

COMPREHENSIVE ANNUAL FINANCIAL REPORT

CITY OF FORT LAUDERDALE, FLORIDA



Fiscal Year Ended
September 30, 2018



Comprehensive Annual Financial Report

of the

City of Fort Lauderdale, Florida



Fiscal Year Ended
September 30, 2018

Prepared by
The Finance Department



WE BUILD COMMUNITY

COMMISSION – MANAGER FORM OF GOVERNMENT

CITY COMMISSION

Dean J. Trantalis
Mayor

Robert L. McKinzie
Vice Mayor
Commissioner, District III

Heather Moraitis
Commissioner, District I

Steven Glassman
Commissioner, District II

Ben Sorensen
Commissioner, District IV

Chris Lagerbloom, ICMA-CM
City Manager

Alain E. Boileau
City Attorney

Jeff A. Modarelli
City Clerk

John Herbst, CPA, CGFO, CGMA
City Auditor

Linda A. Logan-Short, CGFO, CPM
Interim Assistant City Manager/Chief Financial Officer

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

Laura L. Garcia, CGFO
Acting Deputy Director of Finance



CITY OF FORT LAUDERDALE, FLORIDA
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FISCAL YEAR ENDED SEPTEMBER 30, 2018

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CITY OF FORT LAUDERDALE



May 29, 2019

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, 2018. 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 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, are 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, 2018, the plans had total assets of \$1.656 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, 2018, the Trust had total assets of \$26.7 million.

Economic Condition

The City of Fort Lauderdale's taxable assessed value for tax year 2018 increased by 7.87% from 2017. New construction, which represents improvements to real property that were not on the tax roll in the prior year, added \$824.1 million to the tax roll. This is the sixth 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
2018-Certified	\$824,076,040	\$ 36,476,192,981	7.87%	4.1193
2017-Final	340,929,480	33,814,082,037	8.74%	4.1193
2016-Final	455,847,640	31,095,357,422	9.08%	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

Economic indicators point to a healthy economy. According to the Bureau of Labor Statistics, Broward County's civilian labor force was 1,043,575 as of September 2018, amounting to a slight increase from the prior year of 1,042,982. The unemployment rate declined to 2.8% as compared to 3.3% in the prior year. More than 12.8 million visitors selected the Greater Fort Lauderdale area as their destination of choice and spent in excess of \$14.2 billion on tourism in 2017. In addition, tax revenue from area hotels generated \$65.1 million.

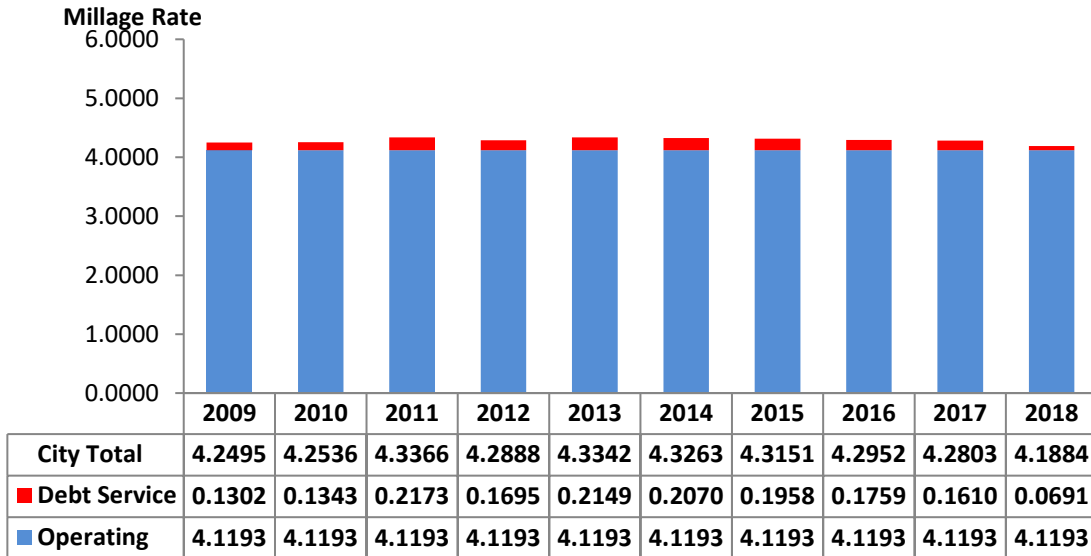
Long-term Financial Planning

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 2018, 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 2018 is the eleventh 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.

Millage Rate History



Over 65.2% of the General Fund budget for operating expenditures is dedicated to public safety through police, fire rescue, and code enforcement. Another 11.8% is allocated to cultural and recreational quality of life programs.

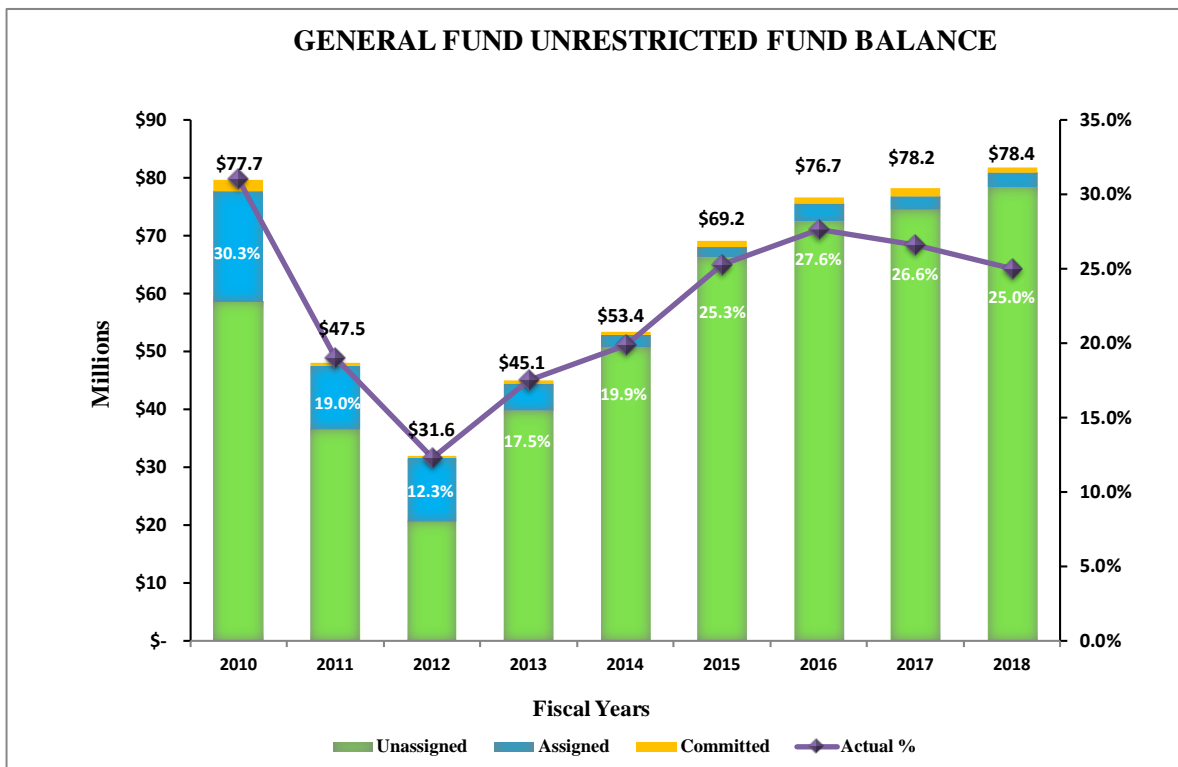
Financial Policies

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 2018 the General Fund unrestricted balance increased from \$78.2 million to \$78.4 million. At 25.0%, this amount exceeds the minimum unrestricted requirement for the General Fund by \$26.2 million. The chart below presents an 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, 2018 was \$682.6 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 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 2018

The FY 2018 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 2018 included significant focus on our Beach and Northwest-Progresso-Flagler Heights Community Redevelopment areas. In addition, the following were key priorities for Fiscal Year 2018:

- Priority Water and Sewer System Improvements
- Central Regional Wastewater System
- Seawall Repairs, Replacements, and Restorations
- Aquatics Complex Renovations
- Executive Airport Improvements
- New Emergency Medical Services Station
- Broward County Segment II Beach Nourishment
- Priority City-wide Facility Repairs
- Stormwater Infrastructure Improvements
- Public Safety Radios and Ancillary Components
- Road Maintenance and Resurfacing
- War Memorial Auditorium Renovations, Phase II
- Field Conversion at Holiday Park
- Utility Coordination with Florida Department of Transportation
- Riverland Road "Complete Streets" Improvements
- Structural and Electrical Garage Improvements
- Marine Facilities
- Mills Pond Park Boat Ramp Replacement and restrooms
- City-wide Playground Replacements
- City Infrastructure
- Neighborhood and Community Investment Projects
- Parker Playhouse Renovations

FY 2018 enhancements to the City included 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).

Major Initiatives of FY 2019

The FY 2019 adopted operating budget and community investment plan includes over \$269.5 million in funding enhancements and new or reprioritized projects, including 35 new positions that are presented by Cylinder of Excellence. Each project and funding enhancement recommendation was made in an effort to enhance the City's capacity to meet the needs of the Community.

Fiscal year 2019 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. For example, funding enhancements to the budget include two positions for a new food recovery program; a new Chief Education Officer position; equipment replacement and upgrades for the Fire-Rescue Department; enhanced median maintenance to beautify our City; a new position and three additional vehicles to enhance the Parks and Recreation Department's facilities maintenance program; a new position and resources to enhance economic development; and transportation technology solutions including Bluetooth sensors.

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 2019 such as:

Regional Renewal & Replacement	\$6,729,282
Taxiway Foxtrot Relocation	5,313,507
SR A1A (Westside) Corridor Improvement	3,447,101
Mills Pond Park Artificial Turf	3,000,000
Coral Ridge Small Watermain Improvements	1,904,997
GTL Mechanical Integrity Test	1,700,000
Underground Injection Control (Uic) Permits	1,700,000
Las Olas Blvd Corridor Improvements	1,500,000
GTL Effluent Pumps Replacement	1,455,258
Aviation Equipment & Service Facility Expansion	1,300,000
Facility Assessment - Hvac Priorities	1,300,000
FXE Airfield Signage Replacement	1,248,000
Imperial Point B-10 Sewer Basin Rehabilitation	1,188,143
Aquatics Complex Renovations	1,100,000
Sidewalk And Paver Replacement	1,000,000
Hector Park Stormwater Improvements	843,474
Coral Shores Small Watermain Improvements	843,704
Florence C. Hardy Park Improvements	800,000
Annual Asphalt Resurfacing	763,262
Bridge Restoration	750,000
Mills Pond Green Improvements	749,300
Police Marine Patrol Vessels	710,000

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's Quality Management System is certified under the ISO 9001:2015 standard.



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 was reaccredited most recently in 2019 and holds the 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.



Fort Lauderdale Fire Rescue maintained their accredited status through the Center for Public Safety Excellence "CPSE" acknowledging our commitment to provide our citizens with the best possible service available.



Fort Lauderdale Fire Rescue is rated a "Class 1" department by the Insurance Services Office "ISO". This certification notifies insurance companies of the exceptional level of service we provide our residents.



Fort Lauderdale Fire Rescue earned accreditation from the "Commission on Accreditation of Ambulance Services" acknowledging our outstanding emergency medical care.



Fort Lauderdale's Emergency Management Office is accredited status through the Emergency Management Accreditation Program, or EMAP.



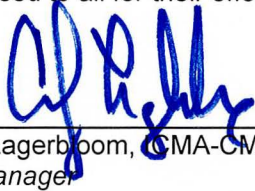
The City of Fort Lauderdale has received national recognition as a Playful City USA community from the non-profit organization KaBOOM! Today's children spend less time playing outside than any previous generation, but the City of Fort Lauderdale has earned the national title due to its efforts to increase 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, 2017. This was the 41st 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 fifth 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.



Chris Lagerboom, CMA-CM
City Manager



Linda Logan-Short, CGFO, CPM
Interim Assistant City Manager/Chief Financial Officer



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



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Fort Lauderdale
Florida**

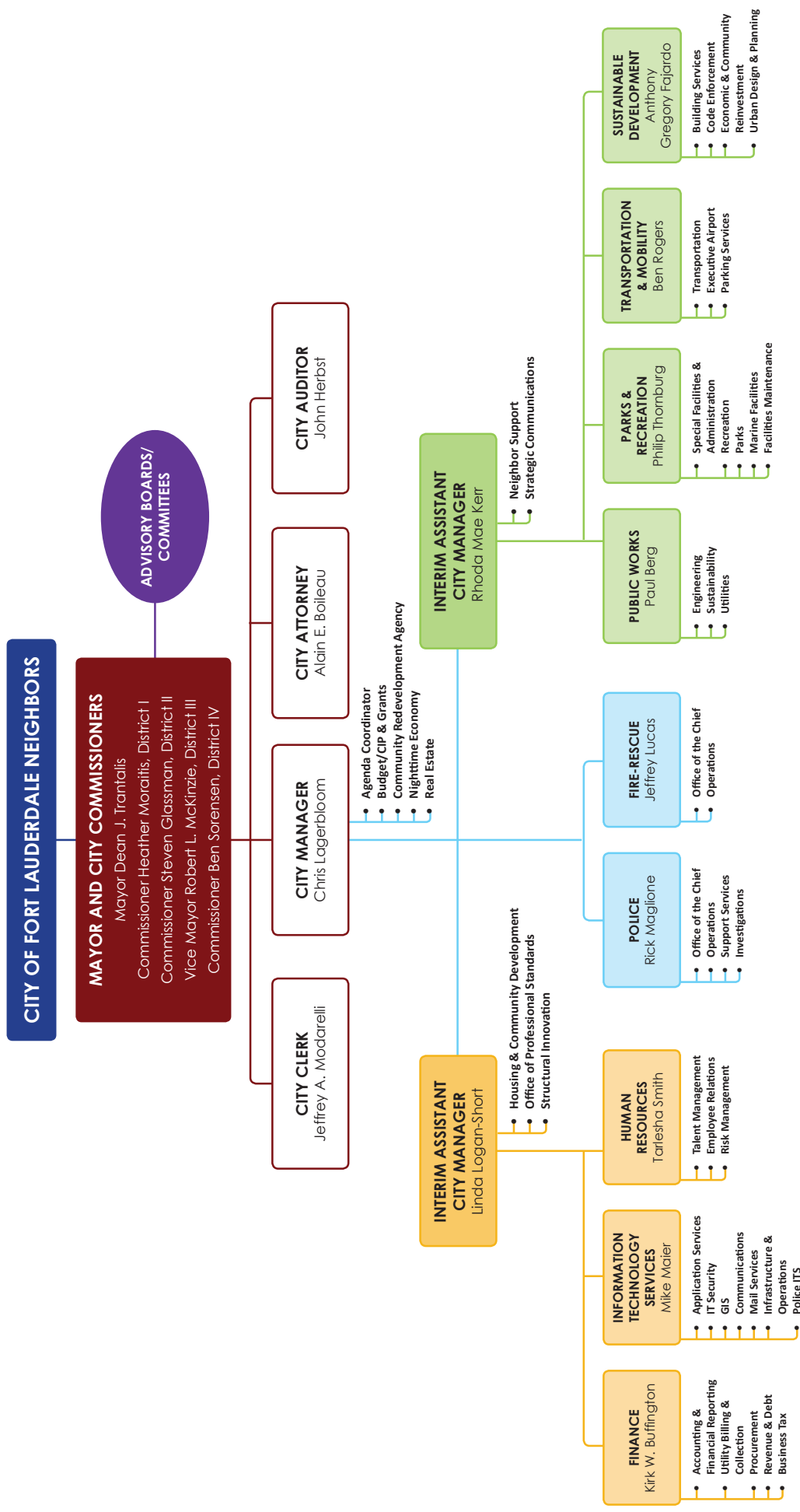
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2017

Christopher P. Morrill

Executive Director/CEO

CITY OF FORT LAUDERDALE ORGANIZATIONAL CHART





CITY OF FORT LAUDERDALE

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor,
City Commission and City Manager
City of Fort Lauderdale, Florida
Fort Lauderdale, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Fort Lauderdale, Florida (the "City"), as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the City of Fort Lauderdale Police and Fire Retirement System (the "System"), which represents 42 percent, 45 percent, and 24 percent, respectively, of the assets, net position, and revenues of the aggregate remaining fund information of the City. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the System, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis, the budgetary comparison schedule, schedules of changes in the net pension liability and related ratios, schedule of changes in the net OPEB liability and related ratios, schedules of contributions, and the schedule of investment returns on pages 5 to 17, 94 to 96, 97 to 104 and 105, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining financial statements; the schedule of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and Chapter 10.550, *Rules of the Auditor General*; the introductory and statistical sections and the other financial information are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining financial statements and the schedule of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and Chapter 10.550, *Rules of the Auditor General*, are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining financial statements and the schedule of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and Chapter 10.550, *Rules of the Auditor General*, are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Report on Other Legal and Regulatory Requirements

In accordance with *Government Auditing Standards*, we have also issued our report May 29, 2019 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.


Crowe LLP

Fort Lauderdale, Florida
May 29, 2019



CITY OF FORT LAUDERDALE

CITY OF FORT LAUDERDALE, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
September 30, 2018

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) 2018. 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, 2018 by \$1,024.8 million (net position). Of this amount, \$288.8 million was from governmental activities and \$736.0 million was from business-type activities.
- The City's revenues for governmental activities, excluding transfers, totaled \$422.2 million, a 4.3% or \$17.3 million increase from FY2017. Charges for services increased by \$2.9 million and property taxes increased by \$8.2 million. Expenses for governmental activities increased by \$31.6 million or 9.2% to \$374.3 million. Economic environment and public safety increased by \$16.3 million and \$15.7 million, respectively.
- Revenues related to business-type activities increased by \$12.3 million to \$214.8 million and expenses, excluding transfers, increased by \$11.2 million to \$196.3 million.
- The General Fund's fund balance increased by \$195,988 to \$78.4 million. Unassigned fund balance increased from \$74.5 million in FY2017 to \$75.0 million in FY2018. More detailed information on the General Fund activities can be found on page 13.
- The City's long-term debt increased by \$159.0 million net of retirements, unamortized premiums and discounts to \$845.2 million; this was primarily due to the issuance of the Water and Sewer Revenue Bonds, Series 2018 in the amount of \$196.0 million.

