Estate	63,202,964	119,178,626	609,339	182,990,929
Private Equity	5,351,908	11,038,422	-	16,390,330
Total Investments	656,845,892	895,067,218	15,824,875	1,567,737,985
Receivables:				
Unsettled Trades	2,012,660	586,280	-	2,598,940
Accrued Interest and Dividends	643,049	2,426,418	8,573	3,078,040
Contributions	-	18,743	-	18,743
Deposits	2,401	-	-	2,401
Capital Assets (Net of Accumulated Depreciation)	741	-	-	741
Total Assets	659,655,034	898,101,916	15,835,149	1,573,592,099
LIABILITIES				
Unsettled Trades	2,017,154	2,460,625	6,568	4,484,347
Accounts Payable and Accrued Liabilities	919,696	855,614	-	1,775,310
Due to Primary Government	2,512,305	2,015,201	-	4,527,506
Deposits	12,402	-	-	12,402
Total Liabilities	5,461,557	5,331,440	6,568	10,799,565
Net Position - Restricted for Pensions and Assets Held in Trust for OPEB Benefits	$ 654,193,477	$ 892,770,476	$ 15,828,581	$ 1,562,792,534

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
For the Year Ended September 30, 2017

	Pension Trust Funds			
	General Employees'	Police and Firefighters'	Other Post-Employment Benefits	Total Pension
ADDITIONS				
Contributions:				
City	$ 14,650,881	$ 17,325,393	$ 2,255,300	$ 34,231,574
Employee	2,978,329	5,925,891	-	8,904,220
State	-	5,932,067	-	5,932,067
Total Contributions	17,629,210	29,183,351	2,255,300	49,067,861
Investment Income:				
Net Appreciation in Fair Value of Investments	80,935,503	79,872,797	-	160,808,300
Interest and Dividends	8,706,491	12,807,167	766,491	22,280,149
Real Estate Income	1,962,748	6,291,617	-	8,254,365
Other	150,206	203,944	-	354,150
Total Investment Income	91,754,948	99,175,525	766,491	191,696,964
Less: Investment Expenses	3,095,433	2,665,185	-	5,760,618
Total Investment Expenses	3,095,433	2,665,185	-	5,760,618
Net Investment Income	88,659,515	96,510,340	766,491	185,936,346
Total Additions	106,288,725	125,693,691	3,021,791	235,004,207
DEDUCTIONS				
Benefits:				
Retirement	35,707,269	41,482,792	-	77,190,061
Disability	323,515	1,103,263	-	1,426,778
Death	2,812,330	3,875,128	-	6,687,458
Total Benefits	38,843,114	46,461,183	-	85,304,297
Refunds	90,430	103,001	-	193,431
Administrative Expense	445,475	619,575	-	1,065,050
Total Deductions	39,379,019	47,183,759	-	86,562,778
Change in Net Position	66,909,706	78,509,932	3,021,791	148,441,429
Net Position - Beginning of Year	587,283,771	814,260,544	12,806,790	1,414,351,105
Net Position - End of Year	$ 654,193,477	$ 892,770,476	$ 15,828,581	$ 1,562,792,534

CITY OF FORT LAUDERDALE, FLORIDA

COMBINING STATEMENT OF NET POSITION

STATEMENT OF CHANGE IN ASSETS AND LIABILITIES
ARTS AND SCIENCE DISTRICT GARAGE AGENCY FUND
For the Year Ended September 30, 2017

	Balance Beginning of Period	Additions	Deletions	Balance End of Period
ASSETS				
Cash and Cash Equivalents	$ 46,098	$ 1,646,849	$ 1,692,947	$ -
Due from Other Governments	-	109,566	-	109,566
Total Assets	$ 46,098	$ 1,756,415	$ 1,692,947	$ 109,566
LIABILITIES				
Accounts Payable	$ 41,707	$ 45,562	$ 41,707	$ 45,562
Accrued Liabilities	4,391	2,650	4,391	2,650
Due to Other Governments	-	58,027	-	58,027
Compensated Absences	-	3,327	-	3,327
Total Liabilities	$ 46,098	$ 109,566	$ 46,098	$ 109,566

Other Financial Information

CITY OF FORT LAUDERDALE

BUDGETARY COMPARISON SCHEDULE
LAW ENFORCEMENT CONFISCATED PROPERTY
For Fiscal Year Ended September 30, 2017

	Final Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Charges for Services	$ -	$ -	$ -
Fines and Forfeitures	-	681,457	681,457
Miscellaneous:			
Investment Income	15,649	23,340	7,691
Total Revenues	15,649	704,797	689,148
EXPENDITURES			
Current:			
Public Safety	897,026	663,844	233,182
Capital Outlay	1,125,637	632,117	493,520
Total Expenditures	2,022,663	1,295,961	726,702
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,007,014)	(591,164)	1,415,850
Net change in Fund Balance	$ (2,007,014)	(591,164)	$ 1,415,850
Fund Balance - Beginning		2,557,221	
Fund Balance - Ending		$ 1,966,057	

Combining Statement of Revenues, Expenditures and changes in Fund Balance – page 110	$ 2,074,379
Basis of accounting adjustments encumbrances as of September 30, 2017	(108,322)
Budgetary Comparison Schedule	$ 1,966,057

BUDGETARY COMPARISON SCHEDULE
COMMUNITY REDEVELOPMENT AGENCY
For Fiscal Year Ended September 30, 2017

	Final Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Intergovernmental Revenues	$ 11,198,928	$ 11,002,524	$ (196,404)
Miscellaneous:			
Investment Income	62,250	392,379	330,129
Other Miscellaneous Revenues	-	-	-
Total Revenues	11,261,178	11,394,903	133,725
EXPENDITURES			
Current:			
Economic Environment	14,382,331	13,201,629	1,180,702
Capital Outlay	118,000	60,766	57,234
Total Expenditures	14,500,331	13,262,395	1,237,936
Excess of Revenues Over Expenditures	(3,239,153)	(1,867,492)	1,371,661
OTHER FINANCING SOURCES (USES)			
Transfers In	6,378,574	6,372,744	(5,830)
Transfers (Out)	(928,245)	(3,860,711)	(2,932,466)
Total Other Financing (Uses)	5,450,329	2,512,033	(2,938,296)
Net change in Fund Balance	$ 2,211,176	644,541	$ (1,566,635)
Fund Balance - Beginning		7,474,337	
Fund Balance - Ending		$ 8,118,878	

Combining Statement of Revenues, Expenditures and changes in Fund Balance – page 110	$ 17,368,665
Basis of accounting adjustments encumbrances as of September 30, 2017	(9,249,787)
Budgetary Comparison Schedule	$ 8,118,878

BUDGETARY COMPARISON SCHEDULE
BEACH BUSINESS IMPROVEMENT DISTRICT
For Fiscal Year Ended September 30, 2017

	Final Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Licenses and Permits	$ -	$ 3,000	$ 3,000
Miscellaneous:			
Assessments and Other Fees	776,784	852,294	75,510
Investment Income	6,977	15,039	8,062
Total Revenues	783,761	870,333	86,572
EXPENDITURES			
Current:			
Economic Environment	1,144,509	1,068,897	75,612
Total Expenditures	1,144,509	1,068,897	75,612
Net change in Fund Balance	$ (360,748)	(198,564)	$ 10,960
Fund Balance - Beginning		1,585,114	
Fund Balance - Ending		$ 1,386,550	

Combining Statement of Revenues, Expenditures and changes in Fund Balance – page 110	$ 1,420,172
Basis of accounting adjustments encumbrances as of September 30, 2017	(33,622)
Budgetary Comparison Schedule	$ 1,386,550

CITY OF FORT LAUDERDALE, FLORIDA

OTHER FINANCIAL INFORMATION

BUDGETARY COMPARISON SCHEDULE
BUILDING FUND
For Fiscal Year Ended September 30, 2017

	Final Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Licenses and Permits	$ 15,887,226	$ 21,419,855	$ 5,532,629
Intergovernmental Revenues	-	-	-
Charges for Services	83,346	134,789	51,443
Fines and Forfeitures	-		-
Miscellaneous:			
Investment Income	176,789	326,006	149,217
Other Miscellaneous Revenues	284,109	368,092	83,983
Total Revenues	16,431,470	22,248,742	5,817,272
EXPENDITURES			
Current:			
Public Safety	17,084,226	15,347,585	1,736,641
Physical Environment	-	-	-
Culture/Recreation	-	-	-
Capital Outlay	1,229,043	3,606,921	(2,377,878)
Total Expenditures	18,313,269	18,954,506	(641,237)
Excess of Revenues Over Expenditures	(1,881,799)	3,294,236	5,176,035
OTHER FINANCING (USES)			
Transfers In	14,497	14,497	-
Transfers (Out)	(456,642)	(456,642)	-
Total Other Financing (Uses)	(442,145)	(442,145)	-
Net change in Fund Balance	$ (2,323,944)	2,852,091	$ 5,176,035
Fund Balance - Beginning		33,806,924	
Fund Balance - Ending		$ 36,659,015	

Combining Statement of Revenues, Expenditures and changes in Fund Balance – page 111	$ 39,439,470
Basis of accounting adjustments encumbrances as of September 30, 2017	(2,780,455)
Budgetary Comparison Schedule	$ 36,659,015

CITY OF FORT LAUDERDALE, FLORIDA

OTHER FINANCIAL INFORMATION

BUDGETARY COMPARISON SCHEDULE
SCHOOL CROSSING GUARDS FUND
For Fiscal Year Ended September 30, 2017

	Final Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Fines and Forfeitures	$ 893,036	$ 944,107	$ 51,071
Miscellaneous:			
Investment Income	594	3,514	2,920
Total Revenues	893,630	947,621	53,991
EXPENDITURES			
Current:			
General Government	893,060	821,684	71,376
Total Expenditures	893,060	821,684	71,376
Net Change in Fund Balance	$ 570	125,937	$ 125,367
Fund Balance - Beginning		312,140	
Fund Balance - Ending		$ 438,077	

BUDGETARY COMPARISON SCHEDULE
NUISANCE ABATEMENT FUND
For Fiscal Year Ended September 30, 2017

	Final Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Charges for Services	$ -	$ 118,844	$ 118,844
Miscellaneous:			
Investment Income	-	3,261	3,261
Other Miscellaneous Revenues	-	101,108	101,108
Total Revenues	-	223,213	223,213
EXPENDITURES			
Current:			
General Government	289,932	152,640	137,292
Total Expenditures	289,932	152,640	137,292
Excess (Deficiency) of Revenues Over Expenditures	(289,932)	70,573	360,505
OTHER FINANCING SOURCES			
Transfers In	-	-	-
Total Other Financing Sources	-	-	-
Net Change in Fund Balance	$ (289,932)	70,573	$ 360,505
Fund Balance - Beginning		325,196	
Fund Balance - Ending		$ 395,769	

Combining Statement of Revenues, Expenditures and changes in Fund Balance – page 111	$ 405,769
Basis of accounting adjustments encumbrances as of September 30, 2017	(10,000)
Budgetary Comparison Schedule	$ 395,769

CITY OF FORT LAUDERDALE, FLORIDA

OTHER FINANCIAL INFORMATION

BUDGETARY COMPARISON SCHEDULE
SPECIAL ASSESSMENT FUND
For Fiscal Year Ended September 30, 2017

	Final Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Miscellaneous:			
Assessments and Other Fees	$ 2,114,000	$ 1,884,282	$ (229,718)
Investment Income	1,087	577	(510)
Total Revenues	2,115,087	1,884,859	(230,228)
EXPENDITURES			
Current:			
Transportation	2,115,087	1,884,918	230,169
Total Expenditures	2,115,087	1,884,918	230,169
Net Change in Fund Balance	$ -	(59)	$ (59)
Fund Balance - Beginning		59	
Fund Balance - Ending		$ -	