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, stormwater, the parking system, and the Fort Lauderdale Executive Airport (FXE).

CITY OF FORT LAUDERDALE, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
September 30, 2018

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 *statement of activities* and *statement of net position*. Refer to the Summary of Significant Accounting Policies for additional information on individual component units on page 37. 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, stormwater, the parking system, and the executive airport. 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.

CITY OF FORT LAUDERDALE, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
September 30, 2018

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, 2018 and 2017.

City of Fort Lauderdale								
Net Position								
(in thousands of \$)								
	Governmental		Business-type		Total		Increase/ (Decrease)	
	Activities	Activities	Activities	Activities	2018	2017	Amount	Percent
	2018	2017	2018	2017	2018	2017		
Assets and Deferred Outflows of Resources								
Current and Other Assets	\$ 427,378	\$ 410,128	\$ 410,675	\$ 237,107	\$ 838,053	\$ 647,235	\$ 190,818	29.48%
Capital Assets (Net)	342,897	317,197	923,509	889,088	1,266,406	1,206,285	60,121	4.98%
Total Assets	770,275	727,325	1,334,184	1,126,195	2,104,459	1,853,520	250,939	13.54%
Deferred Outflows of Resources	20,918	24,308	21,191	24,467	42,109	48,775	(6,666)	-13.67%
Total Assets and Deferred Outflows of Resources	791,193	751,633	1,355,375	1,150,662	2,146,568	1,902,295	244,273	12.84%
Liabilities and Deferred Inflows of Resources								
Current and Other Liabilities	90,545	76,209	41,598	41,660	132,143	117,869	14,274	12.12%
Long-Term Liabilities	373,891	413,605	565,585	386,245	939,476	799,850	139,626	17.45%
Total Liabilities	464,436	489,814	607,183	427,905	1,071,619	917,719	153,900	16.77%
Deferred Inflows of Resources	37,918	32,827	12,192	7,245	50,110	40,072	10,038	155.47%
Total Liabilities and Deferred Inflows of Resources	502,354	522,641	619,375	435,150	1,121,729	957,791	163,938	22.57%
Net Position								
Net Investment in Capital Assets	311,297	278,879	555,520	522,646	866,817	801,525	65,292	8.15%
Restricted	169,408	166,812	43,234	41,293	212,642	208,105	4,537	2.18%
Unrestricted	(191,866)	(216,699)	137,246	151,573	(54,620)	(65,126)	10,506	-16.13%
Total Net Position	\$ 288,839	\$ 228,992	\$ 736,000	\$ 715,512	\$ 1,024,839	\$ 944,504	\$ 80,335	8.51%

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 \$866.9 million

CITY OF FORT LAUDERDALE, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited) September 30, 2018

represents 84.6% 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 (18.8%) represents resources subject to external restrictions (\$192.3 million). The unrestricted balance decreased by \$15.8 million compared to the end of FY2017 and the reasons for the overall decrease 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 FY2018, the total net position increased by \$80.3 million. 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)	
	2018	2017	2018	2017	2018	2017	Amount	Percent
Revenues								
Program Revenues								
Charges for Services	\$ 151,158	\$ 149,634	\$ 200,628	\$ 192,786	\$ 351,786	\$ 342,420	\$ 9,366	2.74%
Operating Grants and Contributions	35,370	30,820	-	-	35,370	30,820	4,550	14.76%
Capital Grants and Contributions	1,519	2,669	8,638	7,092	10,157	9,761	396	4.07%
General Revenues								
Property Taxes	135,946	127,785	-	-	135,946	127,785	8,161	6.39%
Other Taxes	68,892	66,471	-	-	68,892	66,471	2,421	3.64%
Other	29,360	27,580	5,525	2,617	34,885	30,197	4,688	15.52%
Total Revenues	422,245	404,959	214,791	202,495	637,036	607,454	29,582	4.64%
Expenses								
General Government	59,352	57,048	-	-	59,352	57,048	2,304	4.04%
Public Safety	210,940	195,228	-	-	210,940	195,228	15,712	8.05%
Physical Environment	7,140	7,416	167,919	156,936	175,059	164,352	10,707	6.51%
Transportation	5,921	9,237	28,413	28,214	33,704	37,451	(3,747)	-10.00%
Economic Environment	39,150	22,871	-	-	39,150	22,871	16,279	71.18%
Culture/Recreation	40,454	38,776	-	-	40,454	38,776	1,678	4.33%
Interest on Long-Term Debt	11,955	12,083	-	-	11,955	12,083	(128)	-1.06%
Total Expenses	374,282	342,659	196,332	185,150	570,614	527,809	42,805	8.11%
Change in Net Position before transfers	47,963	62,300	18,459	17,345	66,422	79,645	(13,223)	-16.60%
Transfers	(2,029)	(3,372)	2,029	3,372	-	-	-	0.00%
Sale of General Capital Assets	13,913	-	-	20,705	13,913	20,705	(6,792)	0.00%
Change in Net Position	59,847	58,928	20,488	41,422	80,335	100,350	(20,015)	-16.60%
Beginning Net Position	228,992	170,064	715,512	674,090	944,504	844,154	100,350	11.89%
Ending Net Position	\$ 288,839	\$ 228,992	\$ 736,000	\$ 715,512	\$ 1,024,839	\$ 944,504	\$ 80,335	9.43%

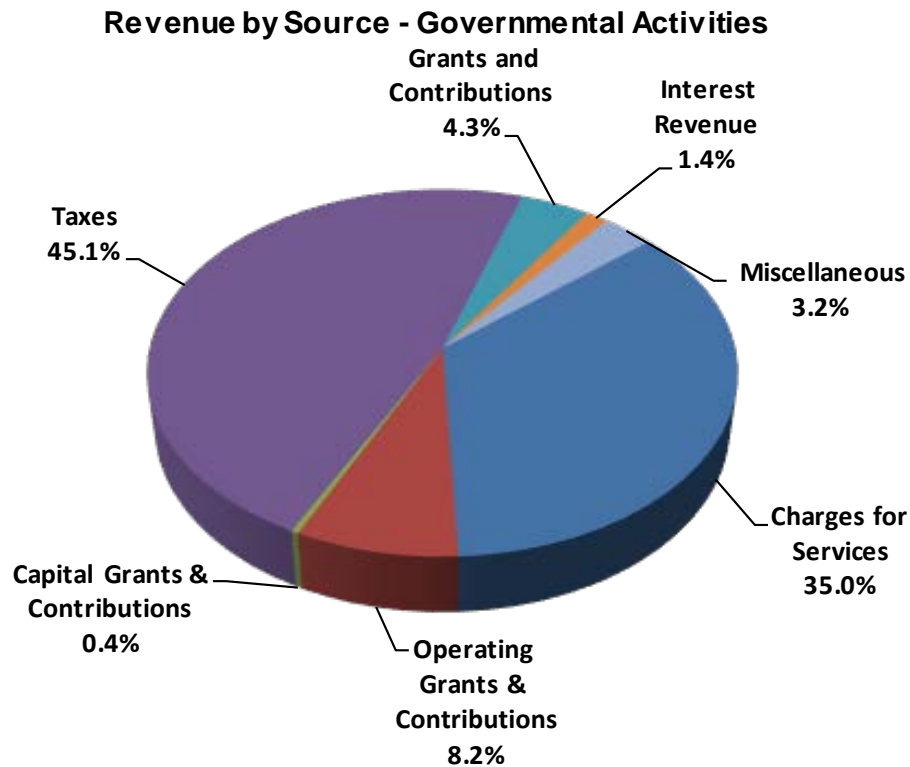
CITY OF FORT LAUDERDALE, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
September 30, 2018

The governmental activities net position showed an increase of \$59.8 million. Total revenues from governmental activities increased by \$17.3 million compared to FY2017. Although the property tax levy millage rate remained constant for the eleventh consecutive year, there was a \$8.2 million increase in property tax revenues resulting from an increase in property values. In FY2018, operating grants and contributions increased by \$4.5 million, charges for services increased by \$1.5 million, and other taxes, comprised of public service taxes, franchise fees and insurance premium taxes, increased by \$2.4 million.

Expenses for governmental activities increased by 9.2% or \$31.6 million, with economic environment and public safety increasing by \$16.3 million and \$15.7 million, respectively. Some of the most significant increases in economic environment were to cover Hurricane Irma related expenses. Public safety increases are primarily due to an increase in personnel costs of \$6.3 million and an increase in operating expenses due to the reallocation of Information Technology Service charges to the appropriate function.

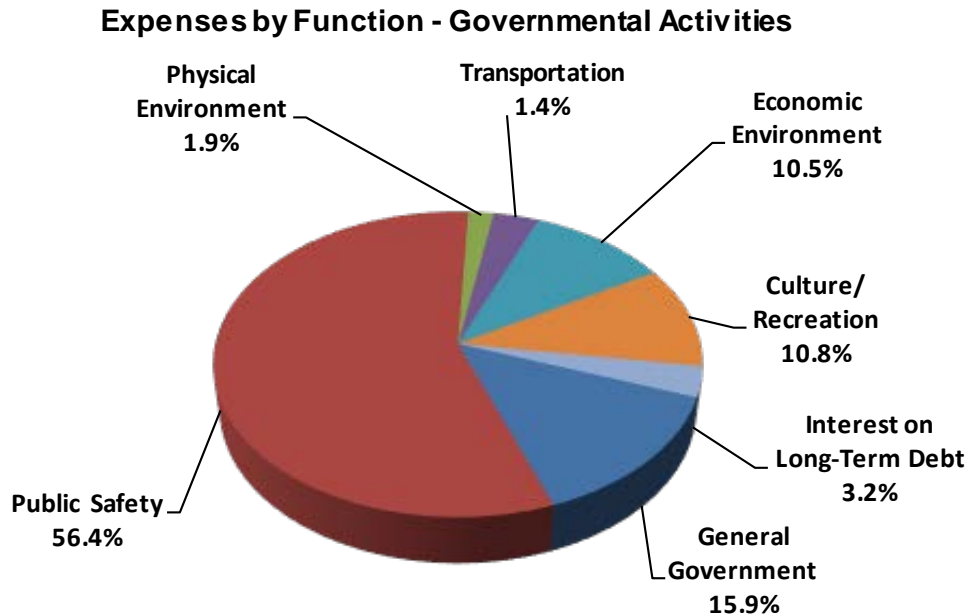
As the following chart of revenues from governmental activities (by source) shows, property and other taxes provided 47.4% of the revenues used to fund governmental functions. Charges for services, such as parks and recreation programs and fire suppression special assessment comprised 35.4% of total revenues.



CITY OF FORT LAUDERDALE, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
September 30, 2018

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 56.3% of all resources. General government, culture/recreation, and economic environment expenses accounted for 15.9%, 10.8%, and 10.5%, respectively.



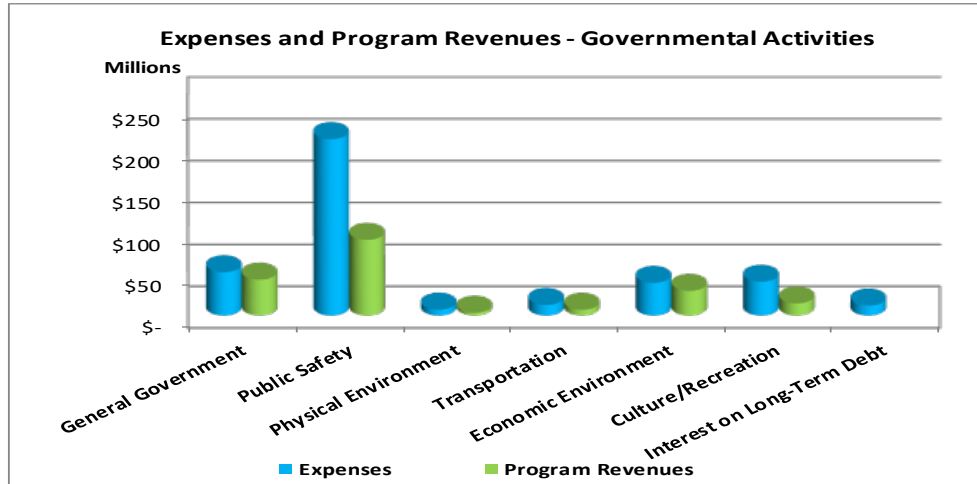
The following table and chart show the components of program and general revenues as percentage of total for governmental activities:

Expenses and Program Revenues – Governmental Activities

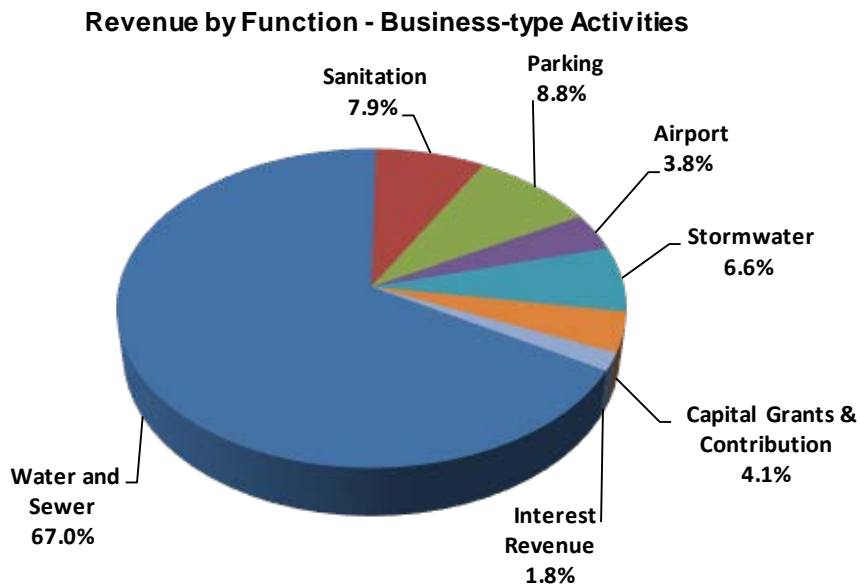
Functions/Programs	Expenses	% of Total	Program Revenues	% of Total	Net (Expense) Revenue
General Government	\$ 59,352,360	15.9%	\$ 42,997,229	22.9%	\$ 16,355,131
Public Safety	210,939,834	56.3%	90,532,551	48.0%	(120,407,283)
Physical Environment	7,140,333	1.9%	3,406,991	1.8%	(3,733,342)
Transportation	5,290,800	1.4%	6,939,746	3.7%	1,648,946
Economic Environment	39,150,299	10.5%	29,606,130	15.7%	(9,544,169)
Culture/Recreation	40,454,278	10.8%	14,564,415	7.8%	(25,889,863)
Interest on Long-Term Debt	11,954,784	3.2%	-	0.0%	(11,954,784)
	\$ 374,282,688	100%	\$ 188,047,062	100%	\$ (186,235,626)

CITY OF FORT LAUDERDALE, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
September 30, 2018



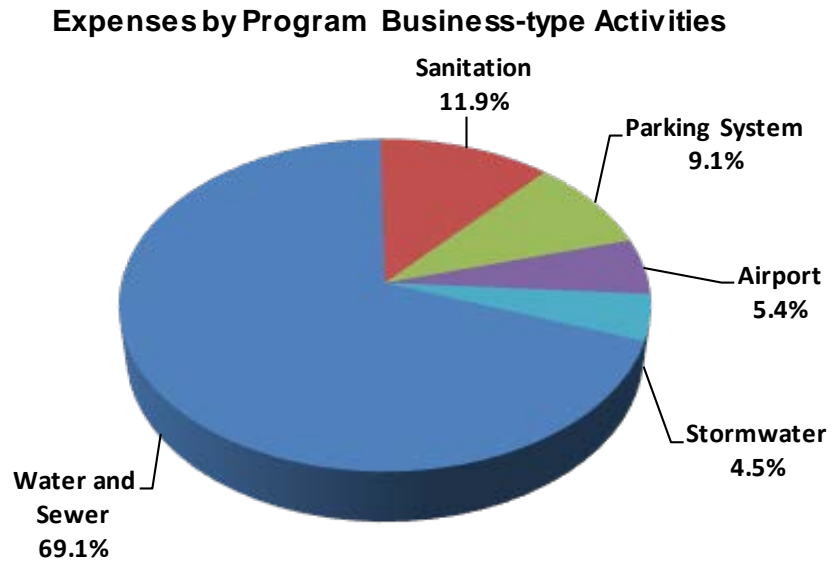
For the business-type activities, net position showed an increase of \$20.5 million. Total revenues for these activities increased by \$12.3 million or 6.1%. In FY2018, overall charges for services increased by \$7.8 million, of which water and sewer increased by \$4.7 million and stormwater increased by \$2.4 million.



CITY OF FORT LAUDERDALE, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
September 30, 2018

The total expenses for business-type activities increased by \$11.2 million or 6.0%. Physical environment expenses increased by \$11.0 million or 7.0% and transportation expenses increased by \$199,415 or 0.7%.