BUDGETARY COMPARISON SCHEDULE
GENERAL OBLIGATION BONDS DEBT SERVICE FUND
For Fiscal Year Ended September 30, 2017

	Final Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Taxes	$ 4,762,242	$ 4,820,249	$ 58,007
Miscellaneous:			
Investment Income	15,793	1,467	(14,326)
Total Revenues	4,778,035	4,821,716	43,681
EXPENDITURES			
Debt Service:			
Principal Retirement	3,480,000	3,480,000	-
Interest and Fiscal Charges	1,276,462	1,277,318	(856)
Total Expenditures	4,756,462	4,757,318	(856)
Excess of Revenues Over Expenditures	21,573	64,398	42,825
Net Change in Fund Balance	$ 21,573	64,398	$ 42,825
Fund Balance - Beginning		773,145	
Fund Balance - Ending		$ 837,543	

Combining Statement of Revenues, Expenditures and changes in Fund Balance – page 111	$ 838,607
Basis of accounting adjustments encumbrances as of September 30, 2017	(1,064)
Budgetary Comparison Schedule	$ 837,543

BUDGETARY COMPARISON SCHEDULE
SPECIAL OBLIGATION BONDS DEBT SERVICE FUND
For Fiscal Year Ended September 30, 2017

	Final Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Investment Income	$ 71,113	$ -	$ (71,113)
Total Revenues	71,113	-	(71,113)
EXPENDITURES			
Debt Service:			
Principal Retirement	15,770,000	15,770,000	-
Interest and Fiscal Charges	10,600,974	10,600,796	178
Total Expenditures	26,370,974	26,370,796	178
OTHER FINANCING SOURCES			
Transfers In	26,362,004	26,362,004	-
Total Other Financing Sources	26,362,004	26,362,004	-
Net Change in Fund Balance	$ 62,143	(8,792)	$ (70,935)
Fund Balance - Beginning		14,280,049	
Fund Balance - Ending		$ 14,271,257	

Combining Statement of Revenues, Expenditures and changes in Fund Balance – page 111	$ 14,271,612
Basis of accounting adjustments encumbrances as of September 30, 2017	(355)
Budgetary Comparison Schedule	$ 14,271,257

BUDGETARY COMPARISON SCHEDULE
SPECIAL OBLIGATION LOANS DEBT SERVICE FUND
For Fiscal Year Ended September 30, 2017

	Final Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Investment Income	$ 5,026	$ -	(5,026)
Total Revenues	5,026	-	(5,026)
EXPENDITURES			
Debt Service:			
Principal Retirement	$ 2,958,100	$ 2,958,100	$ -
Interest and Fiscal Charges	457,518	454,936	2,582
Bond Issuance Costs	-	-	-
Total Expenditures	3,415,618	3,413,036	2,582
Excess (Deficiency) of Revenues Over Expenditures	(3,410,592)	(3,413,036)	(2,444)
OTHER FINANCING SOURCES			
Transfers In	3,415,618	3,416,494	876
Total Other Financing Sources	3,415,618	3,416,494	876
Net Change in Fund Balance	$ -	3,458	$ 3,458
Fund Balance - Beginning		17,867	
Fund Balance - Ending		$ 21,325	

Combining Statement of Revenues, Expenditures and changes in Fund Balance – page 112	$ 22,743
Basis of accounting adjustments encumbrances as of September 30, 2017	(1,418)
Budgetary Comparison Schedule	$ 21,325

CITY OF FORT LAUDERDALE, FLORIDA

OTHER FINANCIAL INFORMATION

BUDGETARY COMPARISON SCHEDULE
TAX INCREMENT REVENUE NOTES DEBT SERVICE FUND
For Fiscal Year Ended September 30, 2017

	Final Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Miscellaneous:			
Investment Income	$ 1,049	$ -	$ (1,049)
Miscellaneous Revenues	-	-	-
Total Revenues	1,049	-	(1,049)
EXPENDITURES			
Debt Service:			
Principal Retirement	628,000	628,000	-
Interest and Fiscal Charges	221,093	220,301	792
Total Expenditures	849,093	848,301	792
OTHER FINANCING SOURCES			
Transfers In	849,093	849,093	-
Total Other Financing Sources	849,093	849,093	-
Net Change in Fund Balance	$ 1,049	792	$ (257)
Fund Balance - Beginning		458,854	
Fund Balance - Ending		$ 459,646	

BUDGETARY COMPARISON SCHEDULE
PERPETUAL CARE FUND
For Fiscal Year Ended September 30, 2017

	Final Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Miscellaneous:			
Investment Income	$ 820,000	$ 2,540,993	$ 1,720,993
Other Miscellaneous Revenues	620,000	689,206	69,206
Total Revenues	1,440,000	3,230,199	1,790,199
EXPENDITURES			
Current:			
Physical Environment	863,381	866,536	(3,155)
Capital Outlay	-	116,792	(116,792)
Total Expenditures	863,381	983,328	(119,947)
Excess of Revenues Over Expenditures	576,619	2,246,871	1,670,252
Net Change in Fund Balance	$ 576,619	2,246,871	$ 1,670,252
Fund Balance - Beginning		26,889,521	
Fund Balance - Ending		$ 29,136,392	

Combining Statement of Revenues, Expenditures and changes in Fund Balance – page 112	$ 29,253,184
Basis of accounting adjustments encumbrances as of September 30, 2017	(116,792)
Budgetary Comparison Schedule	$ 29,136,392

SCHEDULE OF SOURCES AND USES
GENERAL OBLIGATION CONSTRUCTION FUND 2005 AND 2011A
For Fiscal Year Ended September 30, 2017

	INCEPTION TO DATE
SOURCES	
Earnings on Investments	$ 69,320
Transfers from Other Funds	
General Fund	155,991
Total Sources	225,311
USES	
Bond Issue and Other Expenses	170
Fire Station No. 54 Replacement	360,756
Fire Station Southeast	326,314
Total Uses	687,240
Net Change in Fund Balance	(461,929)
Fund Balance - Beginning	13,258,608
Fund Balance - Ending	$ 12,796,679

SCHEDULE OF SOURCES AND USES
SPECIAL OBLIGATION CONSTRUCTION 2008B
For Fiscal Year Ended September 30, 2017

	INCEPTION TO DATE
Earnings on Investments	$ 847
Total Sources	847
USES	
Bond Issue and Other Expenses	1,623
Cost of Municipal Improvements	
South Side School Restoration	1,639,604
Street Improvements	932
Bidge Replacement	45,616
Seawall	15,294
Transfers to Other Funds	
General Capital Projects Fund	660,698
Total Uses	2,363,767
Net Change in Fund Balance	(2,362,920)
Fund Balance - Beginning	2,363,081
Fund Balance - Ending	$ 161

SCHEDULE OF SOURCES AND USES
SPECIAL OBLIGATION CONSTRUCTION 2011A
For Fiscal Year Ended September 30, 2017

	INCEPTION TO DATE
SOURCES	
Earnings on Investments	$ 9,248
Total Sources	9,248
USES	
Bond Issue and Other Expenses	60
Cost of Municipal Improvements	
Parks and Recreation Infrastructure/Recapitalization	75,918
Street Improvements	106,596
Water Transportation	30,707
Las Olas Transportation improvement	691,638
Total Uses	904,919
Net Change in Fund Balance	(895,671)
Fund Balance - Beginning	3,148,717
Fund Balance - Ending	$ 2,253,046

CITY OF FORT LAUDERDALE

Statistical Section

NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS

Schedule 1

	2008	2009	2010	2011	2012	2013	2014	2015 *	2016 *	**2017 ***
Governmental Activities										
Net Investment in Capital Assets	$ 199,485,665	$ 210,703,404	$ 209,995,876	$ 197,493,944	$ 229,157,486	$ 229,209,092	$ 231,859,356	$ 244,833,932	$ 272,571,968	**$ 278,879,502**
Restricted	15,771,651	16,676,117	18,730,959	101,595,733	93,174,479	112,606,985	121,536,470	136,960,627	151,264,589	**159,782,123**
Unrestricted	159,037,505	168,153,605	165,280,575	86,644,564	60,526,663	39,341,968	67,787,529	(250,427,231)	(239,678,219)	**(209,669,704)**
Total Governmental Activities Net Position	$ 374,294,821	$ 395,533,126	$ 394,007,410	$ 385,734,241	$ 382,858,628	$ 381,158,045	$ 421,183,355	$ 131,367,328	$ 184,158,338	**$ 228,991,921**
Business-Type Activities										
Net Investment in Capital Assets	$ 440,451,256	$ 450,050,617	$ 440,499,100	$ 463,595,323	$ 464,782,345	$ 457,764,458	$ 450,945,828	$ 464,460,151	$ 485,584,168	**$ 522,645,923**
Restricted	32,244,774	33,339,230	40,013,546	39,871,075	38,675,081	41,523,435	47,597,178	46,302,379	34,938,766	**41,293,327**
Unrestricted	124,040,567	129,307,321	160,208,714	167,504,551	157,686,486	164,873,395	170,519,457	169,592,885	159,939,002	**151,572,384**
Total Business-Type Activities Net Position	$ 596,736,597	$ 612,697,168	$ 640,721,360	$ 670,970,949	$ 661,143,912	$ 664,161,288	$ 669,062,463	$ 680,355,415	$ 680,461,936	**$ 715,511,634**
Primary Government										
Net Investment in Capital Assets	$ 639,936,921	$ 660,754,021	$ 650,494,976	$ 661,089,267	$ 693,939,831	$ 686,973,550	$ 682,805,184	$ 709,294,083	$ 758,156,136	**$ 801,525,425**
Restricted	48,016,425	50,015,347	58,744,505	141,466,808	131,849,560	154,130,420	169,133,648	183,263,006	186,203,355	**201,075,450**
Unrestricted	283,078,072	297,460,926	325,489,289	254,149,115	218,213,149	204,215,363	238,306,986	(80,834,346)	(79,739,217)	**(58,097,320)**
Total Primary Government Net Position	$ 971,031,418	$ 1,008,230,294	$ 1,034,728,770	$ 1,056,705,190	$ 1,044,002,540	$ 1,045,319,333	$ 1,090,245,818	$ 811,722,743	$ 864,620,274	**$ 944,503,555**

* The City's unrestricted net position was negatively impacted by the implementation of GASB Statement No. 68, Accounting and Financial Reporting for Pensions and GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.