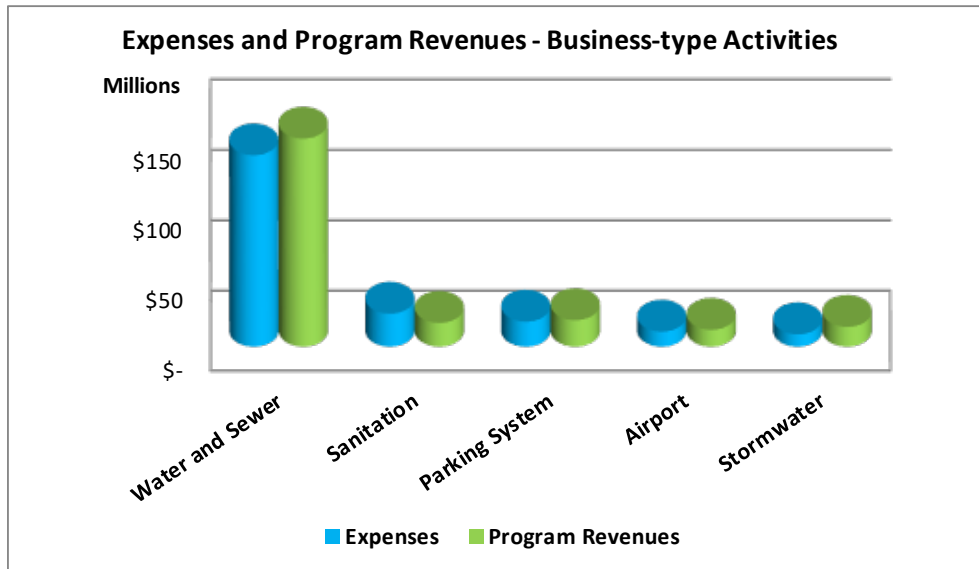
The following table and chart show the components of program revenues as a percentage of the total for business-type activities:

Expenses and Program Revenues – Business-type Activities

Functions/Programs	Expenses	% of Total	Program Revenues	% of Total	Net (Expense) Revenue
Water and Sewer	\$ 135,734,552	69.1%	\$ 147,569,129	70.5%	\$ 11,834,577
Sanitation	23,401,132	11.9%	16,862,102	8.1%	(6,539,030)
Parking System	17,766,082	9.1%	18,840,289	9.0%	1,074,207
Airport	10,647,199	5.4%	11,948,157	5.7%	1,300,958
Stormwater	8,782,857	4.5%	14,046,612	6.7%	5,263,755
	\$ 196,331,822	100%	\$ 209,266,289	100.0%	\$ 12,934,467

CITY OF FORT LAUDERDALE, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
September 30, 2018



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, 2018 was \$78.4 million, an increase of 0.3% or \$195,988 from the prior year balance of \$78.2 million. Approximately 95.6% of FY2018 fund balance (\$75.0 million) represents the unassigned fund balance, which is available for spending at the government's discretion.

General Fund revenues for FY2018 totaled \$349.3 million, a \$15.7 million or 4.7% increase from FY2017. Tax revenues increased by \$12.6 million in FY2018, of which property taxes levied for operations increased \$10.1 million and other taxes increased by \$2.4 million. Also, miscellaneous revenues increased by \$2.4 million.

Total General Fund expenditures increased by \$19.2 million from \$275.5 million in FY2017 to \$294.7 million in FY2018. This is mainly attributed to an increase in personnel cost of \$11.8 million, which includes contractual wage and benefits increases and 63.4 additional budgeted positions. Services and materials costs increased by \$6.8 million, as well.

The governmental funds ended the year with \$302.2 million in fund balance, which is a .3% decrease from FY2017. The combined fund balances of the nonmajor governmental funds decreased by \$1.0 million or .5% to \$223.8 million. The Building Fund increased by \$5.7 million mostly due to a relative steady activity in licenses and permits. General Capital Projects Fund balance increased by \$16.1 million due to transfers to fund capital improvement projects, while the Community Redevelopment Agency Capital Projects funds decreased by \$6.9 million, due to the completion of redevelopment and improvement projects. The Perpetual Care Fund of the Cemetery System increased by \$827,251; mostly attributable to investment gains.

CITY OF FORT LAUDERDALE, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
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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 \$20.2 million to \$725.8 million in FY2018. Total enterprise funds operating income increased by \$1.6 million from \$16.7 million in FY2017, to \$18.3 million in FY2018, a 9.6% increase. The Water and Sewer Fund net position increased by \$11.4 million to \$543.7 million. Water and Sewer fund operating income was \$21.0 million in FY2018, an increase of \$639,265 compared to FY2017.

The Stormwater fund had a net operating income of \$5.2 million, an increase of \$1.2 million from FY2017 mostly due to a rate increase in the Stormwater fee. The Parking fund had a net operating income of \$1.1 million, an increase from FY2017. Sanitation and Airport funds had a net operating losses of \$6.6 million and \$2.5 million, respectively. The Sanitation fund operating loss is primarily due to the reallocation of private collectors' fees to the General Fund, of which General Fund transferred \$6.2 million back to the fund.

At September 30, 2018, the Insurance fund had a net position balance of \$1.4 million, a decrease of \$1.1 million from FY2017. The Insurance fund had net operating loss of \$1.0 million mostly due to increases in medical claims. In FY2018, the Central Services fund's net position balance of \$10.9 million represents an increase of \$798,736 or 7.9% from \$10.1 million in FY2017. The Central Services fund had net operating income of \$1.9 million mostly attributed to an increase of \$1.5 million in charges for services. The Vehicle Rental net position increased by \$2.0 million to \$29.4 million in FY2018.

General Fund Budgetary Highlights

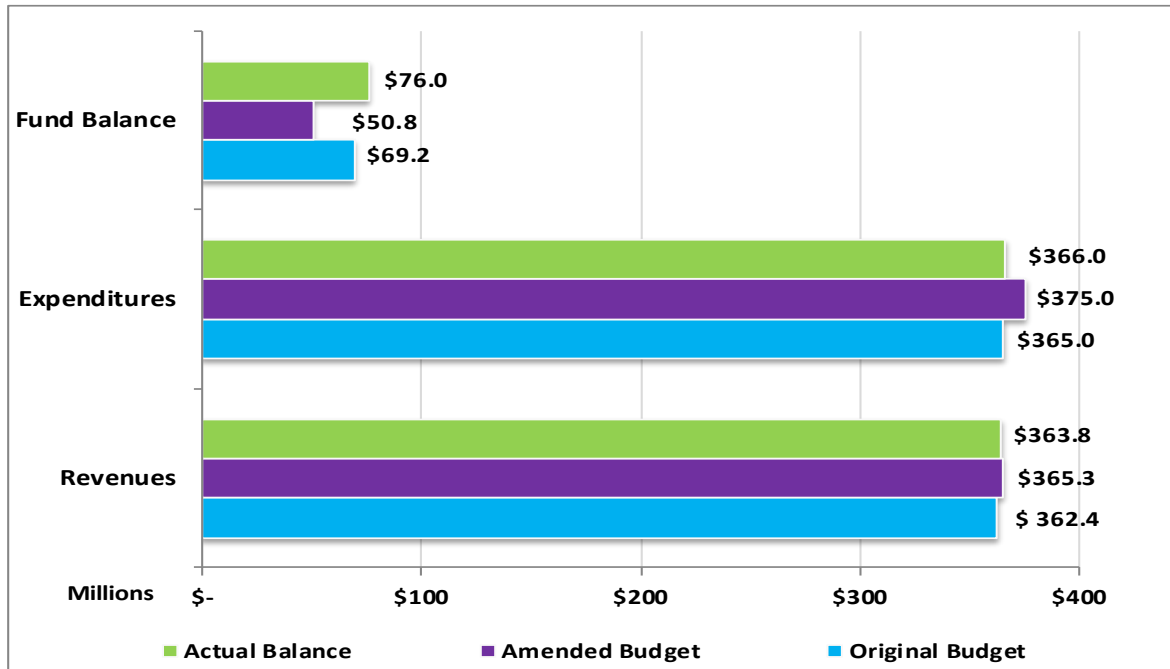
The City's Revenue Estimating Committee helps to ensure that the General Fund revenues are estimated each year using a comprehensive process involving multiple stakeholders, to yield the most reasonable and accurate revenue estimates. It includes an in depth review of past, current, and projected financial 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 FY2018 were lower than the final FY2018 budget by approximately \$1.6 million. The majority of FY2018 positive variances or underestimations were accounted for in licenses and permits, intergovernmental revenue, fines and forfeitures, and miscellaneous revenues in the amount of \$701,524. An overestimation of taxes, charges for services, and other financing sources resulted in a \$2.2 million negative variance.

Total expenditures of \$297.2 million (including encumbrances of \$2.4 million) were \$7.2 million lower than the final FY2018 budget. This decrease is mainly attributed to services and materials costs that were \$3.6 million lower than budgeted. Salary and employee benefits savings amounted to \$3.3 million, resulting from vacancies in multiple departments. Unspent capital outlay budget was approximately \$395,000. Other financing uses of \$68.8 million were \$1.7 million lower than the final FY2018 budget due to budgeted transfers that were anticipated but deemed unnecessary.

CITY OF FORT LAUDERDALE, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
September 30, 2018

City of Fort Lauderdale FY2018 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 \$25.7 million in FY2018.

Capital asset balances of the business-type activities increased by \$34.4 million. 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)	
	2018	2017	2018	2017	2018	2017	Amount	Percent
Land	\$ 99,000	\$ 95,545	\$ 52,910	\$ 52,910	\$ 151,910	\$ 148,455	\$ 3,455	2.33%
Construction in Progress	37,767	23,539	39,471	35,602	77,238	59,141	18,097	30.60%
Buildings	169,244	165,928	285,765	274,642	455,009	440,570	14,439	3.28%
Improvements	130,167	119,667	951,091	910,300	1,081,258	1,029,967	51,291	4.98%
Machinery, Equipment and Vehicles	133,620	122,870	65,302	53,692	198,922	176,562	22,360	12.66%
Infrastructure	45,467	45,123	466	325	45,933	45,448	485	1.07%
	615,265	572,672	1,395,005	1,327,471	2,010,270	1,900,143	110,127	5.80%
Less: Accumulated Depreciation	(272,369)	(255,475)	(471,495)	(438,382)	(743,864)	(693,857)	(50,007)	7.21%
Capital Assets, net	\$ 342,896	\$ 317,197	\$ 923,510	\$ 889,089	\$ 1,266,406	\$ 1,206,286	\$ 60,120	4.98%

CITY OF FORT LAUDERDALE, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
September 30, 2018

Debt Administration

At the end of the current fiscal year, the City of Fort Lauderdale had a total bonded debt outstanding of \$782.0 million. Of this amount, \$30.3 million is backed by the full faith and credit of the government and \$243.6 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 increased by \$159.0 million, or 23.2%, during the current fiscal year. In FY2018, the City issued \$196.0 million in Water and Revenue Bonds to fund improvements and upgrades to the Water and Sewer system. Principal retirements for governmental activities totaled \$22.2 million, while business type activities increase by \$181.1 million. Additional information about the City's long-term debt can be found in Note 10 to these financial statements.

City of Fort Lauderdale Outstanding Debt *

(in thousands of \$)

	Governmental Activities		Business-type Activities		Total		Increase/(Decrease)	
	2018	2017	2018	2017	2018	2017	Amount	Percent
General Obligation Bonds	\$ 30,275	\$ 31,300	\$ -	\$ -	\$ 30,275	\$ 31,300	\$ (1,025)	-3.27%
Special Obligation Bonds	243,605	259,735	-	-	243,605	259,735	(16,130)	-6.21%
Revenue Bonds	-	-	508,100	323,255	508,100	323,255	184,845	57.18%
Notes Payables	5,981	6,629	-	-	5,981	6,629	(648)	-9.78%
Loans Payables	11,334	14,371	37,453	41,071	48,787	55,442	(6,655)	-12.00%
Capital Lease Obligations	7,154	8,506	1,267	1,352	8,421	9,858	(1,436)	-14.57%
	<u>\$ 298,349</u>	<u>\$ 320,541</u>	<u>\$ 546,820</u>	<u>\$ 365,678</u>	<u>\$ 845,169</u>	<u>\$ 686,219</u>	<u>\$ 158,951</u>	<u>23.16%</u>

*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 FY2019 is \$785.0 million which is 1.9% higher than the FY2018 adopted budget, which does not include transfers. The General Fund expenditure budget for FY2019 is \$358.8 million which is 2.6% higher than FY2018 adopted budget. The FY2019 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 an 8.2% increase in revenues as a result of an increase in property values.

CITY OF FORT LAUDERDALE, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
September 30, 2018

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

CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

STATEMENT OF NET POSITION

September 30, 2018

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Sunrise Key
ASSETS				
Cash and Cash Equivalents	\$ 267,701,653	\$ 134,481,067	\$ 402,182,720	\$ 93,062
Investments	108,727,363	-	108,727,363	-
Restricted Assets:				
Cash and Cash Equivalents	-	54,452,502	54,452,502	-
Investments	-	184,855,142	184,855,142	-
Accounts Receivable (Net)	16,874,250	19,173,406	36,047,656	-
Accrued Interest Receivable	138,107	-	138,107	-
Internal Balances	(10,219,694)	10,219,694	-	-
Due from Fiduciary Funds	4,913,991	-	4,913,991	-
Due from Other Governments	21,647,835	825,461	22,473,296	-
Inventories	126,318	1,957,005	2,083,323	-
Property Held for Resale	10,826,177	-	10,826,177	-
Net Pension Asset	5,831,475	3,569,581	9,401,056	-
Prepaid Items	1,320	493,641	494,961	-
Investment in Joint Venture	-	591,939	591,939	-
Deposits	809,774	55,270	865,044	-
Capital Assets Not Being Depreciated				
Land	98,999,747	52,909,896	151,909,643	-
Construction in Progress	37,767,497	39,470,670	77,238,167	-
Capital Assets, Net of Accumulated Depreciation				
Buildings	93,773,901	160,455,575	254,229,476	-
Improvements	50,695,762	647,695,372	698,391,134	-
Infrastructure	31,400,367	446,959	31,847,326	-
Machinery, Equipment and Vehicles	30,259,678	22,530,791	52,790,469	-
Total Assets	770,275,521	1,334,183,971	2,104,459,492	93,062
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Loss on Refunding Amount	54,365	18,969,086	19,023,451	-
Deferred Outflows for Pension	20,088,389	1,982,427	22,070,816	-
Deferred Outflows for OPEB	775,705	239,326	1,015,031	-
Total Deferred Outflows of Resources	20,918,459	21,190,839	42,109,298	-

Continued

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

CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

STATEMENT OF NET POSITION
September 30, 2018

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Sunrise Key
LIABILITIES				
Accounts Payable	\$ 23,984,788	\$ 11,535,430	\$ 35,520,218	\$ -
Accrued Liabilities	3,078,331	681,104	3,759,435	-
Due to Other Governments	823,260	-	823,260	-
Deposits	11,866,600	529,676	12,396,276	-
Unearned Revenues	4,269,728	588,289	4,858,017	-
Liabilities Payable from Restricted Assets:				
Accounts Payable	-	1,105,289	1,105,289	-
Accrued Interest Payable	2,947,588	1,774,165	4,721,753	-
Customer Deposits	-	8,965,560	8,965,560	-
Long-Term Liabilities:				
Due Within One Year	43,574,779	16,418,081	59,992,860	-
Due in More Than One Year	373,891,436	565,584,988	939,476,424	-
Total Liabilities	464,436,510	607,182,582	1,071,619,092	-
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflows for OPEB	139,176	42,941	182,117	-
Deferred Inflows for Pension	37,619,563	12,149,369	49,768,932	-
Accumulated Increase in Fair Value of Derivative Instruments	159,529	-	159,529	-
Total Deferred Inflows of Resources	37,918,268	12,192,310	50,110,578	-
NET POSITION				
Net Investment in Capital Assets	311,296,668	555,520,044	866,816,712	-
Restricted for:				
Debt Service	12,736,120	2,446,190	15,182,310	-
Capital Improvements	-	32,128,418	32,128,418	-
Inventories	126,318	-	126,318	-
Community Redevelopment	76,791,968	-	76,791,968	-
Transportation	459,424	-	459,424	-
Public Safety	1,407,352	-	1,407,352	-
Building Code Enforcement	45,129,557	-	45,129,557	-
Renewal and Replacement	-	8,659,273	8,659,273	-
Endowments				
Expendable	14,424,470	-	14,424,470	-
Nonexpendable	15,655,965	-	15,655,965	-
Other Purposes	2,676,854	-	2,676,854	-
Unrestricted	(191,865,494)	137,245,993	(54,619,501)	93,062
Total Net Position	\$ 288,839,202	\$ 735,999,918	\$ 1,024,839,120	\$ 93,062

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

CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2018

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental Activities:				
General Government	\$ 59,352,360	\$ 42,896,051	\$ -	\$ 101,178
Public Safety	210,939,834	89,020,777	1,066,139	445,635
Physical Environment	7,140,333	3,406,991	-	-
Transportation	5,290,800	-	6,430,035	509,711
Economic Environment	39,150,299	1,596,796	27,873,340	135,994
Culture/Recreation	40,454,278	14,237,858	-	326,557
Interest on Long-Term Debt	11,954,784	-	-	-
Total Governmental Activities	374,282,688	151,158,473	35,369,514	1,519,075
Business-type Activities:				
Water and Sewer	135,734,552	142,717,538	-	4,851,591
Sanitation	23,401,132	16,862,102	-	-
Parking	17,766,082	18,840,289	-	-
Airport	10,647,199	8,161,546	-	3,786,611
Stormwater	8,782,857	14,046,612	-	-
Total Business-type Activities	196,331,822	200,628,087	-	8,638,202
Total Primary Government	\$ 570,614,510	\$ 351,786,560	\$ 35,369,514	\$ 10,157,277
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 General Capital Assets
Transfers

Total General Revenues/Transfers

Change in Net Position
Net Position - Beginning
Net Position - Ending

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

CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

Net (Expense) Revenue and Changes in Net Position			
Primary Government			Component Unit
Governmental Activities	Business-type Activities	Total	Sunrise Key
\$ (16,355,131)	\$ -	\$ (16,355,131)	\$ -
(120,407,283)	-	(120,407,283)	-
(3,733,342)	-	(3,733,342)	-
1,648,946	-	1,648,946	-
(9,544,169)	-	(9,544,169)	-
(25,889,863)	-	(25,889,863)	-
(11,954,784)	-	(11,954,784)	-
(186,235,626)	-	(186,235,626)	-
-	11,834,577	11,834,577	-
-	(6,539,030)	(6,539,030)	-
-	1,074,207	1,074,207	-
-	1,300,958	1,300,958	-
-	5,263,755	5,263,755	-
-	12,934,467	12,934,467	-
(186,235,626)	12,934,467	(173,301,159)	-
-	-	-	(108,121)
-	-	-	(108,121)
135,946,356	-	135,946,356	109,936
39,537,407	-	39,537,407	-
22,978,002	-	22,978,002	-
6,377,053	-	6,377,053	-
18,498,676	-	18,498,676	-
6,055,904	3,799,985	9,855,889	38
4,805,298	1,724,729	6,530,027	1,888
13,913,314	-	13,913,314	-
(2,029,103)	2,029,103	-	-
246,082,907	7,553,817	253,636,724	111,862
59,847,281	20,488,284	80,335,565	3,741
228,991,921	715,511,634	944,503,555	89,321
\$ 288,839,202	\$ 735,999,918	\$ 1,024,839,120	\$ 93,062