Source: City of Fort Lauderdale Finance Department

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS

Schedule 2

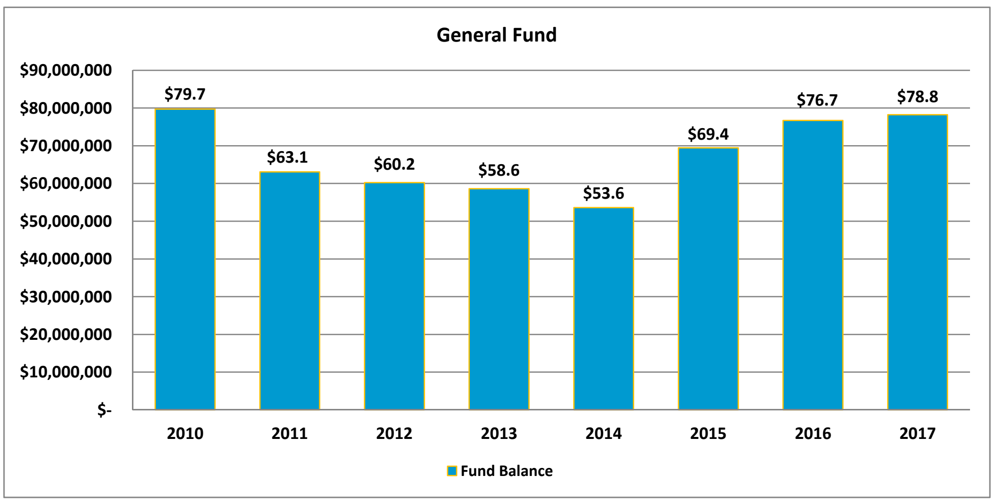
	2008	2009	2010	2011	2012	2013	2014	2015	2016	**2017**
Expenses										
Governmental Activities:										
General Government	$ 43,145,739	$ 42,893,044	$ 41,228,117	$ 44,571,363	$ 40,616,650	$ 53,453,789	$ 47,638,285	$ 47,395,226	$ 50,656,373	**$ 57,047,567**
Public Safety	165,091,013	166,442,120	181,863,251	187,107,876	186,551,543	176,890,393	168,966,981	180,656,741	190,327,750	**195,228,347**
Physical Environment	8,908,460	9,835,224	9,130,582	9,957,967	17,783,853	14,237,347	6,506,045	7,619,199	6,622,172	**7,415,926**
Transportation	12,463,589	7,842,119	8,455,954	7,258,157	5,272,203	6,123,784	9,613,093	15,477,780	10,368,546	**9,236,517**
Economic Environment	17,174,238	22,281,381	23,598,717	21,428,604	20,712,653	20,163,000	16,892,110	25,252,594	14,783,066	**22,871,449**
Culture/Recreation	38,828,494	40,801,321	38,792,196	41,781,558	41,690,222	39,033,256	32,492,486	35,648,804	34,616,954	**38,776,033**
Interest on Long-Term Debt	3,665,826	3,535,247	3,500,713	2,783,207	3,459,160	12,237,720	15,395,203	14,091,458	12,813,208	**12,082,942**
Total Governmental Activities Expenses	289,277,359	293,630,456	306,569,530	314,888,732	316,086,284	322,139,289	297,504,203	326,141,802	320,188,069	**342,658,781**
Business-Type Activities:										
Water and Sewer	68,791,000	86,644,340	80,645,935	80,320,657	117,297,963	122,377,140	113,328,841	125,512,106	130,552,179	**126,872,929**
Sanitation	20,944,976	21,780,670	22,585,575	20,812,922	18,942,048	18,693,306	19,865,246	20,589,557	23,210,957	**22,447,460**
Parking System	11,199,791	10,814,893	11,268,044	10,659,494	11,199,789	13,616,470	13,460,653	14,448,572	16,218,135	**19,031,068**
Airport	6,740,363	7,500,584	10,745,183	8,025,774	9,229,152	11,248,312	9,565,904	10,565,745	10,506,172	**9,182,798**
Stormwater	3,739,948	4,261,529	3,983,439	4,178,998	5,023,104	6,052,945	6,699,394	7,842,585	7,280,190	**7,615,617**
Total Business-Type Activities Expenses	111,416,078	131,002,016	129,228,176	123,997,845	161,692,056	171,988,173	162,920,038	178,958,565	187,767,633	**185,149,872**
Total Primary Government Expenses	$ 400,693,437	$ 424,632,472	$ 435,797,706	$ 438,886,577	$ 477,778,340	$ 494,127,462	$ 460,424,241	$ 505,100,367	$ 507,955,702	**$ 527,808,653**
Program Revenues										
Governmental Activities:										
Charges for Services:										
General Government	$ 15,687,344	$ 16,717,807	$ 16,766,802	$ 21,387,521	$ 32,724,249	$ 42,061,226	$ 41,712,589	$ 52,027,432	$ 43,803,099	**$ 44,846,590**
Public Safety	43,187,187	41,368,726	43,184,612	49,288,543	50,363,213	56,197,480	71,520,670	78,909,741	77,673,557	**85,564,021**
Culture/Recreation	10,357,702	7,915,653	8,383,214	8,796,433	8,913,252	11,130,441	10,198,340	10,693,165	10,112,876	**13,552,297**
Other Activities	6,582,097	6,823,977	5,949,294	6,454,891	7,075,575	5,399,364	5,055,200	6,225,490	5,431,933	**5,670,640**
Operating Grants and Contributions	26,545,136	25,520,014	32,685,788	27,940,257	31,914,087	29,449,425	26,684,588	27,817,570	26,028,189	**30,819,896**
Capital Grants and Contributions	5,486,309	12,038,395	5,129,927	14,329,115	7,657,685	6,005,562	3,524,355	3,576,522	1,288,377	**2,668,634**
Total Governmental Activities Program Revenues	107,845,775	110,384,572	112,099,637	128,196,760	138,648,061	150,243,498	158,695,742	179,249,920	164,338,031	**183,122,078**
Business-Type Activities:										
Charges for Services										
Water and Sewer	84,838,237	94,554,904	105,959,129	105,395,277	105,836,231	114,751,699	115,526,727	130,246,541	132,486,929	**138,009,051**
Sanitation	23,061,312	20,112,154	20,206,509	22,084,671	18,821,045	23,290,471	15,447,550	20,769,944	15,236,518	**16,396,630**
Parking System	12,248,308	11,487,377	11,804,349	12,489,487	12,995,922	14,515,603	15,989,047	16,718,485	17,725,384	**19,134,725**
Airport	6,748,592	6,163,142	6,587,136	6,983,850	7,202,801	7,754,684	7,953,789	7,452,387	7,139,770	**7,547,492**
Stormwater	4,263,776	4,500,095	4,899,289	5,221,319	5,350,352	5,465,978	5,595,624	6,158,848	8,806,797	**11,679,276**
Operating Grant and Contributions	374,424	658,598	2,757,142	282,568	1,091,104	305,515	-	-	-	**19,250**
Capital Grants and Contributions	8,070,020	6,726,808	3,592,719	1,460,595	1,071,475	3,111,006	6,191,282	5,628,385	3,295,733	**7,091,626**
Total Business-Type Activities Program Revenues	139,604,669	144,203,078	155,806,273	153,917,767	152,368,930	169,194,956	166,704,019	186,974,590	184,691,131	**199,878,050**
Total Primary Government Program Revenues	$ 247,450,444	$ 254,587,650	$ 267,905,910	$ 282,114,527	$ 291,016,991	$ 319,438,454	$ 325,399,761	$ 366,224,510	$ 349,029,162	**$ 383,000,128**

CHANGES IN NET POSITION **Schedule 2**
LAST TEN FISCAL YEARS

	2008	2009	2010	2011	2012	2013	2014	2015	2016	**2017**
Net (Expense)/Revenue										
Governmental Activities	$ (181,431,584)	$ (183,245,884)	$ (194,469,893)	$ (186,691,972)	$ (177,438,223)	$ (171,895,791)	$ (138,808,461)	$ (146,891,882)	$ (155,850,038)	**$ (159,536,703)**
Business-Type Activities	28,188,591	13,201,062	26,578,097	29,919,922	(9,323,126)	(2,793,217)	3,783,981	8,016,025	(3,076,502)	**14,728,178**
Total Primary Government Net Expense	$ (153,242,993)	$ (170,044,822)	$ (167,891,796)	$ (156,772,050)	$ (186,761,349)	$ (174,689,008)	$ (135,024,480)	$ (138,875,857)	$ (158,926,540)	**$ (144,808,525)**
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes	$ 128,014,149	$ 124,802,652	$ 113,605,675	$ 104,294,035	$ 96,406,857	$ 98,984,027	$ 102,025,080	$ 108,204,896	$ 117,360,476	**$ 127,785,174**
Other Taxes	57,390,103	57,910,367	57,795,756	55,900,742	56,578,945	57,614,553	64,353,245	67,177,642	65,470,303	**66,470,712**
Grants and Contributions	15,664,768	14,387,834	14,327,166	15,057,706	14,750,825	14,918,403	15,799,049	16,688,285	17,183,084	**17,769,076**
Investment Earnings	5,496,984	5,578,518	4,318,825	1,523,212	4,602,310	2,551,761	4,446,765	3,367,863	6,469,794	**6,102,540**
Other	1,151,167	1,647,348	2,312,406	560,208	510,270	1,179,201	1,144,192	2,567,015	2,512,498	**3,708,457**
Transfers	591,859	157,470	584,349	1,082,900	1,713,406	(5,092,222)	1,289,249	(679,271)	(355,107)	**(3,371,727)**
Total Governmental Activities	208,309,030	204,484,189	192,944,177	178,418,803	174,562,613	170,155,723	189,057,580	197,326,430	208,641,048	**218,464,232**
Business-Type Activities:										
Investment Earnings	4,971,104	2,916,979	2,030,444	1,412,567	1,209,495	718,371	1,706,443	2,305,463	2,820,043	**2,095,102**
Miscelleneous	-	-	-	-	-	-	700,000	49,048	7,873	**21,226,932**
Transfers	(591,859)	(157,470)	(584,349)	(1,082,900)	(1,713,406)	5,092,222	(1,289,249)	679,271	355,107	**3,371,727**
Total Business-Type Activities	4,379,245	2,759,509	1,446,095	329,667	(503,911)	5,810,593	1,117,194	3,033,782	3,183,023	**26,693,761**
Total Primary Government	$ 212,688,275	$ 207,243,698	$ 194,390,272	$ 178,748,470	$ 174,058,702	$ 175,966,316	$ 190,174,774	$ 200,360,212	$ 211,824,071	**$ 245,157,993**
Change in Net Position										
Governmental Activities	$ 26,877,446	$ 21,238,305	$ (1,525,716)	$ (8,273,169)	$ (2,875,610)	$ (1,740,068)	$ 50,249,119	$ 50,434,548	$ 52,791,010	**$ 58,927,529**
Business-Type Activities	32,567,836	15,960,571	28,024,192	30,249,589	(9,827,037)	3,017,376	4,901,175	11,049,807	106,521	**41,421,939**
Total Primary Government	$ 59,445,282	$ 37,198,876	$ 26,498,476	$ 21,976,420	$ (12,702,647)	$ 1,277,308	$ 55,150,294	$ 61,484,355	$ 52,897,531	**$ 100,349,468**

FUND BALANCES - GOVERNMENTAL FUNDS **Schedule 3**
LAST EIGHT FISCAL YEARS *

	2010	2011	2012	2013	2014	2015	2016	**2017**
General Fund								
Nonspendable	$ 58,191	$ 15,077,422	$ 28,159,409	$ 13,339,582	$ 59,258	$ 57,129	$ 21,391	**$ 15,662**
Spendable								
Restricted	-	-	-	204,044	198,619	208,264	-	**-**
Unrestricted								
Committed	1,915,988	464,915	457,372	509,216	520,610	1,052,813	1,186,699	**1,360,964**
Assigned	19,204,828	10,915,133	10,859,209	4,812,365	2,055,809	1,879,010	2,962,640	**2,390,941**
Unassigned	58,525,369	36,615,702	20,738,503	39,748,283	50,781,064	66,231,739	72,551,458	**74,468,292**
Total General Fund	$ 79,704,376	$ 63,073,172	$ 60,214,493	$ 58,613,490	$ 53,615,360	$ 69,428,955	$ 76,722,188	**$ 78,235,859**
All Other Governmental Funds								
Nonspendable	$ 10,694,362	$ 11,272,512	$ 11,879,453	$ 12,464,216	$ 13,028,052	$ 13,629,215	$ 14,314,506	**$ 15,003,353**
Spendable								
Restricted	85,965,422	126,997,499	117,345,677	128,486,763	137,160,860	151,154,962	165,210,117	**176,318,607**
Unrestricted								
Committed	7,831,215	7,395,146	132,818	453,443	889,489	1,365,292	1,519,050	**1,336,069**
Assigned	22,433,404	19,141,809	7,190,316	6,395,624	10,066,752	18,295,825	23,008,986	**33,304,214**
Unassigned	-	-	-	(6,272,275)	(3,904,111)	(2,794,776)	-	**(1,125,065)**
Total All Other Governmental Funds	$ 126,924,403	$ 164,806,966	$ 136,548,264	$ 141,527,771	$ 157,241,042	$ 181,650,518	$ 204,052,659	**$ 224,837,178**



* Years prior to fiscal year 2010 have not been presented due to the implementation of GASB 54, which provided for new categories for classifying governmental fund balances.

CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

Schedule 4

	2008	2009	2010	2011	2012	2013	2014	2015	2016	**2017**
Revenues										
Property Taxes	$ 127,981,444	$ 124,597,389	$ 112,811,703	$ 101,787,647	$96,617,851	$ 99,537,136	$ 102,486,128	$ 108,207,671	$ 117,778,138	**$ 128,120,980**
Utility Taxes	33,935,730	35,441,037	34,754,319	34,725,638	35,386,473	35,881,608	37,005,171	37,622,717	37,517,371	**37,996,030**
Franchise Fees	18,192,005	18,059,429	18,224,861	16,439,174	15,871,932	15,380,127	22,022,134	22,908,805	22,389,618	**22,561,358**
Insurance Premium Taxes	5,262,368	4,409,901	4,816,576	4,735,930	5,320,538	6,352,818	5,325,940	6,646,120	5,563,314	**5,913,325**
Licenses and Permits	10,993,869	8,374,250	8,031,790	13,733,542	14,913,015	17,374,859	17,291,687	23,167,102	21,231,581	**24,574,331**
Intergovernmental	42,314,742	49,338,512	50,969,453	50,170,757	51,665,965	42,816,219	47,636,208	45,647,574	45,973,034	**44,536,525**
Charges for Services	17,792,259	16,746,172	17,858,717	19,639,134	20,400,813	20,651,441	21,611,965	23,591,237	23,826,867	**23,472,938**
Fines and Forfeitures	6,642,582	2,518,229	2,534,228	3,769,263	3,536,739	5,019,265	5,406,387	5,186,029	5,563,848	**4,006,759**
Other	50,606,239	53,414,160	52,771,901	51,915,172	67,503,130	76,084,253	90,253,708	104,706,588	96,854,919	**109,310,771**
Total Revenues	313,721,238	312,899,079	302,773,548	296,916,257	311,216,456	319,097,726	349,039,328	377,683,843	376,698,690	**400,493,017**
Expenditures										
General Government	40,491,020	40,364,222	39,618,402	40,330,403	38,769,414	196,114,107	50,500,327	46,447,512	51,432,952	**55,859,079**
Public Safety	165,436,737	167,391,135	176,169,662	180,280,486	180,884,679	330,274,787	169,190,561	172,856,946	180,694,607	**188,738,608**
Physical Environment	8,637,526	9,281,905	9,097,912	9,647,825	17,725,318	13,881,279	6,482,876	7,157,725	6,291,941	**6,787,385**
Transportation	3,860,924	3,795,541	3,339,100	3,316,948	3,208,041	4,917,264	8,717,894	14,640,346	9,916,376	**8,093,178**
Economic Environment	15,429,392	19,736,991	21,013,746	19,384,209	19,877,012	20,004,271	16,683,659	24,921,198	15,115,142	**22,918,108**
Culture/Recreation	33,745,058	34,400,119	32,964,316	32,001,841	33,727,300	29,536,861	28,338,669	29,870,327	29,452,695	**32,320,562**
Debt Service:										
Bond Principal Retirement	9,675,345	8,166,361	5,319,175	6,445,419	7,175,050	36,615,638	21,010,400	21,315,800	22,150,300	**22,836,100**
Interest and Fiscal Charges	3,384,245	3,252,722	2,951,548	2,634,451	2,626,852	11,431,300	13,616,029	13,327,596	12,963,806	**12,553,939**
Debt Issuance Costs	-	-	-	-	-	-	-	264,725	-	**-**
Capital Outlay	20,107,032	27,490,445	20,361,391	27,951,054	29,736,544	16,894,501	15,722,671	17,119,175	15,541,577	**27,091,220**
Total Expenditures	300,767,279	313,879,441	310,835,252	321,992,636	333,730,210	659,670,008	330,263,086	347,921,350	343,559,396	**377,198,179**
Excess of Revenues Over (Under) Expenditures	12,953,959	(980,362)	(8,061,704)	(25,076,379)	(22,513,754)	(340,572,282)	18,776,242	29,762,493	33,139,294	**23,294,838**
Other Financing Sources (Uses)										
Debt Proceeds	183,850	25,514,081	-	68,917,156	-	337,755,000	-	22,823,000	-	**704,151**
Discount on Bonds	-	-	-	-	-	(770,749)	-	-	-	**-**
Bond Issuance Costs	-	-	-	-	-	(998,368)	-	-	-	**-**
Transfers In	20,865,609	32,214,791	15,680,731	63,854,172	40,364,573	44,336,537	51,471,962	59,308,509	60,376,587	**61,178,965**
Transfers (Out)	(20,399,689)	(32,091,665)	(15,065,330)	(62,421,263)	(34,623,200)	(36,371,634)	(49,309,254)	(56,668,948)	(63,820,507)	**(62,879,764)**
Payments to Refunding Escrow Agent	-	-	-	-	(14,345,000)	-	-	(15,717,849)	-	**-**
Current Debt Repayment	-	(15,410,001)	-	(24,022,327)	-	-	-	-	-	**-**
Premium on Refunding bonds	-	-	-	-	-	-	-	715,866	-	**-**
Total Other Financing Sources (Uses)	649,770	10,227,206	615,401	46,327,738	(8,603,627)	343,950,786	2,162,708	10,460,578	(3,443,920)	**(996,648)**
Net Change in Fund Balances	$ 13,603,729	$ 9,246,844	$ (7,446,303)	$ 21,251,359	$ (31,117,381)	$ 3,378,504	$ 20,938,950	$ 40,223,071	$ 29,695,374	**$ 22,298,190**
Debt Service as a Percentage of Noncapital Expenditures	4.54%	3.91%	2.79%	3.01%	3.19%	7.45%	10.83%	10.59%	11.26%	**9.95%**

Source: City of Fort Lauderdale Finance Department

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY **Schedule 5**
LAST TEN FISCAL YEARS

FISCAL YEAR	TAX ROLL YEAR**	RESIDENTIAL PROPERTY	COMMERCIAL PROPERTY	INDUSTRIAL PROPERTY	ALL OTHER PROPERTIES	TOTAL ASSESSED VALUE**	LESS: EXEMPTIONS HOMESTEAD	GOVERNMENTAL	INSTITUTIONAL	SAVE OUR HOMES	OTHER	TOTAL TAXABLE ASSESSED VALUE	TOTAL DIRECT TAX RATE
2017	2016	$ 31,683,312,090	$ 9,470,869,260	$ 1,670,386,270	$ 1,464,955,376	$ 44,289,522,996	$ 1,035,451,915	$ 2,995,401,036	$ 1,120,360,846	$ 5,138,314,250	$ 2,904,637,527	$ 31,095,357,422	4.2803
2016	2015	29,552,584,370	8,670,201,030	1,545,119,010	559,618,308	40,327,522,718	1,026,490,672	2,951,981,251	1,090,265,520	4,383,793,570	2,368,058,340	28,506,933,365	4.2952
2015	2014	26,752,798,810	7,746,229,920	1,380,804,370	485,197,953	36,365,031,053	1,027,493,956	2,856,137,278	1,040,756,651	3,360,045,740	1,886,094,484	26,194,502,944	4.3151
2014	2013	23,746,859,350	6,732,685,850	1,363,515,100	1,519,957,369	33,363,017,669	1,031,920,885	2,687,774,382	1,001,905,571	2,526,022,580	1,469,887,791	24,645,506,460	4.3263
2013	2012	21,264,182,970	6,436,516,200	1,285,317,820	2,761,461,438	31,747,478,428	1,044,673,967	2,587,668,731	1,082,003,307	2,010,753,780	1,313,145,125	23,709,233,518	4.3342
2012	2011	19,725,697,430	6,328,094,510	1,268,644,800	4,417,187,842	31,739,624,582	1,065,298,485	2,713,895,113	1,052,217,075	2,160,422,730	1,257,149,858	23,490,641,321	4.2888
2011	2010	19,516,645,480	6,496,097,520	1,260,821,960	5,573,129,580	32,846,694,540	1,092,050,541	2,726,130,832	1,053,661,814	2,226,829,360	1,157,436,098	24,590,585,895	4.3366
2010	2009	19,971,276,110	7,046,764,320	1,388,063,510	9,045,911,355	37,452,015,295	1,111,967,564	2,715,484,570	1,125,944,388	3,694,693,873	1,147,579,150	27,656,345,750	4.2536
2009	2008	23,989,228,770	7,364,478,220	1,542,409,500	9,370,403,541	42,266,520,031	1,139,384,963	2,684,215,740	1,048,082,000	5,882,957,177	1,002,072,203	30,509,807,948	4.2495
2008	2007	31,911,017,420	6,676,046,380	1,371,873,980	3,977,400,822	43,936,338,602	1,002,229,190	2,601,151,780	909,169,645	7,980,212,270	122,045,892	31,321,529,825	4.2482

* State Law requires that assessed values be established at 100% of estimated actual value.
** Assessed values are as of January 1 of each year.
Source: Broward County Property Appraiser

PROPERTY TAX MILLAGES RATES*
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS

Schedule 6

		FORT LAUDERDALE			BROWARD COUNTY		OTHER TAXING AGENCIES				SPECIAL DISTRICTS**			
											DOWNTOWN DEV. AUTH.			
FISCAL YEAR	TAX ROLL	OPERATING	DEBT SERVICE	TOTAL CITY	BROWARD COUNTY	BROWARD COUNTY SCHOOLS	S. FLORIDA WATER MGMT. DISTRICT	FLORIDA INLAND NAVIGATION DISTRICT	BROWARD CHILDREN'S SERVICES COUNCIL	TOTAL CITY-WIDE	OPERATING	DEBT SERVICE	N. BROWARD HOSPITAL DISTRICT	HILLSBORO INLET
2017	2016	4.1193	0.1610	4.2803	5.6690	6.9063	0.3307	0.0320	0.4882	17.7065	0.5525	0.4749	1.3462	0.0860
2016	2015	4.1193	0.1759	4.2952	5.7230	7.2740	0.3551	0.0320	0.4882	18.1675	0.5173	0.5232	1.4425	0.0860
2015	2014	4.1193	0.1958	4.3151	5.7230	7.4380	0.3842	0.0345	0.4882	18.3830	0.5882	0.5366	1.5939	0.0860
2014	2013	4.1193	0.2070	4.3263	5.7230	7.4800	0.4110	0.0345	0.4882	18.4630	0.5080	0.5366	1.7554	0.0860
2013	2012	4.1193	0.2149	4.3342	5.5530	7.4560	0.4289	0.0345	0.4902	18.2968	0.5020	0.5302	1.8564	0.0860
2012	2011	4.1193	0.1695	4.2888	5.5530	7.4180	0.4363	0.0345	0.4789	18.2095	0.5171	0.4489	1.8750	0.0860
2011	2010	4.1193	0.2173	4.3366	5.5530	7.6310	0.6240	0.0345	0.4696	18.6487	0.4970	0.4313	1.8750	0.0860
2010	2009	4.1193	0.1343	4.2536	5.3889	7.4310	0.6240	0.0345	0.4243	18.1563	0.4970	0.4313	1.7059	0.0860
2009	2008	4.1193	0.1302	4.2495	5.3145	7.4170	0.6240	0.0345	0.3754	18.0149	0.4802	0.4289	1.7059	0.0860
2008	2007	4.1193	0.1289	4.2482	5.2868	7.6484	0.6240	0.0345	0.3572	18.1991	0.4933	0.6089	1.6255	0.0860

* State law requires all counties to assess at 100% valuation and limits millage for operating purposes to ten mills.
** Overlapping rates are those of local and county governments that apply to property owners within the City. Not all Overlapping rates apply to all City property owners (e.g. the rates for special districts apply only to the proportion of the City's property owners whose property is located within the geographic boundaries of the special districts).
Source: Broward County Property Appraiser.

PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

Schedule 7

		2017			2008		
TAXPAYER	TYPE OF BUSINESS	TAXABLE ASSESSED VALUE	RANK	PERCENT OF TOTAL ASSESSED VALUE	TAXABLE ASSESSED VALUE	RANK	PERCENT OF TOTAL ASSESSED VALUE
HARBOR BEACH PROPERTY LLC % THE MACK CO	Hospitality	$ 178,314,460	1	0.57%			
FLORIDA POWER & LIGHT CO PROPERTY TAX DEPARTMENT	Power Energy Utility	166,435,280	2	0.54%	$ 108,775,690	4	0.36%
RAR2 - LAS OLAS CENTRE LLC %RREEF - RYAN LLC TAX COMPLIANCE	Real Estate	146,914,170	3	0.47%			
TAF GG LAS OLAS LP	Business Services	133,656,280	4	0.43%			
T-C THE MANOR AT FLAGLER VILLAGE LLC	Real Estate	124,355,400	5	0.40%			
DIAMONDROCK FL OWNER LLC	Hospitality	119,908,980	6	0.39%			
KEYSTONE-FLORIDA PROPERTY HOLD	Real Estate	114,394,430	7	0.37%	99,895,370	5	0.33%
SUNRISE HARBOUR MULTIFAMILY INC % MARVIN F POER & CO	Real Estate	102,053,740	8	0.33%	91,823,140	7	0.30%
FTL 500 CORP	Real Estate	95,800,000	9	0.31%			
CAPRI HOTEL LLC	Hospitality	95,590,000	10	0.31%			
FL GRANDE LLC % WHM LLC	Real Estate	86,773,500	11	0.28%	94,956,000	6	0.31%
CWI-GG RCFL PROPERTY OWNER LLC %RYAN LLC ATTN M CINEFRA	Real Estate	86,497,020	12	0.28%			
THE LAS OLAS COMPANY INC	Real Estate	86,334,690	13	0.28%			
PRII SR 200 EAST LAS OLAS OWNER LLC % PRUDENTIAL REAL ESTATE	Real Estate	86,075,730	14	0.28%			
PORT ROYALE PROPCO LLC %WATERTON ASSOCIATES LLC	Real Estate	83,971,015	15	0.27%			
CRP INSITE CLIPPER LLC % THE CARLYLE GROUP	Real Estate	81,975,910	16	0.26%			
T-C THE EDGE AT FLAGLER VILLAGE LLC	Real Estate	81,965,596	17	0.26%			
RRERF FL CONDO OWNER LLC %RELATED RL EST RECOVERY FUND LP	Real Estate	77,467,380	18	0.25%			
CAMDEN SUMMIT PARTNERSHIP LP	Real Estate	76,286,909	19	0.25%			
PIER 66 VENTURES LLC %TAVISTOCK DEVELOPMENT CO	Real Estate	74,008,000	20	0.24%			
BF LAS OLAS LLC	Real Estate	-			158,241,490	1	0.52%
MARRIOTT OWNERSHIP RESORTS, INC	Timeshare Management	-			76,989,910	8	0.25%
GENESIS CAPITAL PARTNERS IX LT	Real Estate	-			70,704,600	10	0.23%
		$ 2,098,778,490		6.75%	$ 701,386,200		2.30%

Source: Broward County Property Appraiser.

PROPERTY LEVIES AND COLLECTIONS **Schedule 8**
LAST TEN FISCAL YEARS

FISCAL YEAR	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY AMOUNT	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY PERCENTAGE OF LEVY	COLLECTIONS IN SUBSEQUENT YEARS	COLLECTIONS TO DATE AMOUNT	COLLECTIONS TO DATE PERCENTAGE OF LEVY
2017	$ 128,271,963	$ 127,624,652	99.5%	$ -	$ 127,624,652	99.5%
2016	117,615,644	116,905,478	99.4%	56,606	116,962,084	99.4%
2015	108,085,092	107,040,848	99.0%	43,806	107,084,654	99.1%
2014	101,135,579	100,961,341	99.8%	-	100,961,341	99.8%
2013	97,265,832	97,055,209	99.8%	-	97,055,209	99.8%
2012	96,205,050	95,670,313	99.4%	83,489	95,753,802	99.5%
2011	100,485,419	98,916,252	98.4%	231,381	99,147,633	98.7%
2010	112,960,028	110,925,089	98.2%	1,078,578	112,003,667	99.2%
2009	125,137,680	123,421,092	98.6%	1,158,332	124,579,424	99.6%
2008	128,954,993	127,212,927	98.6%	649,694	127,862,621	99.2%

Source: Broward County Revenue Collector.

RATIO OF OUTSTANDING DEBT BY TYPE

Schedule 9

LAST TEN FISCAL YEARS

(Dollars in thousands except per Capita)

	GOVERNMENTAL ACTIVITIES								BUSINESS-TYPE ACTIVITIES						
FISCAL YEAR	GENERAL OBLIGATION BONDS	EXCISE TAX BONDS	TAX INCREMENT BONDS/NOTE[1]	SUNSHINE STATE LOANS	FLORIDA GOVERNMENTAL LOANS	SPECIAL OBLIGATION LOANS	SPECIAL OBLIGATION BONDS	CAPITAL LEASES	WATER & SEWER REVENUE BONDS	SANITATION REVENUE BONDS	STATE REVOLVING FUND LOANS	CAPITAL LEASES	TOTAL PRIMARY GOVERNMENT	PERCENTAGE OF PERSONAL INCOME	PER CAPITA[2]
2017	$ 31,901	$ -	$ 6,629	$ -	$ -	$ 14,371	$ 259,679	$ 8,506	$ 345,010	$ -	$ 41,071	$ 1,352	$ 708,518	0.79%	$ 3,956.81
2016	35,782	-	7,257	-	-	17,329	275,444	1,869	362,422	-	-	-	700,103	1.14%	4,213.44
2015	39,377	-	7,603	-	-	20,213	290,908	2,309	362,991	-	-	-	723,400	1.12%	4,398.35
2014	42,164	-	-	-	-	23,024	305,545	-	369,034	-	-	-	739,767	1.13%	4,506.49
2013	45,492	-	-	-	-	25,764	320,552	-	379,532	-	-	-	771,340	1.15%	4,700.36
2012	49,121	-	12,461	-	-	28,979	-	-	385,938	-	-	-	476,500	0.77%	3,370.07
2011	66,493	-	13,843	-	-	31,408	-	7,111	395,372	-	-	-	514,227	0.79%	3,603.60
2010	33,855	-	15,120	-	-	24,022	-	8,425	404,381	-	-	-	485,804	0.73%	3,381.04
2009	36,156	-	16,352	-	-	25,433	-	9,750	326,612	2,870	-	-	417,174	0.63%	2,951.45
2008	38,373	3,520	17,544	6,110	9,373	-	-	2,639	333,328	3,265	-	-	414,152	0.60%	2,777.86

(1) Tax Increment Revenue Bonds Series 2004A and B were paid off in 2012. Tax Increment Revenue Note Series 2015 were issued in 2015.

(2) See Schedule 13 for Demographic and Economic Statistics personal income for population data.

RATIOS OF GENERAL BONDED DEBT OUTSTANDING **Schedule 10**
LAST TEN FISCAL YEARS

FISCAL YEAR	GENERAL OBLIGATION BONDS	LESS SINKING FUND	NET GENERAL BONDED DEBT	PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY*	PER CAPITA**
2017	$ 31,901,200	$ 838,607	$ 31,062,593	0.10%	$ 173.47
2016	35,782,337	773,145	35,009,192	0.12	198.08
2015	39,376,788	709,415	38,667,373	0.15	220.80
2014	42,164,024	634,599	41,529,425	0.17	239.36
2013	45,492,290	602,401	44,889,889	0.19	259.70
2012	49,121,497	510,975	48,610,522	0.21	292.48
2011	66,492,754	16,045,899	50,446,855	0.21	304.81
2010	33,855,473	328,438	33,527,035	0.12	185.85
2009	36,156,265	628,426	35,527,839	0.12	197.27
2008	38,373,225	628,769	37,744,456	0.12	210.04

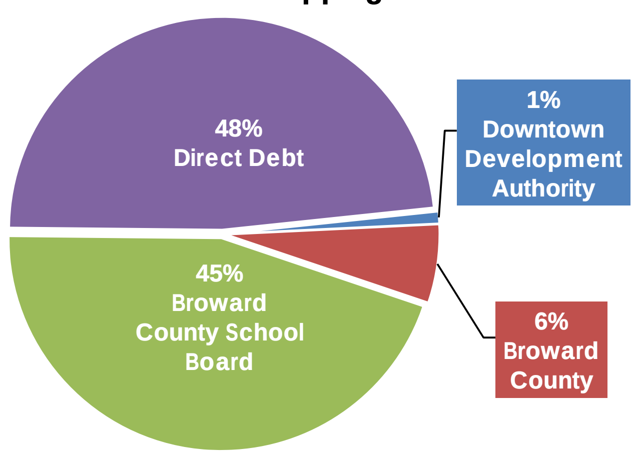
* See Schedule 5 for Assessed Value and Actual Value of Taxable Property for property value data.

** See Schedule 13 for Demographic and Economic Statistics personal income for population data.

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT **Schedule 11**
September 30, 2017

GOVERNMENTAL UNIT	DEBT OUTSTANDING		ESTIMATED PERCENTAGE APPLICABLE	ESTIMATED SHARE OF OVERLAPPING NET DEBT
Debt Repaid with Property Taxes				
Downtown Development Authority	$ 6,010,926		100.00%	$ 6,010,926
Broward County [1]	207,550,000		19.09%	39,621,295
Broward County School Board [1]	1,570,425,000	*	19.09%	299,794,133
Subtotal Overlapping Debt				345,426,354
City of Fort Lauderdale Direct Debt	321,085,219		100.00%	321,085,219
Total Direct and Overlapping Debt				$ 666,511,573

Direct and Overlapping Debt



(1) For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using gross taxable property values. Applicable percentages were estimated by dividing the City's gross taxable property values ($31,095,357,422) by the County's gross taxable property values ($162,869,429,209).

* Debt outstanding as of June 30, 2017.

Legal Debt Margin: The amount of debt the City of Fort Lauderdale can issue is not limited by either the City of Fort Lauderdale charter or code, nor the Florida State Statues.

Sources: Assessed value data used to estimate applicable percentages was provided by the Broward County Property Appraiser. Debt outstanding data was provided by each governmental unit.