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

CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

**BALANCE SHEET
GOVERNMENTAL FUNDS
September 30, 2018**

	General	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS			
Cash and Cash Equivalents	\$ 59,421,094	\$ 142,757,584	\$ 202,178,678
Investments	-	108,567,834	108,567,834
Accounts Receivable (Net)	9,831,113	633,986	10,465,099
Accrued Interest Receivable	-	138,107	138,107
Due from Other Governments	5,315,389	16,332,446	21,647,835
Due from Other Funds	19,284,889	-	19,284,889
Due from Fiduciary Funds	4,913,991	-	4,913,991
Inventories	9,550	23,417	32,967
Property Held for Resale	-	10,826,177	10,826,177
Prepaid Items	1,320	-	1,320
Advances to Other Funds	1,921,684	-	1,921,684
Deposits	151,582	658,192	809,774
Total Assets	\$ 100,850,612	\$ 279,937,743	\$ 380,788,355
LIABILITIES			
Accounts Payable	\$ 2,767,503	\$ 18,176,730	\$ 20,944,233
Accrued Liabilities	2,902,266	19,736	2,922,002
Due to Other Governments	823,260	-	823,260
Due to Other Funds	-	19,284,889	19,284,889
Advances from Other Funds	-	1,921,684	1,921,684
Deposits	11,357,204	509,396	11,866,600
Unearned Revenues	2,317,708	1,952,020	4,269,728
Compensated Absences Payable	24,337	-	24,337
Total Liabilities	20,192,278	41,864,455	62,056,733
DEFERRED INFLOWS OF RESOURCES			
Unavailable Property Tax Revenues	2,080,176	33,485	2,113,661
Unavailable Assessment Revenues	146,311	259,847	406,158
Unavailable Revenue	-	11,717,253	11,717,253
Unavailable Grant Revenues	-	2,274,795	2,274,795
Total Deferred Inflows of Resources	2,226,487	14,285,380	16,511,867
FUND BALANCES			
Nonspendable	10,870	18,418,309	18,429,179
Restricted	-	178,115,340	178,115,340
Committed	965,158	1,002,808	1,967,966
Assigned	2,463,491	51,592,437	54,055,928
Unassigned	74,992,328	(25,340,986)	49,651,342
Total Fund Balances	78,431,847	223,787,908	302,219,755
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 100,850,612	\$ 279,937,743	\$ 380,788,355

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

CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
September 30, 2018**

Total fund balances of governmental funds		\$ 302,219,755
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.		323,675,488
Net pension assets are not considered to represent financial assets and, therefore, are not presented in the governmental funds.		5,086,911
Other long-term assets are not available to pay for current period expenditures and, therefore are deferred in the funds.		16,511,867
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.		31,575,698
Deferred outflows of resources related to pension earnings are not recognized in the governmental funds and are recorded in the statement of net position.		19,674,883
Deferred outflows of resources related to OPEB earnings are not recognized in the governmental funds and are recorded in the statement of net position.		738,824
Deferred inflows of resources related to pension earnings are not recognized in the governmental funds and are recorded in the statement of net position.		(35,085,379)
Deferred inflows of resources related to OPEB earnings are not recognized in the governmental funds and are recorded in the statement of net position.		(132,558)
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.		54,365
Long-term liabilities are not due and payable in the current period and accordingly are not reported as fund liabilities.		
Bonds Payable	\$ (273,880,000)	
Notes Payable	(17,315,400)	
Capital Lease Payable	(660,190)	
Net Pension Liabilities	(36,109,770)	
Net OPEB Liabilities	(16,830,014)	
Compensated Absences and Longevity	(27,325,458)	
Accrued Interest Payable	(2,947,588)	
Unamortized Bond Premiums and Discounts	(412,232)	(375,480,652)
Total net position of governmental activities		<u>\$ 288,839,202</u>

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

CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended September 30, 2018

	General	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES			
Taxes	\$ 202,327,595	\$ 2,237,513	\$ 204,565,108
Licenses and Permits	3,293,313	23,498,547	26,791,860
Intergovernmental Revenues	21,366,868	24,834,929	46,201,797
Charges for Services	23,524,591	196,184	23,720,775
Fines and Forfeitures	2,086,871	2,678,981	4,765,852
Miscellaneous Revenues			
Assessments and Other Fees	39,442,444	7,442,920	46,885,364
Investment Income	1,686,886	3,781,604	5,468,490
Rents and Concessions	4,758,619	146,075	4,904,694
Contributions and Donations	524,773	237,172	761,945
Interfund Service Charges	45,473,514	-	45,473,514
Other Miscellaneous Revenues	4,858,133	1,507,737	6,365,870
Total Revenues	349,343,607	66,561,662	415,905,269
EXPENDITURES			
Current:			
General Government	49,458,220	8,643,970	58,102,190
Public Safety	195,639,988	17,929,214	213,569,202
Physical Environment	7,314,919	1,152,190	8,467,109
Transportation	3,246,143	1,055,979	4,302,122
Economic Environment	2,979,456	37,568,936	40,548,392
Culture/Recreation	34,802,276	171,842	34,974,118
Debt Service:			
Principal Retirement	43,959	20,839,300	20,883,259
Interest and Fiscal Charges	13,928	12,009,949	12,023,877
Capital Outlay	1,222,491	36,000,290	37,222,781
Total Expenditures	294,721,380	135,371,670	430,093,050
Excess (Deficiency) of Revenues Over (Under) Expenditures	54,622,227	(68,810,008)	(14,187,781)
OTHER FINANCING SOURCES (USES)			
Transfers In	500,000	77,415,430	77,915,430
Transfers (Out)	(68,839,553)	(9,654,692)	(78,494,245)
Sale of General Capital Assets	13,913,314	-	13,913,314
Total Other Financing Sources (Uses)	(54,426,239)	67,760,738	13,334,499
Net Change in Fund Balances	195,988	(1,049,270)	(853,282)
Fund Balances - Beginning	78,235,859	224,837,178	303,073,037
Fund Balances - Ending	\$ 78,431,847	\$ 223,787,908	\$ 302,219,755

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

CITY OF FORT LAUDERDALE, FLORIDA

BASIC 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, 2018**

Net change in fund balances of governmental funds \$ (853,282)

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	\$ 37,560,487	
Depreciation Expense	<u>(13,956,554)</u>	23,603,933

Some revenues reported in the statement of activities are not considered current financial resources and, therefore, are not reported as revenues in governmental funds. 7,229,513

The change in the deferred refunding amounts has no effect on the current financial resource and, therefore, is not reported in the governmental funds. (6,163)

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, whereas these 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	\$ 17,155,000	
Notes Payable	3,684,300	
Capital Lease Debt	<u>43,959</u>	20,883,259

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	\$ 134,061	
Amortized of Bond Discounts and Premiums	132,755	
Change in pension expense	406,541	
Other Post-Employment Benefits	5,736,167	
Compensated Absences and Longevity Pay	<u>1,171,335</u>	7,580,859

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. 1,409,162

Change in net position of governmental activities \$ 59,847,281

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

CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 September 30, 2018

	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	\$ 79,441,749	\$ 55,039,318	\$ 134,481,067	\$ 65,522,975
Investments	-	-	-	159,529
Restricted Cash and Cash Equivalents	6,756,276	2,209,284	8,965,560	-
Accounts Receivable (Net)	14,949,736	4,223,670	19,173,406	6,409,151
Due from Other Governments	-	825,461	825,461	-
Inventories	1,957,005	-	1,957,005	93,351
Net Pension Asset	2,399,150	1,170,431	3,569,581	744,564
Prepaid Items	-	493,641	493,641	-
Deposits	55,270	-	55,270	-
Total Current Assets	105,559,186	63,961,805	169,520,991	72,929,570
Noncurrent Assets:				
Restricted Assets:				
Cash and Cash Equivalents	43,695,836	1,791,106	45,486,942	-
Investments	184,855,142	-	184,855,142	-
Total Restricted Assets	228,550,978	1,791,106	230,342,084	-
Investment in Joint Venture	-	591,939	591,939	-
	-	591,939	591,939	-
Capital Assets:				
Land	7,739,200	45,170,696	52,909,896	-
Construction in Progress	19,068,806	20,401,864	39,470,670	1,011,612
Buildings	246,940,024	38,824,770	285,764,794	962,879
Improvements	857,558,703	93,532,286	951,090,989	4,399,342
Infrastructure	-	465,708	465,708	-
Machinery, Equipment and Vehicles	42,893,780	22,408,311	65,302,091	70,198,046
Less: Accumulated Depreciation	(382,924,483)	(88,570,402)	(471,494,885)	(57,350,415)
Total Capital Assets (Net)	791,276,030	132,233,233	923,509,263	19,221,464
Total Noncurrent Assets	1,019,827,008	134,616,278	1,154,443,286	19,221,464
Total Assets	1,125,386,194	198,578,083	1,323,964,277	92,151,034
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Loss on Refunding Amount	18,969,086	-	18,969,086	-
Deferred Outflows for Pension	1,332,408	650,019	1,982,427	413,506
Deferred Outflows for OPEB	151,132	88,194	239,326	36,881
Total Deferred Outflows of Resources	20,452,626	738,213	21,190,839	450,387
Total Assets and Deferred Outflows of Resources	1,145,838,820	199,316,296	1,345,155,116	92,601,421

Continued

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

CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 September 30, 2018

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Water and Sewer	Nonmajor Enterprise Funds	Total Enterprise Funds	
LIABILITIES				
Current Liabilities:				
Accounts Payable	\$ 7,107,212	\$ 4,428,218	\$ 11,535,430	\$ 3,040,555
Accrued Liabilities	401,303	279,801	681,104	156,329
Unearned Revenues	-	588,289	588,289	-
Bonds and Notes Payable	15,460,478	-	15,460,478	-
Capital Leases Payable	-	89,175	89,175	1,339,984
Compensation Absences and Longevity	567,127	255,763	822,890	174,398
Estimated Claims Payable	-	-	-	12,864,000
Landfill Post-Closure Costs	-	45,538	45,538	-
Current Liabilities Payable from Restricted Assets:				
Accounts Payable	1,105,289	-	1,105,289	-
Accrued Interest Payable	1,774,165	-	1,774,165	-
Customer Deposits	6,756,276	2,209,284	8,965,560	-
Total Current Liabilities	33,171,850	7,896,068	41,067,918	17,575,266
Noncurrent Liabilities:				
Deposits	529,676	-	529,676	-
Bonds and Notes Payable (Net)	554,103,610	59,000	554,162,610	-
Capital Leases Payable	-	1,178,045	1,178,045	5,153,354
Estimated Claims Payable	-	-	-	23,414,000
Net OPEB Liability	3,442,711	2,009,009	5,451,720	840,130
Compensation Absences and Longevity	2,667,282	1,387,015	4,054,297	1,122,948
Landfill Post-Closure Costs	-	738,316	738,316	-
Total Noncurrent Liabilities	560,743,279	5,371,385	566,114,664	30,530,432
DEFERRED INFLOWS OF RESOURCES				
Derivative Instruments	-	-	-	159,529
Deferred Inflows OPEB	27,116	15,825	42,941	6,618
Deferred Inflows for Pension	8,165,707	3,983,662	12,149,369	2,534,184
Total Deferred Inflows of Resources	8,192,823	3,999,487	12,192,310	2,700,331
Total Liabilities and Deferred Inflows of Resources	602,107,952	17,266,940	619,374,892	50,806,029
NET POSITION				
Net Investment in Capital Assets	424,554,031	130,966,013	555,520,044	12,728,126
Restricted for:				
Debt Service	2,446,190	-	2,446,190	-
Capital Improvements	30,357,980	1,770,438	32,128,418	-
Renewal and Replacement	8,638,605	20,668	8,659,273	-
Unrestricted	77,734,062	49,292,237	127,026,299	29,067,266
Total Net Position	\$ 543,730,868	\$ 182,049,356	725,780,224	\$ 41,795,392
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.			10,219,694	
Net Position of Business-type Activities			<u>\$ 735,999,918</u>	

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

CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
 PROPRIETARY FUNDS

For the Year Ended September 30, 2018

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Water and Sewer	Nonmajor Enterprise Funds	Total Enterprise Funds	
Operating Revenues:				
Charges for Services	\$ 140,873,725	\$ 49,735,365	\$ 190,609,090	\$ 85,293,243
Equity in Earnings of Joint Venture	-	187,394	187,394	-
Parking Citations	-	3,102,535	3,102,535	-
Land Leases	-	3,541,044	3,541,044	-
Miscellaneous Revenues	1,843,813	1,344,211	3,188,024	1,442,116
Total Operating Revenues	142,717,538	57,910,549	200,628,087	86,735,359
Operating Expenses:				
Personal Services	33,868,512	19,268,792	53,137,304	10,817,880
Material, Supply and Other Expenses	60,740,308	34,739,816	95,480,124	66,198,103
Depreciation	27,067,904	6,655,504	33,723,408	7,573,424
Total Operating Expenses	121,676,724	60,664,112	182,340,836	84,589,407
Operating Income (Loss)	21,040,814	(2,753,563)	18,287,251	2,145,952
Nonoperating Revenues (Expenses):				
Interest Income	3,106,582	693,403	3,799,985	591,049
Interest Expense and Fiscal Charges	(14,219,320)	(82,595)	(14,301,915)	(191,560)
Insurance Proceeds	2,700	39,986	42,686	-
Sale of Capital Assets	857,932	44,858	902,790	-
Gain on Disposal of Capital Assets	-	779,253	779,253	624,938
Total Nonoperating Revenues (Expenses)	(10,252,106)	1,474,905	(8,777,201)	1,024,427
Income Before Contributions and Transfers	10,788,708	(1,278,658)	9,510,050	3,170,379
Capital Contributions	4,851,591	3,786,611	8,638,202	-
Transfers In	-	7,542,735	7,542,735	12,000
Transfers (Out)	(4,273,659)	(1,239,973)	(5,513,632)	(1,462,288)
Change in Net Position	11,366,640	8,810,715	20,177,355	1,720,091
Net Position - Beginning	532,364,228	173,238,641		40,075,301
Net Position - Ending	\$ 543,730,868	\$ 182,049,356		\$ 41,795,392
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.			310,929	
Change in Net Position of Business-type Activities			\$ 20,488,284	

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

CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 For the Year Ended September 30, 2018

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Water and Sewer	Nonmajor Enterprise Funds	Total Enterprise Funds	
Cash Flows from Operating Activities				
Receipts from Customers and Users	\$ 143,235,462	\$ 58,478,854	\$ 201,714,316	\$ 86,971,337
Payments to Suppliers	(29,277,095)	(20,913,710)	(50,190,805)	(59,590,783)
Payments to Employees	(34,382,423)	(19,462,940)	(53,845,363)	(10,932,286)
Payments to Other Funds	(32,866,219)	(13,834,064)	(46,700,283)	(5,802,933)
Net Cash Provided by Operating Activities	46,709,725	4,268,140	50,977,865	10,645,335
Cash Flows from Noncapital Financing Activities				
Transfers from Other Funds	-	7,542,735	7,542,735	12,000
Transfers (to) Other Funds	(4,273,659)	(1,239,973)	(5,513,632)	(1,462,288)
Net Cash Provided (Used) by Noncapital Financing Activities	(4,273,659)	6,302,762	2,029,103	(1,450,288)
Cash Flows from Capital and Related Financing Activities				
Acquisition/Construction of Capital Assets	(34,193,846)	(25,031,907)	(59,225,753)	(9,669,244)
Principal Paid on Capital Debt	(14,808,714)	-	(14,808,714)	(1,308,042)
Interest Paid on Capital Debt	(14,988,840)	(82,595)	(15,071,435)	(191,560)
Proceeds from Sales of Capital Assets	857,932	824,111	1,682,043	624,938
Contributions	4,851,591	3,786,611	8,638,202	-
Proceeds from Insurance	2,700	39,986	42,686	-
Proceeds from Bonds	198,056,571	-	198,056,571	-
Net Cash (Used) by Capital and Related Financing Activities	139,777,394	(20,463,794)	119,313,600	(10,543,908)
Cash Flows from Investing Activities				
Investment Purchases	(184,855,143)	-	(184,855,143)	-
Interest Income on Investments	3,106,582	693,403	3,799,985	591,049
Net Cash Provided by Investment Activities	(181,748,561)	693,403	(181,055,158)	591,049
Net Increase in Cash and Cash Equivalents	464,899	(9,199,489)	(8,734,590)	(757,812)
Cash and Cash Equivalents at Beginning of Year	129,428,962	68,239,197	197,668,159	66,280,787
Cash and Cash Equivalents at End of Year	\$ 129,893,861	\$ 59,039,708	\$ 188,933,569	\$ 65,522,975

Continued

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

CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

STATEMENT OF CASH FLOWS - Continued
PROPRIETARY FUNDS
For the Year Ended September 30, 2018

	<u>Business-type Activities - Enterprise Funds</u>			<u>Governmental</u>
	<u>Water and Sewer</u>	<u>Nonmajor Enterprise Funds</u>	<u>Total Enterprise Funds</u>	<u>Activites - Internal Service Funds</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Activities				
Operating Income (Loss)	\$ 21,040,814	\$ (2,753,563)	\$ 18,287,251	\$ 2,145,952
Depreciation	27,067,904	6,655,504	33,723,408	7,573,424
Equity in Earnings on Unconsolidated Joint Venture	-	31,764	31,764	-
Change in Assets and Liabilities:				
Decrease (Increase) in Accounts Receivable	1,005,726	(23,819)	981,907	235,977
Decrease in Due from Other Governments	-	266,412	266,412	-
Decrease (Increase) in Inventories	(515,875)	-	(515,875)	8,015
(Increase) in Net Pension Asset	(2,399,150)	(204,943)	(2,604,093)	(744,564)
(Increase) in Prepaid Items	-	(25,338)	(25,338)	-
(Increase) Decrease in Deposits	(487,803)	175,321	(312,482)	-
Decrease in Deferred Outflows of Resources	850,257	115,782	966,039	1,141,613
(Decrease) Increase in Accounts Payable	(887,130)	144,112	(743,018)	972,961
Increase (Decrease) in Accrued Liabilities	8,796	49,560	58,356	(9,438)
Increase in Unearned Revenues	-	120,437	120,437	-
(Decrease) in Pension Liabilities	(1,293,313)	(654,624)	(1,947,937)	(401,373)
(Decrease) in OPEB Liability	(1,092,805)	(142,403)	(1,235,208)	(266,680)
Increase in Compensated Absences Payable	89,213	83,051	172,264	7,129
(Decrease) in Estimated Claims Payable	-	-	-	(176,589)
(Decrease) in Landfill Post-Closure Costs	-	(44,480)	(44,480)	-
Increase in Deferred Inflows of Resources	3,323,091	475,367	3,798,458	158,908
Total Adjustments	25,668,911	7,021,703	32,690,614	8,499,383
Net Cash Provided by Operating Activities	\$ 46,709,725	\$ 4,268,140	\$ 50,977,865	\$ 10,645,335
Schedule of non-cash Capital and Related Financing Activities:				
Non-Revolving Line of Credit	\$ -	\$ 59,000	\$ -	\$ -
Total non-cash Capital and Related Financing Activities	\$ -	\$ 59,000	\$ -	\$ -