CITY OF FORT LAUDERDALE, FLORIDA

STATISTICAL SECTION

PLEDGE REVENUE COVERAGE
LAST TEN FISCAL YEARS
(Dollars in thousands)

Schedule 12

	SPECIAL OBLIGATION BONDS							SPECIAL OBLIGATION LOANS						
			NET	DEBT SERVICE						NET	DEBT SERVICE			
FISCAL YEAR	GROSS REVENUE	OPERATING EXPENSES*	AVAILABLE REVENUE	PRINCIPAL	INTEREST	TOTAL	COVERAGE	GROSS REVENUE	OPERATING EXPENSES*	AVAILABLE REVENUE	PRINCIPAL	INTEREST	TOTAL	COVERAGE
2017	$ 44,124	$ -	$ 44,124	$ 15,470	$ 10,889	$ 26,359	1.67	$ 195,688	$ -	$ 195,688	$ 2,884	$ 528	$ 3,412	57.35
2016	44,124	-	44,124	15,470	10,889	26,359	1.67	195,688	-	195,688	2,884	528	3,412	57.35
2015	43,222	-	43,222	15,230	11,130	26,360	1.64	204,526	-	204,526	2,811	601	3,412	59.94
2014	42,815	-	42,815	15,070	11,291	26,361	1.62	186,847	-	186,847	2,740	672	3,412	54.76
2013	42,044	-	42,044	16,480	8,469	24,949	1.69	164,902	-	164,902	3,215	754	3,969	41.55
2012	-	-	-	-	-	-	-	153,629	-	153,629	2,429	547	2,976	51.62
2011	-	-	-	-	-	-	-	141,866	-	141,866	2,466	862	3,328	42.63
2010	-	-	-	-	-	-	-	144,696	-	144,696	1,410	1,262	2,672	54.15
2009	-	-	-	-	-	-	-	144,779	-	144,779	81	906	987	146.69

	WATER AND SEWER REVENUE BONDS							WATER AND SEWER STATE REVOLVING FUND LOANS							
			NET	DEBT SERVICE						REVENUE BOND DEBT SERVICE		NET	STATE LOANS DEBT SERVICE		
FISCAL YEAR	GROSS REVENUE	OPERATING EXPENSES*	AVAILABLE REVENUE	PRINCIPAL	INTEREST	TOTAL	COVERAGE	GROSS REVENUE	OPERATING EXPENSES*	PRINCIPAL	INTEREST	AVAILABLE REVENUE	PRINCIPAL	INTEREST	COVERAGE
2017	$ 134,407	$ 71,085	$ 63,322	$ 9,050	$ 13,273	$ 22,323	2.84	$ 136,490	$ 76,829	$ 9,050	$ 13,273	$ 37,338	$ 4,218	$ 1,326	6.73
2016	134,407	71,085	63,322	9,050	13,273	22,323	2.84	136,490	76,829	9,050	13,273	37,338	4,218	1,326	6.73
2015	131,913	64,546	67,367	9,945	16,252	26,197	2.57	134,923	69,475	9,945	16,252	39,251	4,869	1,697	5.98
2014	117,552	58,085	59,467	9,590	16,590	26,180	2.27	119,196	62,816	9,590	16,590	30,200	4,753	1,812	4.60
2013	121,076	56,652	64,424	9,345	16,874	26,219	2.46	123,905	60,927	9,345	16,874	36,759	4,641	1,882	5.64
2012	106,017	57,299	48,718	9,100	16,783	25,883	1.88	107,398	75,037	9,100	16,782	6,479	3,445	1,993	1.19
2011	105,231	50,958	54,273	8,805	17,849	26,654	2.04	107,049	58,869	8,805	17,849	21,526	4,500	2,081	3.27
2010	103,156	55,207	47,949	6,885	15,663	22,548	2.13	107,784	62,466	6,885	15,663	22,770	4,286	2,138	3.54
2009	92,071	52,576	39,495	6,645	14,821	21,466	1.84	97,376	60,169	6,645	14,821	15,741	4,663	1,956	2.38
2008	85,741	50,296	35,445	3,495	11,925	15,420	2.30	90,701	57,364	3,495	11,925	17,917	3,006	1,792	3.73

	TAX INCREMENT REVENUE NOTE*				
		DEBT SERVICE			
FISCAL YEAR	GROSS REVENUE	PRINCIPAL	INTEREST	TOTAL	COVERAGE
2017	$ 7,702	$ 628	$ 220	$ 848	9.08
2016	7,702	628	220	848	9.08
2015	5,858	628	220	848	6.91

* Note issued in 2015.

DEMOGRAPHIC AND ECONOMIC STATISTICS **Schedule 13**
LAST TEN FISCAL YEARS

FISCAL YEAR	FORT LAUDERDALE POPULATION	BROWARD COUNTY POPULATION	BROWARD COUNTY PERSONAL INCOME*	BROWARD COUNTY PER CAPITA PERSONAL INCOME	UNEMPLOYMENT RATE
2017	179,063	1,873,970	$ 89,572,271	$ 47,798	3.3%
2016	176,747	1,854,513	85,167,498	45,924	4.6%
2015	175,123	1,827,367	80,905,552	44,274	4.9%
2014	171,544	1,838,844	80,525,783	43,792	5.2%
2013	170,065	1,815,137	78,687,882	43,351	5.2%
2012	166,200	1,753,162	76,133,577	43,426	8.5%
2011	165,500	1,748,100	72,752,112	41,618	10.7%
2010	180,400	1,742,900	73,590,969	42,223	12.1%
2009	180,100	1,756,500	71,994,871	40,988	10.9%
2008	179,700	1,763,600	70,454,147	39,949	6.4%

* Personal income in thousands of dollars.

Sources: Fort Lauderdale population obtained from the Bureau of Economic and Business Research, University of Florida. Broward County population and personal income obtained from the Bureau of Economics Analysis, U.S. Department of Commerce. Unemployment rates obtained from the Bureau of Labor Statistics, U.S. Department of Labor.

PRINCIPAL EMPLOYERS **Schedule 14**
CURRENT YEAR

TOP EMPLOYERS

OVER 5,000

Broward County School Board
Broward County Government
Broward Health

2,500 - 4,999

City of Fort Lauderdale
AutoNation
Broward College

1,000 - 2,499

Rick Case Automotive Group
Kaplan
Citrix Systems

UNDER 1,000

Sun-Sentinel Co./ WSFL-TV
Zimmerman Advertising
Patriot National
Weatherby Healthcare
Trividia Health

Note: Little reliable data currently exists on employment within the City of Fort Lauderdale. The above estimates are assembled from data provided by the Broward Alliance, Broward County Government, the Broward County School District, and the City of Fort Lauderdale's Economic Development Division. Information for prior years is unavailable.

Fort Lauderdale is a part of the diverse economy of Broward County. Service industries dominate the local employment environment. Primary sectors of the services within the City are marine-related industries, tourism, retail and wholesale trade.

FULL TIME EQUIVALENT CITY GOVERNMENTAL EMPLOYEES BY FUNCTION/PROGRAM LAST TEN FISCAL YEARS

Schedule 15

FUNCTION/PROGRAM	2008	2009	2010	2011	2012	2013	2014	2015	2016	**2017**
General Government										
Business Enterprises	10.00	10.00	10.00	10.00	51.00	-	-	-	-	**-**
City Commission	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	**12.00**
City Manager	18.00	18.00	18.00	21.00	18.00	33.00	34.00	51.00	52.00	**55.00**
City Attorney	26.00	26.00	26.00	25.00	25.00	25.00	25.00	30.60	31.60	**31.60**
City Auditor	5.00	5.00	5.00	5.00	5.00	5.00	5.00	6.00	6.00	**6.00**
City Clerk	6.00	6.00	6.50	6.50	6.60	7.40	7.40	7.40	7.40	**7.40**
Finance	64.00	64.00	64.00	65.00	66.00	58.40	58.00	67.00	67.00	**70.00**
Human Resources	24.00	24.00	20.00	19.00	29.00	32.00	33.00	42.60	42.60	**41.40**
Information Systems	38.80	38.60	38.30	38.12	38.60	63.10	65.70	77.20	78.20	**78.20**
Office of Management and Budget	13.00	13.00	12.00	-	-	-	-	-	-	**-**
Office of Professional Standards	4.00	4.00	3.00	3.00	-	-	-	-	-	**-**
Procurement	11.30	11.00	11.00	11.00	-	-	-	-	-	**-**
Planning and Zoning	36.20	36.40	31.30	31.00	31.00	-	-	-	-	**-**
Public Works	52.00	52.00	36.00	48.00	115.00	53.00	39.00	57.00	57.00	**58.00**
Public Information	11.00	11.00	11.00	10.00	10.00	-	-	-	-	**-**
Sustainable Development	-	-	-	-	-	-	-	-	6.00	**-**
Public Safety										
Building Services	117.40	117.00	108.00	98.00	97.00	-	-	-	-	**-**
Fire Rescue	464.70	465.20	461.00	458.90	461.00	461.10	447.30	454.80	454.80	**472.80**
Police	693.50	696.70	702.90	696.00	673.00	673.00	682.30	712.30	709.30	**724.90**
Physical Environment										
Business Enterprises	1.00	1.00	1.00	1.00	-	-	-	-	-	**-**
Public Works	521.30	523.50	520.50	492.38	419.40	354.00	371.00	376.00	376.00	**387.00**
Transportation & Mobility										
Business Enterprises	14.00	14.00	16.00	16.00	16.00	6.00	-	-	-	**-**
Transportation	-	-	-	-	-	-	8.50	15.50	15.50	**17.00**
Parking and Fleet Services	52.90	54.60	51.90	49.80	81.60	75.40	78.10	78.00	78.00	**80.80**
Executive Airport	23.00	23.00	23.00	22.00	18.00	18.00	19.80	21.80	21.80	**20.80**
Public Works	11.60	11.60	8.50	5.20	3.20	4.00	3.00	5.00	5.00	**4.00**
Arts & Science District Garage	-	-	5.60	8.80	-	1.50	1.60	1.60	1.60	**1.60**
Economic Environment										
Economic Development	21.00	21.00	20.00	18.00	19.00	130.50	140.10	170.90	193.50	**215.50**
Planning and Zoning	19.00	17.00	17.00	17.00	15.00	-	-	-	-	**-**
Culture and Recreation										
Parks and Recreation	337.00	344.40	314.90	281.40	274.80	415.80	366.00	381.40	387.40	**401.50**
Business Enterprises	40.20	40.70	40.40	40.20	-	-	-	-	-	**-**
Total	2,647.90	2,660.70	2,594.80	2,509.30	2,485.20	2,428.20	2,396.80	2,568.10	2,602.70	**2,685.50**

Source: Annual Operating Budgets

OPERATING INDICATORS BY FUNCTION/PROGRAM LAST TEN FISCAL YEARS

Schedule 16

FUNCTION/PROGRAM	2008	2009	2010	2011	2012	2013	2014	2015	2016	**2017**
Public Safety										
Police										
911 & Non Emergency Calls Received (1)	654,123	684,524	588,913	567,692	564,131	560,155	492,536	N/A	N/A	**N/A**
Citations Issued	51,470	44,140	50,541	60,677	56,457	45,976	38,806	27,991	29,376	**35,110**
Arrests	14,018	13,903	14,601	17,256	13,752	13,172	10,995	8,067	7,174	**6,961**
Transportation and Mobility										
Parking										
Parking Citations Issued (Excluding Voids)	112,485	107,092	99,786	97,922	90,960	98,804	98,380	110,109	127,733	**110,642**
Fire Rescue										
Total Incidents (2)	41,778	41,416	41,468	42,378	42,642	43,959	47,028	53,380	53,430	**52,982**
Total Fire Incidents	645	636	521	639	578	542	529	600	582	**600**
Inspections Performed	20,352	16,663	16,754	20,267	24,951	19,570	20,075	24,564	19,852	**20,739**
Physical Environment										
Water Distribution										
Water Main Failures/Repairs	107	86	52	42	29	76	144	93	107	**153**
New Water Mains Construction (Feet) (3)	22,976	21,827	19,927	20,356	22,736	22,000	5,809	595	163	**779**
Water and Wastewater Treatment										
Raw Wastewater Treated (Billions of Gallons)	13.50	14.20	12.90	12.87	15.70	14.31	14.24	13.59	14.05	**14.11**
Raw Water Treated (Billions of Gallons)	15.64	16.57	15.42	14.86	13.92	14.36	14.26	15.14	14.79	**13.65**
Sanitation										
Household Refuse Collected (Tons)	48,408	45,350	43,528	42,088	42,174	40,671	40,441	39,500	44,383	**45,825**
Recycling Tonnage	7,989	8,269	8,650	7,891	9,107	11,688	10,060	10,692	10,864	**10,747**
Culture and Recreation										
Parks and Recreation										
Pavilion Rentals	900	1,020	1,145	1,050	664	668	744	708	1,311	**839**
Learn to Swim Registrants	3,594	3,596	2,942	2,988	2,329	2,251	2,509	1,580	1,701	**1,769**
Youth/Sports Club Participants	1,122	1,664	1,200	1,750	2,451	3,141	3,028	2,204	1,824	**1,190**
Summer Camp Registrants	1,317	1,284	1,010	1,058	1,897	2,059	2,228	2,010	2,137	**2,276**

(1) Function no longer performed by the City; it was transferred to Broward Sheriff's Office as of August 1, 2014.
(2) Fiscal year 2014 was amended number by Fire department.
(3) Fiscal year 2016, small water main crews assigned to other duties, such as storm sewer repairs and other maintenance tasks. Consultants have initiated design to be constructed in FY2016.