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



CITY OF FORT LAUDERDALE

CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
September 30, 2018

	Pension and OPEB Trust	Agency Arts and Science District Garage
ASSETS		
Cash and Cash Equivalents	\$ 12,005,000	\$ 36,617
Investments		
U.S. Treasury Securities	123,323,261	-
U.S. Government Agency Obligations	27,201,119	-
Corporate Bonds and Other Fixed Income	153,263,153	-
Money Market Funds	41,562,470	-
Index Funds	198,545,779	-
Mutual Funds & Other	114,964,734	-
Fund of Funds	37,716,504	-
Common Stock	374,492,871	-
Commingled Funds	337,395,794	-
Real Estate	224,084,817	-
Private Equity	27,546,578	-
Total Investments	<u>1,660,097,080</u>	<u>-</u>
Receivables:		
Accounts	8,423,551	-
Accrued Interest and Dividends	2,949,699	-
Contributions	3,865	-
Due from Other Governments	-	8,868
Capital Assets (Net of Accumulated Depreciation)	<u>18</u>	<u>-</u>
Total Assets	<u>1,683,479,213</u>	<u>\$ 45,485</u>
LIABILITIES		
Unsettled Trades	25,106,673	\$ -
Accounts Payable	982,390	39,997
Accrued Liabilities	-	4,066
Due to Primary Government	4,913,991	-
Compensated Absences and Longevity	<u>-</u>	<u>1,422</u>
Total Liabilities	<u>31,003,054</u>	<u>\$ 45,485</u>
Net Position - Restricted for Pensions and OPEB Benefits	<u>\$ 1,652,476,159</u>	

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

CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 For the Year Ended September 30, 2018

	Pension and OPEB Trust
ADDITIONS	
Contributions:	
City	\$ 41,356,881
Employee	9,632,683
State	6,380,918
Total Contributions	<u>57,370,482</u>
Investment Income:	
Net Appreciation in Fair Value of Investments	93,688,452
Interest and Dividends	23,443,593
Real Estate Income	10,886,720
Other	148,511
Total Investment Income	<u>128,167,276</u>
Less: Investment Expenses	<u>6,471,511</u>
Net Investment Income	<u>121,695,765</u>
 Total Additions	 <u>179,066,247</u>
DEDUCTIONS	
Benefits:	
Retirement	79,666,762
Disability	1,436,358
Death	6,949,754
Total Deductions	<u>88,052,874</u>
Refunds	209,114
Administrative Expense	<u>1,120,634</u>
Total Deductions	<u>89,382,622</u>
Change in Net Position	89,683,625
Net Position - Beginning of Year	<u>1,562,792,534</u>
Net Position - End of Year	<u><u>\$ 1,652,476,159</u></u>

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

CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS
September 30, 2018

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CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2018

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 183,000 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.

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CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2018

(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 950 space Arts and Science District Parking Garage. The City has an ongoing financial interest in this joint venture, which is discussed in Note 9.

(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.

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CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2018

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.

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CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2018

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. 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

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CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2018

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.

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, 2018, the City had ten (10) 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, 2018 are valued at \$159,529.

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.

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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.

(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, 2018. 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.

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(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 2018 was \$17,851,528: of which \$3,740,973 was capitalized interest in FY2018.

(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.

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(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 and OPEB assumptions are deferred and amortized over the average of the expected remaining service lives of employees that are provided with benefits through OPEB and the pension plan. Difference between projected and actual earnings on pension and OPEB 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 an 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 and OPEB assumptions are deferred and amortized over the average of the expected remaining service lives of all employees that are provided with benefits through the OPEB and 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.

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(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. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

At September 30, 2018, the following funds of the City had a deficit balance:

Special Revenue Fund:

Intergovernmental Revenue	\$ (17,330,952)
Special Assessment	(5,017,568)

The deficit in the Intergovernmental Fund is expected to be eliminated by future grant revenues. The Special Assessment Fund deficit is expected to be eliminated upon receipt of the reimbursement of WAVE Assessment Revenue from the DDA.

3. RESTRICTED ASSETS

Restricted assets at September 30, 2018 are as follows:

	Water and Sewer	Nonmajor Enterprise Funds			Total
		Sanitation	Parking System	Airport	
Accrued Accounts/Interest Payable	\$ 2,879,454	\$ -	\$ -	\$ -	\$ 2,879,454
Capital Improvements	214,586,729	-	-	1,770,438	216,357,167
Debt Service Reserves	2,446,190	-	-	-	2,446,190
Renewal and Replacement	8,638,605	-	20,668	-	8,659,273
Customer Deposits	6,756,276	1,022,122	32,138	1,155,024	8,965,560
	<u>\$ 235,307,254</u>	<u>\$ 1,022,122</u>	<u>\$ 52,806</u>	<u>\$ 2,925,462</u>	<u>\$ 239,307,644</u>

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

	<u>Nonmajor Enterprise Funds</u>				
	<u>Water and Sewer</u>	<u>Sanitation</u>	<u>Parking System</u>	<u>Airport</u>	<u>Total</u>
Cash and Cash Equivalents	\$ 50,452,112	\$ 1,022,122	\$ 52,806	\$ 2,925,462	\$ 54,452,502
Investments	184,855,142	-	-	-	184,855,142
	<u>\$ 235,307,254</u>	<u>\$ 1,022,122</u>	<u>\$ 52,806</u>	<u>\$ 2,925,462</u>	<u>\$ 239,307,644</u>

4. 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, 2018, the total cash and investments for the City of Fort Lauderdale's primary government, was \$750,217,727.

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, 2018, \$88,163,842 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.

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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, 2018 are:

Portfolio No. 1 Surplus Funds Pooled Investments, \$380,451,154

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, 2018.

Portfolio No. 2 Community Redevelopment Agency Portfolio, \$67,591,797

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 state and local municipal bonds. There was no interest receivable on this portfolio at September 30, 2018.

Portfolio No. 3 Capital Improvement Projects Portfolio, \$195,287,094

The proceeds of several long-term debt issues are a part of this portfolio. The proceeds from debt issuances may be invested by the City in such investments as are permitted by applicable law. All of these funds are in the Florida Municipal Investment Trust, which complies with each individual debt issue's investment requirements. No interest receivable on this portfolio existed at September 30, 2018.

Investments

2011A General Obligation Bonds	\$ 10,431,952
2018 Water and Sewer Bonds	184,855,142
	<u>\$ 195,287,094</u>

Portfolio No. 4 Cemetery Perpetual Care Fund, \$30,544,085

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, 2018 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, 2018 was \$138,107

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Portfolio No. 5 OPEB Trust Fund, \$26,637,355

This portfolio is invested in a Federated U.S. Treasury Cash Reserves Money Market Fund. Interest receivable on this portfolio at September 30, 2018 was \$11,669.

Portfolio No. 6 Police and Firefighters' Retirement System Fund, \$946,099,546

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, 2018 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, 2018 was \$2,259,012.

Portfolio No. 7 General Employees' Retirement System Fund, \$687,360,179.

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, 2018 this portfolio consists of investments in U.S. government securities, U.S. government agency obligations, commingled trust funds, money market mutual funds, corporate obligations, common and preferred stock and real estate. Interest receivable on this portfolio at September 30, 2018 was \$679,018.

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.

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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, 2018:

- U.S. Treasury Securities, Mutual Funds and Cash Equivalents of \$326.3 million are valued using quoted market prices (Level 1 inputs)
- Corporate Bonds, Municipal Bonds, and External Investment Pools of \$326.3 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, 2018, this level 1 investment had a positive fair value of \$159,529.

Fiduciary Funds

Portfolio No. 5 OPEB Trust Fund

The following is a summary of the fair value measurements as of September 30, 2018:

	9/30/2018	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	\$ 9,212,924	\$ 9,212,924	\$ -	\$ -
Mutual Funds	17,424,431	17,424,431	-	-
Total OPEB investments by fair value level	<u>\$ 26,637,355</u>	<u>\$ 26,637,355</u>	<u>\$ -</u>	<u>\$ -</u>

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Portfolio No. 6 Police and Firefighters' Retirement System Fund

The following is a summary of the fair value measurements as of September 30, 2018:

	9/30/2018	Fair Value Measurements Using		
		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	\$ 54,722,648	\$ -	\$ 54,722,648	\$ -
U.S. Government obligations	189,443	-	189,443	-
Corporate Bonds	135,594,011	-	135,594,011	-
Total Debt Securities	190,506,102	-	190,506,102	-
Index Funds and Other	197,300,179	197,300,179		
Equity Securities				
Common Stock	119,139,825	119,139,825	-	-
ADR's	1,771,180	1,771,180	-	-
Total Equity Securities	120,911,005	120,911,005	-	-
Total P&F investments by fair value level	508,717,286	\$ 318,211,184	\$ 190,506,102	\$ -
Investments measured at the net asset value (NAV)				
Commingled equity funds	224,807,074			
Real estate funds	134,882,047			
Hedge fund of funds	37,716,504			
Private equity fund	12,980,748			
Private debt fund	2,750,000			
Total P&F investments measured at NAV	413,136,373			
Money market funds (exempt)	24,245,887			
Total investments measured at fair value	\$ 946,099,546			

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.

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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⁾	\$ 224,807,074	\$ -	Daily	1
Real estate funds ⁽²⁾	134,882,047	-	Quarterly	10-90
Hedge fund of funds ⁽³⁾	37,716,504	-	Quarterly	95
Private equity funds ⁽⁴⁾	12,980,748	4,099,385	N/A	N/A
Private debt funds ⁽⁵⁾	2,750,000	22,250,000	N/A	N/A
Total Investments Measured at NAV	\$ 413,136,373	\$ 26,349,385		

1. Commingled equity funds - consists of three 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.
5. Private debt fund - the plan invests in one private debt partnership vehicles. The private debt fund is not eligible for redemption. Distributions are received as underlying investments within the fund produced income or principal is returned, which should occur on a quarterly basis over the 6 to 7 year life of the fund.

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Portfolio No. 7 General Employees' Retirement System Fund

The following is a summary of the fair value measurements as of September 30, 2018:

	9/30/2018	Fair Value Measurements Using		
		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	\$ 59,415,842	\$ 59,415,842	\$ -	\$ -
U.S. Government obligations	27,011,676	-	27,011,676	-
Corporate Bonds	15,306,932	-	15,306,932	-
Total Debt Securities	101,734,450	59,415,842	42,318,608	-
Equity securities				
Mutual funds	101,125,263	-	101,125,263	-
Common and preferred stock	254,197,585	254,197,585	-	-
Total equity securities	355,322,848	254,197,585	101,125,263	-
Private Equity				
Secondaries funds	11,815,830	-	-	11,815,830
Total private equity	11,815,830	-	-	11,815,830
Total GERS investments by fair value level	468,873,128	\$ 313,613,427	\$ 143,443,871	\$ 11,815,830
Investments measured at the net asset value (NAV)				
Commingled trust	112,588,720			
Collective interest trust	17,316,582			
Real estate funds	88,581,749			
Total GERS investments measured at NAV	218,487,051			
Total investments measured at fair value	\$ 687,360,179			

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 a matrix 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.

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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⁾	\$ 112,588,720	\$ -	Daily	2 days
Collective interest fund ⁽²⁾	17,316,582	-	Daily	Daily
Real estate funds ⁽³⁾	88,581,749	-	Quarterly	92 days
Total Investments Measured at NAV	\$ 218,487,051	\$ -		

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	\$ 72,629,064	22.82%	0.53
Federal Instrumentalities			
Federal Home Loan Bank	16,513,301	5.19	0.04
Federal Home Loan Mortgage Corporation	4,125,791	1.30	0.03
Federal National Mortgage Association	5,729,710	1.80	0.04
Mortgage/Asset Backed Securities	6,194,891	1.95	0.15
State/Local Government Municipal Bonds	874,496	0.27	
U.S. Government Securities	212,256,534	66.68	1.63

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CITY OF FORT LAUDERDALE, FLORIDA

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Portfolio No. 2		Percent of	Weighted
Community Redevelopment Agency Portfolio	Amount	Portfolio	Average Maturity
Corporate Bonds	\$ 8,925,459	15.66%	0.47
Federal Instrumentalities			
Federal Home Loan Bank	1,480,472	2.60	0.85
Federal Home Loan Mortgage Corporation	7,844,575	13.76	0.38
State/Local Government Municipal Bonds	546,098	0.96	0.17
U.S. Government Securities	38,207,691	67.03	0.30

Portfolio No. 4		Percent of	Weighted
Cemetery Perpetual Care Fund	Amount	Portfolio	Average Maturity
Fixed Income Securities			
Corporate Obligations	\$ 5,087,432	16.65%	1.29
Federal Home Loan Bank	98,564	0.32	0.04

Portfolio No. 5		Percent of	Weighted
OPEB Trust Fund	Amount	Portfolio	Average Maturity
Fixed Income Securities			
U.S. Government Securities	\$ 9,184,771	34.45%	0.75

Portfolio No. 6		Percent of	Weighted
Police and Firefighters' Retirement System Fund	Amount	Portfolio	Average Maturity
Fixed Income Securities			
US Treasury Securities	\$ 54,722,648	5.78%	
Government Obligations	189,443	0.02	
Corporate Obligations	135,594,011	14.33	
Debt Investment (aggregate)			4.43

Portfolio No. 7		Percent of	Weighted
General Employees' Retirement System Fund	Amount	Portfolio	Average Maturity
Fixed Income Securities			
US Treasury Securities	\$ 59,415,842	8.64%	
Government Obligations	27,011,676	3.93	
Corporate Obligations	15,306,932	2.23	
Debt Investment (aggregate)			4.79

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.

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CITY OF FORT LAUDERDALE, FLORIDA

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NOTES TO THE FINANCIAL STATEMENTS

September 30, 2018

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, 2018, \$72,629,064 of the City's investments were 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 \$32,563,693 in this type of investment as of September 30, 2018.

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/S2 by Fitch. This portfolio held \$479,492 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, 2018, \$8,925,459 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 \$9,325,047 in this type of investment.

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CITY OF FORT LAUDERDALE, FLORIDA

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Portfolio No. 3 Capital Improvement Projects Portfolio

External Investment Pool

The City participates in the FMLvT 0-2 Year High Quality Bond Fund. The 0-2 Year Bond fund has a rating of AAf/S1 by Fitch. This portfolio held \$10,431,952 in this type of investment.

The City participates in the FMLvT 1-3 Year High Quality Bond Fund. The 1-3 Year Bond fund has a rating of AAf/S2 by Fitch. This portfolio held \$184,855,142 in this type of investment.

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, 2018.

Portfolio No. 5 OPEB Trust Fund

This portfolio's investment requires that investments in fixed income type securities to be rated A or better by a nationally recognized rating service. All of these investments met this requirement at September 30, 2018.

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, 2018, 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, 2018.

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, 2018, the City's investment portfolio was held with a third party custodian.

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CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2018

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, 2018.

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.

5. 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, 2017, upon which the fiscal year 2018 levy was based, was approximately \$33.8 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 2018 were 4.1193 mills for operations and 0.0691 for debt service.

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, 2018 were approximately 99.0% of the total tax levy.

6. RECEIVABLES

Accounts receivable at September 30, 2018 are summarized as follows:

	<u>Primary Government</u>		
	<u>Governmental</u>	<u>Business-type</u>	<u>Total</u>
Accounts Receivable:			
Accounts Receivable	\$ 47,471,844	\$ 20,122,640	\$ 67,594,484
Property Taxes	2,330,998	-	2,330,998
Unbilled Receivables	320,901	7,258,923	7,579,824
Assessments Receivable	324,897	98,434	423,331
	<u>50,448,640</u>	<u>27,479,997</u>	<u>77,928,637</u>
Less: Allowances for Uncollectibles	(33,574,390)	(8,306,591)	(41,880,981)
Accounts receivable, net	<u>\$ 16,874,250</u>	<u>\$ 19,173,406</u>	<u>\$ 36,047,656</u>

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CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

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September 30, 2018

	Governmental Funds			Total
	Nonmajor		Internal	
	General Fund	Governmental Funds		
Accounts Receivable:				
Accounts Receivable	\$ 8,132,355	\$ 32,902,908	\$ 6,436,581	\$ 47,471,844
Property Taxes	2,294,895	36,103	-	2,330,998
Unbilled Receivables	320,901	-	-	320,901
Assessments Receivable	-	324,897	-	324,897
	<u>10,748,151</u>	<u>33,263,908</u>	<u>6,436,581</u>	<u>50,448,640</u>
Less: Allowances for uncollectibles	(917,038)	(32,629,922)	(27,430)	(33,574,390)
Accounts receivable, net	<u>\$ 9,831,113</u>	<u>\$ 633,986</u>	<u>\$ 6,409,151</u>	<u>\$ 16,874,250</u>

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, 2018 are summarized as follows:

	Enterprise Funds		Total
	Nonmajor		
	Water and Sewer	Enterprise Funds	
Accounts Receivable:			
Accounts Receivable	\$ 13,966,130	\$ 6,156,510	\$ 20,122,640
Unbilled Receivables	6,547,830	711,093	7,258,923
Assessments Receivable	92,089	6,345	98,434
	<u>20,606,049</u>	<u>6,873,948</u>	<u>27,479,997</u>
Less: Allowances for uncollectibles	(5,656,313)	(2,650,278)	(8,306,591)
Accounts receivable, net	<u>\$ 14,949,736</u>	<u>\$ 4,223,670</u>	<u>\$ 19,173,406</u>

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CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2018

7. INTER-FUND RECEIVABLES, PAYABLES AND TRANSFERS

Individual inter-fund receivable and payable balances at September 30, 2018 follow:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>	<u>Advances From Other Funds</u>	<u>Advances To Other Funds</u>
<u>Governmental Funds</u>				
General Fund	\$ 24,198,880	\$ -	\$ -	\$ 1,921,684
Nonmajor Governmental Funds				
Intergovernmental Revenue Fund	-	19,172,753	-	-
Community Redevelopment Agency Fund	-	-	1,921,684	-
Perpetual Care	-	112,136	-	-
	<u>24,198,880</u>	<u>19,284,889</u>	<u>1,921,684</u>	<u>1,921,684</u>
<u>Fiduciary Funds</u>				
General Employees' Pension Fund	-	2,878,916	-	-
Police and Firefighters' Pension Fund	-	2,035,075	-	-
	<u>-</u>	<u>4,913,991</u>	<u>-</u>	<u>-</u>
	<u>\$ 24,198,880</u>	<u>\$ 24,198,880</u>	<u>\$ 1,921,684</u>	<u>\$ 1,921,684</u>

The payables to the General Fund from the pension trust funds totaling \$4,913,991 were for operating expenses of the funds paid by the City. The Perpetual Care Trust Fund payables of \$112,136 to the General Fund represent operational costs for the City's cemeteries that will be repaid by the Cemetery Trust. The \$1,921,684 advance for the CRA Fund from the General Fund was a short-term loan to assist the Beach CRA with funding for the aquatic center renovations that will be repaid with FY2019 tax increment revenues. The \$19,172,753 due to the General Fund from the Intergovernmental Revenue Fund represents short-term borrowings that will be repaid using grants receipts.