CAPITAI ASSETS STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Schedule 17

FUNCTION/PROGRAM	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Government										
City Buildings	112	112	112	112	112	112	112	112	112	**112**
Public Safety										
Police										
Police Stations	1	1	1	1	1	1	1	1	1	**1**
Marked Units (cars, vans, trailers, bomb van)	408	414	420	405	420	393	380	462	439	**391**
Unmarked Units (cars)	209	214	214	229	223	237	236	228	239	**236**
Fire Rescue										
Fire Stations	11	11	11	10	10	10	10	10	10	**10**
Fire Apparatus	20	20	20	20	20	20	20	20	20	**20**
Ambulances	20	20	20	19	19	20	20	20	24	**24**
Physical Environment										
Public Works - Water and Sewer										
Fire Hydrants	5,352	5,352	5,420	5,621	5,804	5,872	5,979	6,103	6,105	**6,167**
Water Mains (miles)	750	750	757	782	786	786	784	782	780	**780**
Water Plants (2) - capacity per day (million gallons)	82	82	82	82	82	82	82	82	82	**82**
Wastewater Plant - capacity per day (million gallons)	56	56	56	56	56	56	56	56	57	**57**
Sanitary Sewers (miles)	503	503	546	577	585	621	598	592	592	**592**
Storm Drainage (miles)	149	149	160	163	170	171	171	181	184	**184**
Storm and Wastewater Pumping Stations	153	153	198	208	208	213	193	190	193	**190**
Transportation										
Public Works - Road and Street Facilities										
Streets (miles)	497	497	497	498	500	500	525	525	525	**523**
Sidewalks (miles)	312	312	312	312	325	425	425	425	425	**425**
Bridges	51	51	51	51	51	52	52	51	51	**51**
Community Bus	11	11	3	3	32	3	3	12	12	**6**
Parking and Fleet Services										
City Maintained Parking Spaces	9,078	9,224	9,438	9,506	9,347	10,923	11,025	10,963	10,997	**10,859**
City Parking Garages	4	4	4	4	4	4	4	4	4	**4**
Meters (single and multi-space)	2,495	2,104	2,477	2,104	2,496	2,326	2,330	2,096	1,830	**1,736**
Culture and Recreation										
Public Beach (miles)	5	5	5	5	5	5	5	5	5	**5**
Municipal Swimming Pools	14	13	13	13	12	13	13	13	13	**13**
Public Parks (acres)	744	756	786	786	786	876	876	876	880	**880**
War Memorial Auditorium (Seating Capacity)	2,110	2,110	2,110	2,110	2,110	2,110	2,110	2,110	2,110	**2,110**
Lockhart Stadium (Seating Capacity)	19,500	18,800	19,500	19,500	19,500	19,500	19,500	19,500	19,500	**-**
Fort Lauderdale Stadium (Seating Capacity)	8,340	8,340	8,340	8,340	8,340	8,340	8,340	8,340	8,340	**-**
Fort Lauderdale Aquatic Complex (Seating Capacity)	2,540	2,540	2,465	1,840	1,740	1,740	1,740	1,740	1,740	**1,740**
Bahia Mar Yachting Center - Municipal Yacht Slips	200	200	200	200	219	250	250	250	250	**250**

Source: Various City departments and the budget book.

Independent Auditor's Report

Independent Auditor's Report

Independent Auditor's Report

CITY OF FORT LAUDERDALE, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FISCAL YEAR ENDED SEPTEMBER 30, 2017

Federal/State Grantor, Pass-through Grantor Federal Programs/State Projects	CFDA# CSFA #	Contract/ Grant Number	Financial Project Number	Expenditures	Transfer to Subrecipient
I. CASH FEDERAL FINANCIAL ASSISTANCE					
U. S. Department of Agriculture:					
Indirect Programs:					
Food and Nutrition Service					
Summer Food Service Program for Children					
Passed Through Florida Department of Agriculture Food and Consumer Services					
Summer Food Service Program for Children - FY16	10.559	04-0987	N/A	$ 500	$ -
Summer Food Service Program for Children - FY17	10.559	04-0987	N/A	115,837	-
Total CFDA # 10.559				116,337	-
Child and Adult Care Food Program					
Passed Through Florida Department of Health Child Care					
Afterschool Snack Program - FY17	10.558	N/A	N/A	38,770	-
Afterschool Snack Program - FY18	10.558	N/A	N/A	1,333	-
Total CFDA # 10.558				40,103	-
Total U. S. Department of Agriculture				156,440	-
U.S. Department of Housing and Urban Development :					
Office of Community Planning and Development					
Direct Programs:					
Community Development Block Grants / Entitlement Grants	14.218		N/A	1,172,636	406,333
Community Development Block Grants / Entitlement Grants	14.218	B-08-MN-12-0007	N/A	6,455	-
Community Development Block Grants / Entitlement Grants	14.218	B-11-MN-12-0007	N/A	19,366	-
Total CFDA # 14.218				1,198,457	406,333
Emergency Solutions Grant Program	14.231			25,150	25,150
Home Investment Partnerships Program	14.239			887,432	-
Housing Opportunities for Persons with AIDS	14.241	FL-H13-F-004		6,737,795	6,478,920
Indirect Programs:					
Continuum of Care Program					
Passed Through Broward County					
Chronic Homelessness Housing Collaborative (CHHC) - FY16	14.267	14-CP-HIP-8261-HUD-1	N/A	58,729	-
Chronic Homelessness Housing Collaborative (CHHC) - FY17	14.267	17-CP-HIP-8261-HUD-15	N/A	254,128	-
Total CFDA # 14.267				312,857	-
Total U.S. Department of Housing and Urban Development				9,161,691	6,910,403
U.S. Department of the Interior					
Indirect Programs:					
U.S. Fish and Wildlife Service					
Sport Fish Restoration - Boating Access					
Passed Through Florida Department of Fish and Wildlife Conservation Commission					
George English Park Boat Ramp Replacement and Renovation	15.605	FL F-F16AF00137	14090	50,034	-
Total U.S. Department of Interior				50,034	-

CITY OF FORT LAUDERDALE, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FISCAL YEAR ENDED SEPTEMBER 30, 2017

Federal/State Grantor, Pass-through Grantor Federal Programs/State Projects	CFDA# CSFA #	Contract/ Grant Number	Financial Project Number	Expenditures	Transfer to Subrecipient
U.S. Department of Justice:					
Direct Programs:					
Office of Community Oriented Policing Services					
Public Safety Partnership and Community Policing Grants					
Cops Hiring Program	16.710	2016ULWX0022		40,227	-
Indirect Programs:					
Office of Juvenile Justice and Delinquency Prevention					
Juvenile Justice Delinquency Program					
Passed Through Florida Department of Juvenile Justice					
Juvenile Justice Delinquency Program	16.540	10314		23,062	-
Bureau of Justice Assistance					
Edward Byrne Memorial Justice Assistance Grant Program					
Passed Through Broward Sheriff's Office					
2014 Edward Byrne JAG Local Solicitation Program	16.738	2014-DJ-BX-0394	N/A	27,589	-
2015 Edward Byrne JAG Local Solicitation Program	16.738	2015-DJ-BX-1021	N/A	94,209	-
Total CFDA # 16.738				121,798	-
Bureau of Justice Assistance					
Justice Assistance Grant Program					
Passed Through Florida Dept of Law Enforcement					
Overtime for Fort Lauderdale Airport Response	16.738	2017-JACG-BROW-7-R3-249	N/A	48,359	-
Direct Programs:					
Federal Equitable Sharing Program					
Forfeiture Fund - Federal Equitable Sharing (Non Treasury)	16.922	N/A	N/A	696,451	-
Total U.S. Department of Justice				929,897	-
U.S. Department of Transportation:					
Direct Programs:					
Federal Aviation Admistration (FAA)					
Airport Improvement Program					
Rehabilitate Taxiway Foxtrot Design	20.106	3-12-0024-029-2016		138,874	-
Runway Incursion Mitigation	20.106	3-12-0024-029-2016		397,570	-
Total CFDA # 20.106				536,444	-
Direct Programs:					
Federal Transit Administration (FTA)					
Federal Transit Capital Investment Grants					
Fort Lauderdale TOD Planning Grant	20.500	FL-2016-051-00		15,603	-
Indirect Programs:					
Federal Transit Administration (FTA)					
Federal Transit Formula Grants					
Passed Through Broward Metropolitan Planning					
Downtown Fort Lauderdale Mobility Hub : Streetscape	20.507	FL-2016-028-00		14,051	-
Total Federal Transit Cluster				29,654	-

CITY OF FORT LAUDERDALE, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FISCAL YEAR ENDED SEPTEMBER 30, 2017

Federal/State Grantor, Pass-through Grantor Federal Programs/State Projects	CFDA# CSFA #	Contract/ Grant Number	Financial Project Number	Expenditures	Transfer to Subrecipient
Indirect Programs:					
Federal Highway Administration (FHWA)					
Highway Planning and Construction					
Passed Through University of South Florida					
FY16 FDOT Pedestrian & Bicycle Safety Enforcement Campaign	20.205	G0E08	433144-1	27,324	-
Recreational Trails Program					
Passed Through Florida Department of Environmental Protection					
Snyder Park Bike Trail	20.219	T14017	T14017	47,110	-
Total Highway Planning and Construction Cluster				74,434	-
Indirect Programs:					
Federal Transit Administration (FTA)					
Passed Through South Florida Regional Transit Authority					
Job Access and Reverse Commute Program (JARC)					
Purchase Trolley and Downtown Link Route Service	20.516	FL-37-X082-00		248,340	-
Passed Through South Florida Regional Transit Authority					
New Freedom Program					
Mobility Management	20.521	FL-57-X050-00		12,621	-
Mobility Management	20.521	FL-57-X050-00		(40,828)	-
Total CFDA # 20.521				(28,207)	-
Total Transit Services Programs Cluster				220,133	-
Total U.S. Department of Transportation				860,665	-
U.S. Department of Treasury					
Direct Programs:					
Federal Equitable Sharing Program					
Equitable Sharing Program	21.000	N/A	N/A	362,629	-
Total U.S. Department of Treasury				362,629	-
National Endowment for the Arts					
Direct Programs:					
Promotion of the Arts Grants to Organizations and individuals					
Design - Our Town	45.024	15-4292-7118	N/A	48,723	-
Total National Endowment for the Arts				48,723	-
U.S. Department of Homeland Security:					
Direct Programs:					
Federal Emergency Management Agency (FEMA)					
Assistance to Firefighters Grant					
FY 2015 Assistance to Firefighters Grant	97.044	EMW-2015-FO-00117	N/A	315,349	-
Port Security Grant Program					
Fiscal Year 2015 Port Security Grant Program	97.056	EMW-2015-PU-00542-S01	N/A	565,734	-
Indirect Programs:					
Homeland Security Grant Program					
Passed Through City of Miami					
FY 2015 Urban Area Security Initiative (UASI) Grant Program?	97.067	16-DS-U7-11-23-02-36	N/A	106,290	-
FY 2015 Urban Area Security Initiative (UASI) Grant Program	97.067	16-DS-U7-11-23-02-36	N/A	7,113	-
Total CFDA # 97.067				113,403	-
Total U.S. Department of Homeland Security				994,486	-
Total Expenditures for Federal Awards				$ 12,564,565	$ 6,910,403

CITY OF FORT LAUDERDALE, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FISCAL YEAR ENDED SEPTEMBER 30, 2017

Federal/State Grantor, Pass-through Grantor Federal Programs/State Projects	CFDA# CSFA #	Contract/ Grant Number	Financial Project Number	Expenditures	Transfer to Subrecipient
III. STATE FINANCIAL ASSISTANCE					
Direct Project:					
Florida Department of Economic Opportunity					
Division of Community Development					
Chronic Homelessness Housing Collaborative (CHHC) - FY16	40.038	HL041	N/A	$ 413,908	$ -
Chronic Homelessness Housing Collaborative (CHHC) - FY17	40.038	HL041	N/A	67,307	-
Total CSFA #40.038				481,215	-
Total Florida Department of Economic Opportunity				481,215	-
Florida Department of Environmental Protection:					
Direct Projects:					
Statewide Surface Water Restoration and Wastewater Projects					
Southeast Isles (Las Olas, Venice and Rio Vista) Tidal					
Vidal and Stormwater Upgrade Project	37.039	S0740	N/A	73,048	-
Total Florida Department of Environmental Protection				73,048	-
Florida Housing Finance Corporation:					
Direct Projects:					
State Housing Initiative Partnership Program (SHIP)	40.901	N/A	N/A	444,128	-
Total Florida Housing Finance Corporation				444,128	-
Florida Department of Transportation					
Direct Projects:					
Public Transit Service Development Program					
Beach Link Operating Grant - 4 day route	55.012	ARA49	434571-1-84-01	105,254	105,254
Transit Corridor Development Program					
Downtown Route Operating Expansion of Routes	55.013	ARA50	434480-1-84-01	106,012	106,012
Total CSFA # 55.013				106,012	106,012
Aviation Grant Programs					
Rehab Airfield Lighting at Fort Lauderdale Executive Airport	55.004	ARN37	431010-1-94-01	1,156,962	-
Runway 9/27 (formerly 8/26) & 13/31 Pavement Rehabilitation	55.004	ART93	433322-1-94-01	513,024	-
Master Plan Study at Ft Lauderdale Executive Airport	55.004	ARN36	431012-1-94-01	208,741	-
Taxiway Intersection Improvements at Ft lauderdale Executive Airport	55.004	GO662	437843-1-94-01	20,694	-
Rehab Taxiway "Foxtrot" Design	55.004	AS119	427873-1-94-01	7,715	-
Airfield Electrical Vault Improvements	55.004	GOA04	437890-1-94-01	64,000	-
Design Western Perimeter Road	55.004	GO659	429711-1-94-01	37,545	-
Total CSFA # 55.004				2,008,681	-
Joint Participation Agreement					
Milling & Resurface West Bound SR5/US1		A5181	428726-2-58-01	90,802	-
Total Florida Department of Transportation				2,310,749	211,266
Florida Department of Health					
Direct Projects:					
Emergency Medical Services (EMS) Matching Awards					
Automated External Defibrillators (AED) - purchase	64.003	M4291	N/A	15,900	-
Total Expenditures of State Financial Assistance				$ 3,309,140	$ 211,266
II. NON CASH FEDERAL FINANCIAL ASSISTANCE					
U.S. Department of Transportation					
Passed Through Florida Department of Emergency Management (FDEM)					
Hazardous Materials Emergency Preparedness (HMEP) Grant Funds					
Hazardous Materials Equipment			N/A	$ 15,160	$ -

CITY OF FORT LAUDERDALE, FLORIDA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
For the Year Ended September 30, 2017

1. General

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance (the Schedule) presents the activity of all federal awards programs and state financial assistance projects of the City of Fort Lauderdale, Florida (the City), for the year ended September 30, 2017. Federal awards programs and state financial assistance projects received directly, as well as passed through other government agencies, are included on the Schedule.

The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance).

2. Basis of Accounting

The accompanying Schedule is presented using the modified accrual basis of accounting for expenditures accounted for in the governmental funds and the accrual basis of accounting for expenditures in the proprietary funds. Under the modified accrual basis, revenue is recognized if it is both measurable and available for use during the fiscal year and expenditures are recognized in the period liabilities are incurred, if measurable. Under the accrual basis, expenditures are recognized in the period liabilities are incurred.

The expenditures are recognized following the costs principles contained in Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

3. Program Clusters

The Uniform Guidance defines a cluster of programs as a grouping of closely related programs that share common compliance requirements. Based on this definition, similar programs are presented accordingly.

4. Contingency

The grant revenue amounts received are subject to audit and adjustment. If any expenditures or expenses are disallowed by the grantor agencies as a result of such an audit, any claim for reimbursement to the grantor agencies would become a liability of the City. In the opinion of management, all grant expenditures are in compliance with the terms of the grant agreements and applicable federal and state laws and regulations.

5. Non-Cash and Federal Insurance

In fiscal year 2017, the City received non-cash assistance from the U.S Department of Transportation for Hazardous Materials Equipment in the amount of $15,161.

6. De Minimis Cost

The City did not elect to use the 10% de minimis cost rate in fiscal year 2017.

Schedule of Findings and Questioned Costs

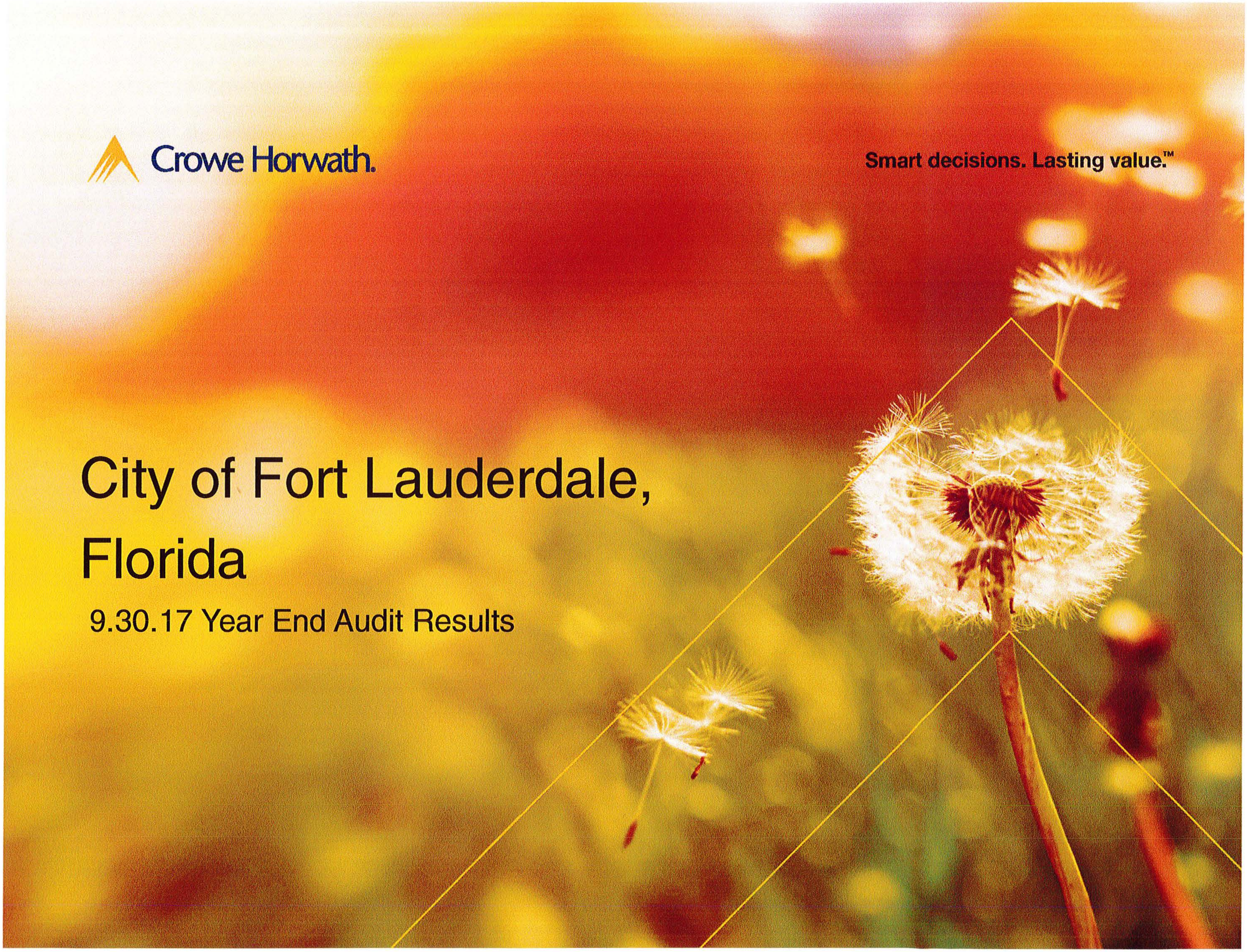
Schedule of Findings and Questioned Costs

Schedule of Findings and Questioned Costs

CITY OF FORT LAUDERDALE

Independent Accountant's Report on Compliance

Independent Auditor's Management Letter


Crowe Horwath.
Smart decisions. Lasting value.™
City of Fort Lauderdale,
Florida
9.30.17 Year End Audit Results

Agenda

- Audit Results
- Those Charged with Governance Communication

The accompanying information should be read in conjunction with the audited financial statements and is intended solely for the information and use of the Mayor, City Commissioners, Audit Advisory Board, management and others within the organization and is not intended to be and should not be used by anyone other than these specified parties.

Audit Results

- Audit Report on the Comprehensive Annual Financial Report
  - Unmodified Opinion
- Internal Control and Compliance Report - *Governmental Auditing Standards*
  - Material Weakness – Schedule of Federal Expenditures and State Financial Assistance
  - No Significant Deficiencies or Non-Compliance
- Single Audit Report - Federal and State
  - Unmodified Opinion
  - No Material Weaknesses, Significant Deficiencies or Findings
- Management Letter
  - No Written Comments
  - Verbal Comments

Those Charged with Governance Communication

- Auditor's Responsibility Under Auditing Standards Generally Accepted In The United States Of America
- Auditor's Responsibility Under *Government Auditing Standards*
- Significant Accounting Policies
- Management's Judgments And Accounting Estimates
- Auditor's Judgments About Qualitative Aspects of Significant Accounting Practices
- Corrected And Uncorrected Misstatements
- Other Communications
  - Other Information in Documents Containing Audited Financial Statements
  - Significant Difficulties Encountered During the Audit
  - Disagreements with Management
  - Consultations with Other Accountants
  - Representations the Auditor Is Requesting from Management
  - Significant Issues Discussed, or Subject to Correspondence, with Management
  - Other Findings or Issues We Find Relevant or Significant