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September 30, 2018

The composition of inter-fund transfers for the year ended September 30, 2018 was as follows:

Transfers Out	Transfers In						Total
	Nonmajor Governmental Funds					Enterprise	
	General	Special Revenue	Debt Service	Capital Projects	Internal Service Funds	Nonmajor Enterprise Funds	
Governmental Funds							
General Fund	\$ -	\$ 10,429,203	\$ 24,876,740	\$ 25,990,875	\$ -	\$ 7,542,735	\$ 68,839,553
	-	10,429,203	24,876,740	25,990,875	-	7,542,735	68,839,553
Nonmajor Governmental Funds							
Special Revenue Funds	500,000	-	1,281,935	7,860,757	-	-	9,642,692
Capital Projects Funds	-	-	-	-	12,000	-	12,000
Internal Service Funds	-	-	1,094,761	367,527	-	-	1,462,288
	500,000	-	2,376,696	8,228,284	12,000	-	11,116,980
Enterprise Funds							
Water and Sewer Fund	-	2,000,000	2,273,659	-	-	-	4,273,659
Nonmajor Enterprise Funds	-	-	1,098,086	141,887	-	-	1,239,973
	-	2,000,000	3,371,745	141,887	-	-	5,513,632
	\$ 500,000	\$ 12,429,203	\$ 30,625,181	\$ 34,361,046	\$ 12,000	\$ 7,542,735	\$ 85,470,165

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 \$6,200,000 in Private Collectors Fees to the Sanitation fund and \$1,342,735 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.

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CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2018

8. CAPITAL ASSETS

Capital Asset activity for governmental and business-type activities for the year ended September 30, 2018 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental activities:				
Capital assets not being depreciated				
Land	\$ 95,544,646	\$ 3,455,101	\$ -	\$ 98,999,747
Construction in progress *	23,538,658	36,968,893	22,740,054	37,767,497
Total capital assets not being depreciated	<u>119,083,304</u>	<u>40,423,994</u>	<u>22,740,054</u>	<u>136,767,244</u>
Capital assets being depreciated				
Buildings	165,928,100	3,316,186	-	169,244,286
Improvements	119,667,339	10,499,469	-	130,166,808
Infrastructure	45,123,398	343,932	-	45,467,330
Machinery, Equipment and Vehicles	122,870,187	15,390,089	4,640,099	133,620,177
Total capital assets being depreciated	<u>453,589,024</u>	<u>29,549,676</u>	<u>4,640,099</u>	<u>478,498,601</u>
Less accumulated depreciation for:				
Buildings	71,704,986	3,765,399	-	75,470,385
Improvements	74,711,822	4,759,224	-	79,471,046
Infrastructure	12,323,560	1,743,403	-	14,066,963
Machinery, Equipment and Vehicles	96,734,761	11,261,952	4,636,214	103,360,499
Total accumulated depreciation	<u>255,475,129</u>	<u>21,529,978</u>	<u>4,636,214</u>	<u>272,368,893</u>
Total capital assets being depreciated, net	<u>198,113,895</u>	<u>8,019,698</u>	<u>3,885</u>	<u>206,129,708</u>
Governmental activities capital assets, net	<u>\$ 317,197,199</u>	<u>\$ 48,443,692</u>	<u>\$ 22,743,939</u>	<u>\$ 342,896,952</u>

* Construction in progress deletions includes \$1.2 million in non-depreciable assets.

	Beginning Balance	Additions	Deletions	Ending Balance
Business-type activities:				
Capital assets not being depreciated				
Land *	\$ 52,909,896	\$ -	\$ -	\$ 52,909,896
Construction in progress	35,602,057	56,133,849	52,265,236	39,470,670
Total capital assets not being depreciated	<u>88,511,953</u>	<u>56,133,849</u>	<u>52,265,236</u>	<u>92,380,566</u>
Capital assets being depreciated				
Buildings	274,641,586	11,123,208	-	285,764,794
Improvements	910,299,695	40,791,294	-	951,090,989
Infrastructure	324,902	140,806	-	465,708
Machinery, Equipment and Vehicles	53,691,654	12,220,627	610,190	65,302,091
Total capital assets being depreciated	<u>1,238,957,837</u>	<u>64,275,935</u>	<u>610,190</u>	<u>1,302,623,582</u>
Less accumulated depreciation for:				
Buildings	119,469,812	5,839,407	-	125,309,219
Improvements	281,133,073	22,262,544	-	303,395,617
Infrastructure	8,677	10,072	-	18,749
Machinery, Equipment and Vehicles	37,770,105	5,611,385	610,190	42,771,300
Total accumulated depreciation	<u>438,381,667</u>	<u>33,723,408</u>	<u>610,190</u>	<u>471,494,885</u>
Total capital assets being depreciated, net	<u>800,576,170</u>	<u>30,552,527</u>	<u>-</u>	<u>831,128,697</u>
Business-type activities capital assets, net	<u>\$ 889,088,123</u>	<u>\$ 86,686,376</u>	<u>\$ 52,265,236</u>	<u>\$ 923,509,263</u>

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CITY OF FORT LAUDERDALE, FLORIDA

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

Governmental Activities

General Government	\$ 2,170,526
Public Safety	4,208,162
Physical Environment	461,505
Transportation	1,125,551
Economic Environment	438,728
Culture and Recreation	5,552,082
Capital Assets held in the City's internal service funds are charged to general government	<u>7,573,424</u>
	<u>\$ 21,529,978</u>

Business-type activities

Water and Sewer	\$ 27,067,904
Sanitation	1,048,754
Parking System	1,242,123
Airport	3,046,801
Stormwater	<u>1,317,826</u>
	<u>\$ 33,723,408</u>

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".

9. 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 \$1,318,291 was derived exclusively from operations. The equity interests of the City, the PACA and the DDA totaled \$591,939 \$764,540, and \$439,181 respectively at September 30, 2018. Separate financial statements for the joint venture are available from the City's Finance Department.

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NOTES TO THE FINANCIAL STATEMENTS

September 30, 2018

10. 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.

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, 2018 of \$36,278,000 (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, 2017 and 2018 follow:

CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

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	Medical Benefits	Other	Total
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
New Claims and Changes in Estimates	24,094,811	10,408,037	34,502,848
Claim Payments	(24,087,811)	(10,591,626)	(34,679,437)
Balance September 30, 2018	<u>\$ 1,705,000</u>	<u>\$ 34,573,000</u>	<u>\$ 36,278,000</u>

11. LONG-TERM DEBT

Bonds outstanding at September 30, 2018 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, 2018, funds available met the debt service requirements for revenue bonds.

The annual requirements to pay Governmental Activities principal and interest on the bonds, notes and loans outstanding at September 30, 2018 (in thousands) follow:

Year Ending	Governmental Activities										Total	
	General		Tax Increment		Special		Special		Capital			
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
September 30												
2019	\$ 1,055	\$ 1,158	\$ 669	\$ 179	\$ 2,992	\$ 299	\$ 16,680	\$ 9,803	\$ 1,386	\$ 173	\$ 22,782	\$ 11,612
2020	1,090	1,121	690	157	2,669	225	17,565	9,311	1,421	139	23,435	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	1,230	981	757	89	522	75	20,840	7,357	1,014	57	24,363	8,559
2024-2028	6,820	4,228	2,419	117	2,250	137	86,680	25,812	1,315	51	99,484	30,345
2029-2033	8,100	2,945	-	-	-	-	62,270	5,865	66	1	70,436	8,811
2034-2038	6,500	1,369	-	-	-	-	-	-	-	-	6,500	1,369
2039-2043	3,170	273	-	-	-	-	-	-	-	-	3,170	273
Total	<u>\$ 30,275</u>	<u>\$ 14,181</u>	<u>\$ 5,981</u>	<u>\$ 789</u>	<u>\$ 11,334</u>	<u>\$ 1,008</u>	<u>\$ 243,605</u>	<u>\$ 74,954</u>	<u>\$ 7,154</u>	<u>\$ 607</u>	<u>\$ 298,349</u>	<u>\$ 91,539</u>

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.

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CITY OF FORT LAUDERDALE, FLORIDA

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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, 2018, 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 proceeds were used to reissue the City's Special Obligation Note, Series 2008B which had a principal balance of \$10,051,200. The Series 2010B provides for semi-annual payments at a rate of 2.66%, maturing on June 1, 2022. As of September 30, 2018, the City's liability for the bonds totaled \$6,232,400.

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 \$2,297,776, was paid. Non-ad valorem revenues were \$223,444,737.

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, 2018, the City's liability for the loans totaled \$5,102,000.

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 \$993,352, was paid. Non-ad valorem revenues were \$223,444,737.

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, 2018, the City's liability for the bonds totaled \$16,735,000.

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, 2018, the City's liability for the bonds totaled \$243,605,000.

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CITY OF FORT LAUDERDALE, FLORIDA

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NOTES TO THE FINANCIAL STATEMENTS

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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 \$26,357,123, was paid. Designated revenues were \$45,633,028.

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, 2018, the City's liability for the note totaled \$5,981,000.

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, 2018, the City's liability for the bonds totaled \$13,540,000.

The annual requirements to pay business-type activities principal and interest on the bonds, notes and loans outstanding at September 30, 2018 (in thousands) follow:

Year Ending September 30	Business-Type Activities							
	Water and Sewer Revenue Bonds		State Revolving Fund Loans		Capital Lease		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2019	\$ 11,760	\$ 19,959	\$ 3,700	\$ 822	\$ 89	\$ 25	\$ 15,549	\$ 20,806
2020	12,360	19,363	3,784	739	94	23	16,238	20,125
2021	12,940	18,776	3,870	653	99	21	16,909	19,450
2022	13,600	18,116	3,957	566	105	19	17,662	18,701
2023	14,275	17,444	4,047	477	110	17	18,432	17,938
2024-2028	81,910	76,669	18,095	1,001	643	53	100,648	77,723
2029-2033	98,965	59,612	-	-	127	3	99,092	59,615
2034-2038	85,475	42,178	-	-	-	-	85,475	42,178
2039-2043	79,720	27,671	-	-	-	-	79,720	27,671
2044-2048	97,095	10,290	-	-	-	-	97,095	10,290
Total	\$ 508,100	\$ 310,078	\$ 37,453	\$ 4,258	\$ 1,267	\$ 161	\$ 546,820	\$ 314,497

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

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CITY OF FORT LAUDERDALE, FLORIDA

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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. Loan agreements three, four and five were still outstanding as of September 30, 2018. 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, 2018, the City's liability for this loan totaled \$7,638,937. 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, 2018, the City's liability for this loan totaled \$24,249,346.

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, 2018, the City's liability for this loan totaled \$5,564,318.

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, 2018, the City's liability for these bonds totaled \$50,745,000.

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, 2018, 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, 2018, the City's liability for these bonds totaled \$139,800,000.

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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 final maturity on September 1, 2048. As of September 30, 2018, The City's liability for these bonds totaled \$196,035,000.

Following is a summary of the changes in the City's long-term liabilities for the fiscal year ended September 30, 2018:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
General Obligation Bonds	\$ 31,300,000	\$ -	\$ (1,025,000)	\$ 30,275,000	\$ 1,055,000
Tax Increment Revenue Note	6,629,000	-	(648,000)	5,981,000	669,000
Special Obligation Bonds	259,735,000	-	(16,130,000)	243,605,000	16,680,000
Special Obligation Loans	14,370,700	-	(3,036,300)	11,334,400	2,991,800
Unamortized Bond Premiums and Discounts	544,987	-	(132,755)	412,232	-
Capital Leases	8,505,531	-	(1,352,003)	7,153,528	1,386,442
Estimated Claims Payable	36,454,589	34,502,848	(34,679,437)	36,278,000	12,864,000
Net Pension Liabilities	39,344,105	-	(3,234,335)	36,109,770	-
Net OPEB Liabilities	23,279,107	-	(5,608,963)	17,670,144	-
Compensated Absences and Longevity	29,862,727	15,640,368	(16,855,954)	28,647,141	7,928,537
Total Governmental Activities	\$ 450,025,746	\$ 50,143,216	\$ (82,702,747)	\$ 417,466,215	\$ 43,574,779
Business-type Activities:					
Revenue Bonds	\$ 323,255,000	\$ 196,035,000	\$ (11,190,000)	\$ 508,100,000	\$ 11,760,000
State Revolving Fund Loans	41,071,315	-	(3,618,714)	37,452,601	3,700,478
Unamortized Bond Premiums and Discounts	21,754,945	6,003,249	(3,746,707)	24,011,487	-
Capital Leases	1,351,599	-	(84,379)	1,267,220	89,175
Parking Line of Credit	-	59,000	-	59,000	-
Landfill Post-Closure Costs	828,334	-	(44,480)	783,854	45,538
Net Pension Liabilities	1,924,259	(1,924,259)	-	-	-
Net OPEB Liabilities	7,182,237	-	(1,730,517)	5,451,720	-
Compensated Absences and Longevity	4,704,921	3,238,610	(3,066,344)	4,877,187	822,890
Total Business-type Activities	\$ 402,072,610	\$ 203,411,600	\$ (23,481,141)	\$ 582,003,069	\$ 16,418,081

Internal service funds predominantly serve the governmental funds. Accordingly, their long-term liabilities totaling \$45.0 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.

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CITY OF FORT LAUDERDALE, FLORIDA

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The City advance refunds and/or defeases long-term debt primarily to reduce debt service requirements. As of September 30, 2018, 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	<u>\$ 67,270,000</u>

12. 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 for in the Central Services fund. As of September 30, 2018 the City’s liability for this lease totaled \$956,313

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, 2018 the City’s liability for this lease totaled \$1,927,411

In August 2017, the City entered into a seven-year lease agreement with Motorola Solutions for public safety radio equipment for \$6,383,587. 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, 2018, the City’s liability for this lease totaled \$5,537,024

The future (minimum) lease obligations and the net present value of capital lease payments as of September 30, 2018 are as follows:

Year Ending September 30	Total
2019	\$ 1,673,362
2020	1,678,256
2021	1,187,923
2022	1,193,102
2023	1,198,429
Later Years	2,257,596
Total Lease Payments	9,188,668
Less: Amount of Interest	(767,920)
Present Value of Lease Payments	<u>\$ 8,420,748</u>

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CITY OF FORT LAUDERDALE, FLORIDA

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13. 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, 2018, the liability is \$783,854 to provide for estimated post closure care costs.

14. 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.

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CITY OF FORT LAUDERDALE, FLORIDA

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- (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.

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.

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The details of individual governmental fund balances by category at September 30, 2018 follow:

	<u>Nonmajor Governmental</u>					Total
	General	Special Revenue	Debt Service	Capital Projects	Permanent	
Nonspendable						
Inventories and Prepaids	\$ 10,870	\$ -	\$ -	\$ 6,750	\$ -	\$ 17,620
Property Held for Resale	-	2,755,594	-	-	-	2,755,594
Endowments	-	-	-	-	15,655,965	15,655,965
Restricted For						
Debt Service	-	-	15,708,825	-	-	15,708,825
Inventories	-	16,667	-	-	-	16,667
Grants and Special Programs	-	236,872	-	-	-	236,872
Community Redevelopment	-	23,259,339	-	53,532,629	-	76,791,968
Building Code Enforcement	-	45,129,557	-	-	-	45,129,557
Law Enforcement	-	1,407,352	-	-	-	1,407,352
Capital Projects	-	-	-	22,453,024	-	22,453,024
Transportation	-	-	-	459,424	-	459,424
Endowments	-	-	-	-	14,424,470	14,424,470
Other Purposes	-	1,487,181	-	-	-	1,487,181
Committed To						
Grants and Special Programs	965,158	-	-	-	-	965,158
Beach Improvements	-	1,002,808	-	-	-	1,002,808
Assigned To						
Law Enforcement	-	910,666	-	-	-	910,666
Capital Projects	-	-	-	50,335,246	-	50,335,246
Transportation	-	-	-	346,525	-	346,525
Subsequent Year's Expenditures	2,463,491	-	-	-	-	2,463,491
Unassigned	74,992,328	(25,340,986)	-	-	-	49,651,342
Total Fund Balances	<u>\$ 78,431,847</u>	<u>\$ 50,865,050</u>	<u>\$ 15,708,825</u>	<u>\$ 127,133,598</u>	<u>\$ 30,080,435</u>	<u>\$ 302,219,755</u>

15. EMPLOYEE RETIREMENT SYSTEMS

The City of Fort Lauderdale, sponsors two defined benefit plans – General Employees’ Retirement System (GERS) and Police and Firefighters’ Retirement System (PFRS). 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.

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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, 2018 in the General Employees’ Retirement System (GERS) and the Police and Firefighters’ Retirement System (PFRS) was as follows:

	General Employees’ Retirement System	Police and Firefighters’ Retirement System
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	1,409	1063
Inactive Plan Members Entitled to but Not Yet Receiving Benefits	101	25
Active members	716	786
Total	<u>2,226</u>	<u>1874</u>

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

	Measurement Date	Net Pension (Asset) Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
GERS	9/30/2018	\$ (9,401,056)	\$ 5,221,035	\$ 31,997,285	\$ 12,659,905
PFRS	9/30/2018	36,109,770	16,849,781	17,771,647	24,112,484
		<u>\$ 26,708,714</u>	<u>\$ 22,070,816</u>	<u>\$ 49,768,932</u>	<u>\$ 36,772,389</u>

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CITY OF FORT LAUDERDALE, FLORIDA

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September 30, 2018

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	1,409
Inactive, Non retired members	101
Active Members	716
Total	<u>2,226</u>

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.

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 23.17% or \$10,459,835.

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CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2018

Net Pension Liability

The City's net pension liability (asset) was measured as of September 30, 2018. 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, 2018 were as follows:

Total Pension Liability	\$ 674,875,420
Plan Fiduciary Net Position	<u>(684,276,476)</u>
City's Net Pension Liability (Asset)	<u>\$ (9,401,056)</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	101.39%

Actuarial Assumptions: The total pension liability in the September 30, 2017 actuarial valuation updated to September 30, 2018 was determined using the following actuarial assumptions, applied to all periods in the measurements:

Inflation	2.50%
Salary Increases	4.00% to 9.50% depending on age, including inflation
Investment Rate of Return	7.40%

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

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, 2018 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	<u>100.00%</u>	

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CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2018

Discount Rate: A single discount rate of 7.40% 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 7.40%. 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 (7.40%) was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate assumption changed from 7.50% to 7.40%.

Changes in the Net Pension Liability (Asset)

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balances at September 30, 2017	\$ 659,261,317	\$ 654,193,477	\$ 5,067,840
Changes for the year:			
Service Cost	9,080,935	-	9,080,935
Interest on Total Pension Liability	48,592,554	-	48,592,554
Differences between expected and actual experience on Total Pension Liability	(7,758,188)	-	(7,758,188)
Contributions - Employer	-	10,459,835	(10,459,835)
Contributions - Employee	-	2,741,096	(2,741,096)
Assumption Changes	6,581,878	-	6,581,878
Net Investment Income	-	58,237,325	(58,237,325)
Benefit Payments	(40,883,076)	(40,883,076)	-
Administrative Expense	-	(472,181)	472,181
Net Changes	15,614,103	30,082,999	(14,468,896)
Balances at September 30, 2018	<u>\$ 674,875,420</u>	<u>\$ 684,276,476</u>	<u>\$ (9,401,056)</u>

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-percentage-point lower (6.40%) or 1-percentage-point higher (8.40%) than the current rate:

	Current Single Discount		
	1% Decrease 6.40%	Rate Assumption 7.40%	1% Increase 8.40%
City's Net Pension Liability (Asset)	\$ 62,994,158	\$ (9,401,056)	\$ (70,573,772)

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CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2018

Pension expense and deferred outflows/inflows of resources related to pensions: For the year ended September 30, 2018, the City recognized a pension expense of \$12,659,905. At September 30, 2018, the City reported deferred outflows and deferred inflows of resources related to pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ -	\$ 4,097,765
Changes in Assumptions	5,221,035	-
Net Difference Between Projected and Actual Earnings on Pension Investments	-	27,899,520
Total	<u>\$ 5,221,035</u>	<u>\$ 31,997,285</u>

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

<u>Year ending September 30,</u>	<u>Net Deferred Inflows of Resources</u>
2019	\$ 538,164
2020	(14,145,844)
2021	(11,072,230)
2022	(2,096,340)
Total	<u>\$ (26,776,250)</u>

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 97).

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

2. Police and Firefighters' Retirement System

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

Plan membership as of October 1, 2017:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	1,063
Inactive Plan Members Entitled to but Not Yet Receiving Benefits	25
Active Plan Memebers	786
Total	<u>1,874</u>

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CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2018

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 8.25% 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 \$6,380,918 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 26.49% (\$19,328,568) and 8.75% (\$6,680,918), respectively.

For measurement date September 30, 2018, 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, 2018. 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, 2018 were as follows:

Total Pension Liability	\$ 977,637,343
Plan Fiduciary Net Position	(941,527,573)
City's Net Pension Liability	<u>\$ 36,109,770</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	96.31%

Actuarial Assumptions: The total pension liability was determined by an actuarial valuation as of October 1, 2017 updated to September 30, 2018 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	7.35%
Investment Rate of Return	7.35%

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.

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CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2018

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 2018, the inflation rate assumption of the investment advisor was 2.50%. 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, 2018 are summarized in the following table:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Domestic Equity	30.00%	4.80%
International Equity	15.00%	5.00%
Domestic Bonds	30.00%	0.80%
Real Estate	12.50%	3.80%
Other	12.50%	2.00%
Total	<u>100.00%</u>	

Discount Rate: The discount rate used to measure the total pension liability was 7.35%. 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. The discount rate assumption changed from 7.40% to 7.35%.

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CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2018

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances at September 30, 2017	\$ 928,971,000	\$ 892,770,476	\$ 36,200,524
Changes for the year:			
Service Cost	20,478,769	-	20,478,769
Interest on Total Pension Liability	68,505,318	-	68,505,318
Share Plan Allocation	1,599,747	-	1,599,747
Changes of Benefit Terms	6,411	-	6,411
Assumption Changes	4,790,360	-	4,790,360
Differences between expected and actual experience on Total Pension Liability	(1,668,323)	-	(1,668,323)
Contributions - Employer	-	19,328,568	(19,328,568)
Contributions - State	-	6,380,918	(6,380,918)
Contributions - Employee	-	6,838,045	(6,838,045)
Contributions - Buy Back	2,371,335	2,371,335	-
Net Investment Income	-	61,903,958	(61,903,958)
Benefit Payments	(47,417,274)	(47,417,274)	-
Administrative Expense	-	(648,453)	648,453
Net Changes	48,666,343	48,757,097	(90,754)
Balances at September 30, 2018	<u>\$ 977,637,343</u>	<u>\$ 941,527,573</u>	<u>\$ 36,109,770</u>

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 7.35%, 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 (6.35%) or 1% point higher (8.35%) than the current rate:

	Current Single Discount		
	1% Decrease 6.35%	Rate Assumption 7.35%	1% Increase 8.35%
City's Net Pension Liability	\$ 141,803,385	\$ 36,109,770	\$ (51,365,489)

Pension expense and deferred outflows/inflows of resources related to pensions: For the year ended September 30, 2018, the City recognized a pension expense of \$24,112,484. At September 30, 2018 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 Between Expected and Actual Experience	\$ -	\$ 6,496,431
Changes in Assumptions	16,849,781	438,996
Net Difference Between Projected and Actual Earnings on Pension Investments	-	10,836,220
Total	<u>\$ 16,849,781</u>	<u>\$ 17,771,647</u>

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CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2018

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

Year ending September 30,	Net Deferred Inflows of Resources
2019	\$ 5,290,412
2020	(3,293,740)
2021	(4,277,870)
2022	1,359,332
Total	<u>\$ (921,866)</u>

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 100).

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.

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CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2018

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

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 \$43,320,567. The total City payroll for the year was approximately \$206,456,122.

The City contribution requirement of 9% on earnings of participants was paid on a biweekly basis and amounted to \$3,778,198 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 \$64,105. The total City payroll for the year was approximately \$206,456,122.

The City contribution requirement of 23.27% on earnings of participants was paid on a biweekly basis and amounted to \$11,790 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 \$2,433,817. The total City payroll for the year was approximately \$206,456,122.

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CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2018

The City contribution requirement of 19.84% on earnings of participants was paid on a biweekly basis and amounted to \$452,979 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.

16. 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. Benefit payments totaled \$2,318,660 for the year, of which retiree implicit subsidies amounted to \$39,229.

Contributions: Benefit provisions and City contribution requirements are established and may be amended by the City Commission. As of September 30, 2018, there were 604 retired employees receiving a monthly benefit with an additional 1,726 employees eligible for participation in the future. Contributions totaled \$11,607,707 for the year.

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, 2018, \$26,672,110 was invested in the OPEB Trust fund. The OPEB Trust does not issue a separate financial report.

Plan membership: As of September 30, 2018, the membership consisted of the following:

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

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CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2018

Net OPEB Liability

The City's net OPEB liability was measured as of September 30, 2018. 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, 2018 were as follows:

Total OPEB Liability	\$49,793,974
Plan Fiduciary Net Position	(26,672,110)
City's Net OPEB Liability	<u>\$23,121,864</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	53.56%

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	7.00%
Mortality	RP 2014 Mortality, with MP2014 projection.
Healthcare Trend Rate	8.0% decreasing to 5.0%

Investments

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

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 annual money-weighted rate of return that expresses investment performance, net of investment expense, adjusted for changes in the amount actually invested was 8.14%.

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CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2018

The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Rate of Return
Domestic Equity	67.0%	6.0%
Fixed Income	30.0%	1.5%
Private Equity	0.0%	6.0%
Real Estate	3.0%	5.5%
Cash	0.0%	0.0%
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, 2017	\$ 46,289,925	\$ 15,828,581	\$ 30,461,344
Changes for the year:			
Service Cost	1,547,033	-	1,547,033
Interest on Total OPEB Liability	3,159,142	-	3,159,142
Differences between expected and actual experience on Total OPEB Liability	1,116,534	-	1,116,534
Contributions - Employer	-	11,607,707	(11,607,707)
Assumption Changes	-	-	-
Net Investment Income	-	1,554,482	(1,554,482)
Benefit Payments	(2,318,660)	(2,318,660)	-
Administrative Expense	-	-	-
Other	-	-	-
Net Changes	3,504,049	10,843,529	(7,339,480)
Balances at September 30, 2018	\$ 49,793,974	\$ 26,672,110	\$ 23,121,864

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	Rate Assumption	1% Increase
	6.00%	7.00%	8.00%
Net OPEB Liability	\$ 39,690,842	\$ 23,121,864	\$ 17,146,587

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CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2018

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	Trend Rates	1% Increase
	(7.0% decreasing to 4.0%)	(8.0% decreasing to 5.0%)	(9.0% decreasing to 6.0%)
Net OPEB Liability	\$ 13,515,733	\$ 23,121,864	\$ 34,022,737

OPEB expense and deferred outflows/inflows of resources related to OPEB: For the year ended September 30, 2018, the City recognized an OPEB expense of \$3,668,737. At September 30, 2018 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
Difference Between Expected and Actual Experience	\$ 1,015,031	\$ -
Changes in Assumptions	-	-
Net Difference Between Projected and Actual Earnings on Pension Investments	-	182,118
Total	\$ 1,015,031	\$ 182,118

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
2019	\$ 70,563
2020	70,563
2021	70,563
2022	12,207
2023	101,503
Thereafter (all 5 yrs)	507,514
Total	\$ 832,913

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 103).

17. 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.

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CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2018

18. 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 (\$1,570,637 in 2018) based upon escalating percentages of gross receipts for the duration of the agreement. Minimum future rentals on this lease as of September 30, 2018 follow:

Fiscal Year Ending in:	Bahia Mar Lease
2019	\$ 300,000
2020	300,000
2021	300,000
2022	300,000
2023	300,000
Later Years	11,700,000
	<u>\$ 13,200,000</u>

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, 2018 follow:

Fiscal Year Ending in:	Aviation Leases	Land Leases	Total
2019	\$ 3,313,696	\$ 3,364,171	\$ 6,677,867
2020	3,243,885	3,364,171	6,608,056
2021	3,238,212	3,364,171	6,602,383
2022	3,163,588	3,364,171	6,527,759
2023	2,830,307	3,364,171	6,194,478
Later Years	38,395,894	83,874,333	122,270,227
	<u>\$ 54,185,582</u>	<u>\$ 100,695,188</u>	<u>\$ 154,880,770</u>

Continued

CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2018

19. 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, 2018:

Governmental Funds	
General Fund	\$ 2,470,633
Nonmajor Governmental Funds	
Special Revenue Funds	
Community Redevelopment Agency Fund	14,403,136
Beach Business Improvement District	127,863
Building Fund	2,668,457
Nuisance Abatement Fund	13,308
	<u>17,212,764</u>
Capital Projects Funds	
General Capital Projects Fund	4,160,657
Gas Tax Fund	497,607
General Obligation Construction 2005 and 2011A Fund	5,336,934
Community Redevelopment Agency Projects Fund	16,382,088
Park Impact Fee Projects Fund	20,800
	<u>26,398,086</u>
Enterprise Funds	
Water and Sewer	20,662,036
Nonmajor Enterprise Funds	
Sanitation Fund	480,936
Parking System Fund	6,690,129
Airport Fund	4,424,257
Stormwater Fund	2,812,220
	<u>14,407,542</u>
Total Commitments and Contingent Liabilities	<u>\$ 81,151,061</u>

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.

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CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2018

20. 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 FY2018.

21. NEW ACCOUNTING PRONOUNCEMENTS

Implemented

In March 2016, the GASB issued Statement No. 81, *“Irrevocable Split-Interest Agreements”*. The objective of this Statement is to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. This Statement requires that a government that receives resources pursuant to an irrevocable split-interest agreement recognize assets, liabilities, and deferred inflows of resources at the inception of the agreement. Furthermore, this Statement requires that a government recognize assets representing its beneficial interests in irrevocable split-interest agreements that are administered by a third

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CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2018

party, if the government controls the present service capacity of the beneficial interests. This Statement requires that a government recognize revenue when the resources become applicable to the reporting period. The provisions of this Statement are effective for financial statements for the City's financial year ending September 30, 2018. There was no impact to the City.

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 [OPEB]). Specifically, this Statement addresses the following topics:

- Blending a component unit in circumstances in which the primary government is a business-type activity that reports in a single column for financial statement presentation
- Reporting amounts previously reported as goodwill and "negative" goodwill
- Classifying real estate held by insurance entities
- Measuring certain money market investments and participating interest-earning investment contracts at amortized cost
- Timing of the measurement of pension or OPEB liabilities and expenditures recognized in financial statements prepared using the current financial resources measurement focus
- Recognizing on-behalf payments for pensions or OPEB in employer financial statements
- Presenting payroll-related measures in required supplementary information for purposes of reporting by OPEB plans and employers that provide OPEB
- Classifying employer-paid member contributions for OPEB
- Simplifying certain aspects of the alternative measurement method for OPEB
- Accounting and financial reporting for OPEB provided through certain multiple-employer defined benefit OPEB plans.

The provisions of this Statement are effective for the City's financial year ending September 30, 2018. There was no impact to the City.

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 the City's financial year ending September 30, 2018. 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.

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CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2018

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, 2020.

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, 2021.

In April 2018, the GASB issued Statement No. 88, *"Certain Disclosures Relates to Debt, Including Direct Borrowings and Direct Placements"*. The objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. This Statement requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. The provisions of this Statement are effective for financial statements for the City's financial year ending September 30, 2019.

In June 2018, GASB issued Statement No. 89 *"Accounting for Interest Cost Incurred Before the End of a Construction Period"*. This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5–22 of Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements, which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. The requirements of this Statement is effective for the District's fiscal year ended September 30, 2021.

In August 2018, GASB issued Statement No. 90 *"Majority Equity Interest"*. The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization to improve the relevance of financial statement information. The requirements of this Statement is effective for the District's fiscal year ended September 30, 2020.

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



CITY OF FORT LAUDERDALE



Required Supplementary
Information

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, 2018**

	Budgeted Amounts		Actual Amounts	Variance Positive (Negative)
	Original	Final		
REVENUES				
Taxes:				
Ad Valorem	\$ 133,989,237	\$ 133,989,237	\$ 133,435,133	\$ (554,104)
Utility Service	39,313,411	39,470,601	39,537,407	66,806
Franchise Fees	23,253,245	23,403,245	22,978,002	(425,243)
Insurance Premium	5,860,782	6,087,347	6,377,053	289,706
Total Taxes	<u>202,416,675</u>	<u>202,950,430</u>	<u>202,327,595</u>	<u>(622,835)</u>
Licenses and Permits:				
Business Tax Receipts	3,001,500	3,001,500	3,013,524	12,024
Other Licenses and Permits	210,000	210,000	279,789	69,789
Total Licenses and Permits	<u>3,211,500</u>	<u>3,211,500</u>	<u>3,293,313</u>	<u>81,813</u>
Intergovernmental Revenues:				
Federal				
FEMA	-	-	32,942	32,942
State				
State Revenue Sharing	5,612,861	5,612,861	5,684,341	71,480
Half Cent Sales Tax	12,018,935	12,018,935	12,105,676	86,741
State Other	645,000	645,000	708,659	63,659
Local				
County Shared Gas Tax	2,815,517	2,815,517	2,646,963	(168,554)
County Business Tax Receipts	180,000	180,000	188,287	8,287
Total Intergovernmental Revenues	<u>21,272,313</u>	<u>21,272,313</u>	<u>21,366,868</u>	<u>94,555</u>
Charges for Services:				
General Government Charges	2,162,800	2,162,800	2,395,111	232,311
Public Safety Charges				
Police Service Fees	463,016	703,016	498,175	(204,841)
Alarm Fees	1,331,400	1,331,400	757,652	(573,748)
Fire Fees	2,230,800	2,230,800	2,562,336	331,536
EMS Transport Fees	11,185,040	11,185,040	10,016,208	(1,168,832)
Culture/Recreation Charges				
Auditorium	925,000	925,000	864,296	(60,704)
Stadium	70,000	70,000	45,590	(24,410)
Swimming Pools	665,000	665,000	753,277	88,277
Tennis Courts	680,000	680,000	664,311	(15,689)
Parks	423,000	423,000	257,458	(165,542)
Docks	3,112,015	3,112,015	3,266,371	154,356
Program Fees	982,000	982,000	894,511	(87,489)
Special Events	60,000	60,000	208,154	148,154
Miscellaneous	290,007	290,007	341,141	51,134
Total Charges for Services	<u>24,580,078</u>	<u>24,820,078</u>	<u>23,524,591</u>	<u>(1,295,487)</u>

Continued

CITY OF FORT LAUDERDALE, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-
BUDGET AND ACTUAL - GENERAL FUND - Continued**
For the Year Ended September 30, 2018

	Budgeted Amounts		Actual Amounts	Variance Positive (Negative)
	Original	Final		
Fines and Forfeitures:				
Court Fines and Forfeitures	\$ 1,280,000	\$ 1,280,000	\$ 1,609,857	\$ 329,857
Code Enforcement Fines	382,200	382,200	438,424	56,224
Other Fines and Forfeitures	40,000	40,000	38,590	(1,410)
Total Fines and Forefeitures	1,702,200	1,702,200	2,086,871	384,671
Miscellaneous Revenues:				
Assessments and Other Fees	39,006,684	39,109,734	39,442,444	332,710
Investment Income	1,510,000	1,510,000	1,686,886	176,886
Rents and Concessions	4,789,395	4,564,395	4,758,619	194,224
Contributions and Donations	456,711	525,273	524,773	(500)
Interfund Service Charges	46,317,307	46,317,307	45,473,514	(843,793)
Other Miscellaneous Revenues	4,162,062	4,577,175	4,858,133	280,958
Total Miscellaneous Revenue	96,242,159	96,603,884	96,744,369	140,485
Total Revenues	349,424,925	350,560,405	349,343,607	(1,216,798)
EXPENDITURES				
General Government				
City Attorney	5,244,177	5,278,966	4,802,724	476,242
City Auditor	1,207,710	1,212,120	1,200,151	11,969
City Clerk	1,921,774	1,928,935	1,672,004	256,931
City Commission	1,303,357	1,351,837	1,345,701	6,136
City Manager	7,353,809	7,447,100	7,204,671	242,429
Finance	6,052,953	6,130,218	5,876,778	253,440
Human Resources	3,806,504	3,837,569	3,458,184	379,385
Parks and Recreation	7,345,265	7,503,688	7,393,751	109,937
Public Works	1,247,600	1,291,391	1,250,753	40,638
Sustainable Development	7,634,293	7,964,334	7,916,149	48,185
Other General Government	11,312,580	10,467,321	8,715,624	1,751,697
Total General Government	54,430,022	54,413,479	50,836,490	3,576,989
Public Safety				
Code Enforcement	4,558,011	4,410,011	4,182,455	227,556
Fire-Rescue	78,698,097	80,169,246	79,911,369	257,877
Police	110,622,074	113,938,507	112,929,663	1,008,844
Total Public Safety	193,878,182	198,517,764	197,023,487	1,494,277
Physical Environment				
Parks and Recreation	127,651	196,764	190,163	6,601
Public Works	8,879,664	8,866,214	7,965,476	900,738
Total Physical Enviroment	9,007,315	9,062,978	8,155,639	907,339
Transportation				
Parks and Recreation	2,363,639	2,363,639	2,269,242	94,397
Transporation and Mobility	762,972	1,071,881	993,857	78,024
Total Transportation	3,126,611	3,435,520	3,263,099	172,421

Continued

CITY OF FORT LAUDERDALE, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-
BUDGET AND ACTUAL - GENERAL FUND - Continued
For the Year Ended September 30, 2018

	Budgeted Amounts		Actual Amounts	Variance Positive (Negative)
	Original	Final		
Economic Environment				
Community Redevelopment Agency	\$ 1,618,811	\$ 1,632,665	\$ 1,615,741	\$ 16,924
Sustainable Development	1,280,589	1,280,589	1,265,606	14,983
Housing Grant Operations	127,998	113,998	96,812	17,186
Parks and Recreation	-	-	1,297	(1,297)
Total Economic Environment	<u>3,027,398</u>	<u>3,027,252</u>	<u>2,979,456</u>	<u>47,796</u>
Culture/Recreation				
Parks and Recreation	35,383,504	35,866,699	34,875,955	990,744
Total Culture/Recreation	<u>35,383,504</u>	<u>35,866,699</u>	<u>34,875,955</u>	<u>990,744</u>
Debt Service:				
Principal Retirement	43,959	43,959	43,959	-
Interest and Fiscal Charges	13,928	13,928	13,928	-
Total Debt Service	<u>57,887</u>	<u>57,887</u>	<u>57,887</u>	<u>-</u>
Total Expenditures	<u>298,910,919</u>	<u>304,381,579</u>	<u>297,192,013</u>	<u>7,189,566</u>
Excess of Revenues Over Expenditures	<u>50,514,006</u>	<u>46,178,826</u>	<u>52,151,594</u>	<u>5,972,768</u>
OTHER FINANCING SOURCES (USES)				
Sale of General Capital Assets	13,000,000	14,250,001	13,913,314	(336,687)
Transfers In				
Nuisance Abatement Fund	-	500,000	500,000	-
Total Transfers In	<u>-</u>	<u>500,000</u>	<u>500,000</u>	<u>-</u>
Transfers (Out)				
Community Redevelopment Agency Fund	(7,044,749)	(7,044,749)	(7,038,392)	6,357
Intergovernmental Revenue Fund	(1,615,408)	(863,033)	(175,781)	687,252
Special Assessment Fund	-	(3,521,707)	(2,523,224)	998,483
Special Obligation Bonds Fund	(21,856,812)	(21,856,812)	(21,856,812)	-
Affordable Housing Trust Fund	-	(691,805)	(691,805)	-
Special Obligation Loans Fund	(3,019,929)	(3,019,929)	(3,019,929)	-
General Capital Projects Fund	(24,969,679)	(25,990,875)	(25,990,875)	-
Sanitation Fund	(6,200,000)	(6,200,000)	(6,200,000)	-
Airport Fund	(1,342,735)	(1,342,735)	(1,342,735)	-
Total Transfers Out	<u>(66,049,312)</u>	<u>(70,531,645)</u>	<u>(68,839,553)</u>	<u>1,692,092</u>
Total Other Financing Sources (Uses)	<u>(53,049,312)</u>	<u>(55,781,644)</u>	<u>(54,426,239)</u>	<u>1,355,405</u>
Net change in Fund Balance	<u>(2,535,306)</u>	<u>(9,602,818)</u>	<u>(2,274,645)</u>	<u>7,328,173</u>
Fund Balance - Beginning	<u>69,306,833</u>	<u>58,061,506</u>	<u>75,844,918</u>	<u>17,783,412</u>
Encumbrances at September 30, 2017	<u>2,390,941</u>	<u>2,390,941</u>	<u>2,390,941</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 69,162,468</u>	<u>\$ 50,849,629</u>	<u>\$ 75,961,214</u>	<u>\$ 25,111,585</u>
Statement of Revenues, Expenditures and changes in Fund Balance			\$ 78,431,847	
Basis of accounting adjustments encumbrances as of September 30, 2018			(2,470,633)	
Statement of Revenues, Expenditures and changes in Fund Balance – budget and actual			<u>\$ 75,961,214</u>	

CITY OF FORT LAUDERDALE, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

**SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS –
GENERAL EMPLOYEES’ SYSTEM
LAST TEN FISCAL YEARS ***

	2018	2017	2016
Total Pension Liability			
Service Cost	\$ 9,080,935	\$ 9,607,674	\$ 9,940,115
Interest	48,592,554	46,437,709	45,329,190
Differences between Actual and Expected Experience	(7,758,188)	(1,676,483)	(657,609)
Assumption Changes	6,581,878	14,797,404	3,054,924
Benefit Payments, Including Refunds of Employee Contributions	<u>(40,883,076)</u>	<u>(38,933,543)</u>	<u>(38,169,155)</u>
Net Change in Total Pension Liability	15,614,103	30,232,761	19,497,465
Total Pension Liability - Beginning	659,261,317	629,028,556	609,531,091
Total Pension Liability - Ending (a)	<u>\$ 674,875,420</u>	<u>\$ 659,261,317</u>	<u>\$ 629,028,556</u>
Plan Fiduciary Net Position			
Contributions - Employer	\$ 10,459,835	\$ 14,650,881	\$ 14,393,012
Contributions - Employee	2,741,096	2,978,329	3,152,504
Net Investment Income	58,237,325	88,659,514	56,764,958
Benefit Payments, Including Refunds of Member Contributions	(40,883,076)	(38,933,543)	(38,169,155)
Administrative Expense	<u>(472,181)</u>	<u>(445,475)</u>	<u>(551,683)</u>
Net Change in Plan Fiduciary Net Position	30,082,999	66,909,706	35,589,636
Plan Fiduciary Net Position - Beginning	654,193,477	587,283,771	551,694,135
Plan Fiduciary Net Position - Ending (b)	<u>\$ 684,276,476</u>	<u>\$ 654,193,477</u>	<u>\$ 587,283,771</u>
City's Net Pension Liability (Asset) - Ending (a) - (b)	\$ (9,401,056)	\$ 5,067,840	\$ 41,744,785
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	101.39%	99.23%	93.36%
Covered Payroll	\$ 45,140,076	\$ 47,494,154	\$ 53,951,321
City's Net Position Liability (Asset) as a Percentage of Covered Payroll	-20.83%	10.67%	77.37%

Continued

*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 discount rate assumption changed from 7.55% to 7.5% in fiscal year ended 2016. The discount rate assumption changed from 7.5% to 7.4% in fiscal year ended 2018.

CITY OF FORT LAUDERDALE, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

**SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS –
GENERAL EMPLOYEES’ SYSTEM
LAST TEN FISCAL YEARS ***

	<u>2015</u>	<u>2014</u>
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	<u>(37,095,194)</u>	<u>(36,240,606)</u>
Net Change in Total Pension Liability	17,165,473	17,880,265
Total Pension Liability - Beginning	<u>592,365,618</u>	<u>574,485,353</u>
Total Pension Liability - Ending (a)	<u>\$ 609,531,091</u>	<u>\$ 592,365,618</u>
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	<u>(398,274)</u>	<u>(469,862)</u>
Net Change in Plan Fiduciary Net Position	(41,353,055)	41,204,193
Plan Fiduciary Net Position - Beginning	<u>593,047,190</u>	<u>551,842,997</u>
Plan Fiduciary Net Position - Ending (b)	<u>\$ 551,694,135</u>	<u>\$ 593,047,190</u>
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 Payroll	\$ 57,804,651	\$ 59,303,500
City's Net Position Liability as a Percentage of Covered Payroll	100.06%	1.15%

*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 discount rate assumption changed from 7.5% to 7.4% in fiscal year ended 2018.

CITY OF FORT LAUDERDALE, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

**SCHEDULE OF CONTRIBUTIONS –
GENERAL EMPLOYEES’ SYSTEM
LAST TEN FISCAL YEARS ***

	2018	2017	2016	2015	2014
Actuarially Determined Contribution	\$ 10,459,835	\$ 14,650,881	\$ 14,393,012	\$ 15,501,180	\$ 15,061,353
Actual Contribution	10,459,835	14,650,881	14,393,012	15,501,180	15,061,353
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 45,140,076	\$ 47,494,154	\$ 53,951,321	\$ 57,804,651	\$ 59,303,500
Contributions as a Percentage of Covered Payroll	23.17%	30.85%	26.68%	26.82%	25.40%

Notes to Schedule:

Valuation Date: 9/30/2016
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: 26 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, 2016 Actuarial Valuation Report. Effective in the September 30, 2016 Actuarial Valuation Report dated March 1, 2017.

Termination, Disability and Salary Rate Tables

Age	% Terminating During the Year	% Becoming		Average Salary Increase
		Disabled During the Year	Disabled During the Year	
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.

CITY OF FORT LAUDERDALE, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

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

	2018	2017	2016
Total Pension Liability			
Service Cost	\$ 20,478,769	\$ 20,106,284	\$ 19,199,538
Interest	68,505,318	65,765,964	62,181,617
Change in Excess State Money	-	-	-
Share Plan Allocation	1,599,747	1,653,054	1,732,185
Changes of Benefit Terms	6,411	-	-
Differences between Expected and Actual Experience	(1,668,323)	(2,762,831)	(5,100,657)
Assumption Changes	4,790,360	10,692,637	16,504,779
Contributions - Buy Back	2,371,335	24,749	73,763
Contributions - Transfer from General Plan	-	-	-
Benefit Payments, Including Refunds of Employee Contributions	(47,417,274)	(46,564,184)	(48,849,184)
Net Change in Total Pension Liability	48,666,343	48,915,673	45,742,041
Total Pension Liability - Beginning	928,971,000	880,055,327	834,313,286
Total Pension Liability - Ending (a)	<u>\$977,637,343</u>	<u>\$928,971,000</u>	<u>\$880,055,327</u>
Plan Fiduciary Net Position			
Contributions - Employer	\$ 19,328,568	\$ 17,325,393	\$ 13,867,934
Contributions - State	6,380,918	5,932,067	5,860,782
Contributions - Employee	6,838,045	5,901,142	5,732,925
Contributions - Buy Back	2,371,335	24,749	73,763
Contributions - Transfer from General Plan	-	-	-
Net Investment Income	61,903,958	96,510,340	63,676,001
Benefit Payments, Including Refunds of Member Contributions	(47,417,274)	(46,564,184)	(48,849,184)
Administrative Expense	(648,453)	(619,575)	(651,146)
Other	-	-	-
Net Change in Plan Fiduciary Net Position	48,757,097	78,509,932	39,711,075
Plan Fiduciary Net Position - Beginning	892,770,476	814,260,544	774,549,469
Plan Fiduciary Net Position - Ending (b)	<u>\$941,527,573</u>	<u>\$892,770,476</u>	<u>\$814,260,544</u>
City's Net Pension Liability - Ending (a) - (b)	\$ 36,109,770	\$ 36,200,524	\$ 65,794,783
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	96.31%	96.10%	92.52%
Covered Payroll	\$ 72,960,842	\$ 71,050,792	\$ 69,470,181
City's Net Position Liability as a Percentage of Covered Payroll	49.49%	50.95%	94.71%

*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.

Change of assumptions: For measurement date 09/30/2018, amounts reported as changes of assumptions resulted from lowering the investment return assumption from 7.40% to 7.35% per year, net of investment related expenses.

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

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

	2015	2014	2013
Total Pension Liability			
Service Cost	\$ 18,531,300	\$ 18,025,712	\$ 16,768,104
Interest	60,367,031	57,797,227	55,119,489
Change in Excess State Money	-	(1,223,158)	-
Share Plan Allocation	1,826,197	2,561,814	-
Changes of Benefit Terms	1,097,988	-	-
Differences between Expected and Actual Experience	(7,319,054)	-	-
Assumption Changes	(2,194,981)	-	-
Contributions - Buy Back	43,865	-	-
Contributions - Transfer from General Plan	26,692	-	-
Benefit Payments, Including Refunds of Employee Contributions	(46,660,430)	(44,137,555)	(31,351,671)
Net Change in Total Pension Liability	25,718,608	33,024,040	40,535,922
Total Pension Liability - Beginning	808,594,678	775,570,638	735,034,716
Total Pension Liability - Ending (a)	<u>\$834,313,286</u>	<u>\$808,594,678</u>	<u>\$775,570,638</u>
Plan Fiduciary Net Position			
Contributions - Employer	\$ 15,599,916	\$ 14,498,457	\$ 11,219,401
Contributions - State	5,799,229	5,875,363	6,053,952
Contributions - Employee	5,584,263	5,581,044	4,113,451
Contributions - Buy Back	43,865	-	-
Contributions - Transfer from General Plan	26,692	-	-
Net Investment Income	5,969,880	59,358,824	69,488,348
Benefit Payments, Including Refunds of Member Contributions	(46,660,430)	(44,137,555)	(31,351,671)
Administrative Expense	(692,348)	(647,397)	(507,376)
Other	-	4,000,034	-
Net Change in Plan Fiduciary Net Position	(14,328,933)	44,528,770	59,016,105
Plan Fiduciary Net Position - Beginning	788,878,402	744,349,632	685,333,527
Plan Fiduciary Net Position - Ending (b)	<u>\$774,549,469</u>	<u>\$788,878,402</u>	<u>\$744,349,632</u>
City's Net Pension Liability - Ending (a) - (b)	\$ 59,763,817	\$ 19,716,276	\$ 31,221,006
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	92.84%	97.56%	95.97%
Covered Payroll	\$ 68,064,001	\$ 67,279,327	\$ 65,886,733
City's Net Position Liability as a Percentage of Covered Payroll	87.81%	29.31%	47.39%

CITY OF FORT LAUDERDALE, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

**SCHEDULE OF CONTRIBUTIONS –
POLICE AND FIREFIGHTER’S RETIREMENT SYSTEM
LAST TEN FISCAL YEARS ***

Fiscal Year Ended	Actuarially Determined Contributions	Actual Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a percentage of Covered Payroll
9/30/2018	\$ 23,513,971	\$ 24,109,739	\$ (595,768)	\$ 72,960,842	33.04%
9/30/2017	21,265,207	21,604,408	(339,201)	71,050,792	30.41%
9/30/2016	17,665,942	17,996,531	(330,589)	69,470,881	25.91%
9/30/2015	18,913,469	18,913,469	-	68,064,001	27.79%
9/30/2014	19,012,474	19,012,474	-	67,279,327	28.26%
9/30/2013	14,208,593	14,208,593	-	65,886,733	21.57%

Notes to Schedule:

Valuation Date: 10/1/2016

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 20 Years

Mortality: RP-2000 Table projected by Scale AA

Disability Rates: RP-2000 Disable

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

Inflation Rate: 2.75%

Retirement Rates:

<u>Service</u>	<u>Probability of Retirement (Police)</u>	<u>Probability of Retirement (Fire)</u>
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:

<u>Service</u>	<u>Annual % Increase</u>
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 TEN FISCAL YEARS *

	<u>2018</u>	<u>2017</u>	<u>2016</u>
Total OPEB Liability			
Service Cost	\$ 1,547,033	\$ 1,351,238	\$ 3,543,840
Interest	3,159,142	3,191,049	3,969,420
Differences between Actual and Expected Experience	1,116,534	-	(171,753)
Assumption Changes	-	-	(16,910,330)
Benefit Payments	<u>(2,318,660)</u>	<u>(2,487,539)</u>	<u>(2,902,000)</u>
Net Change in Total OPEB Liability	3,504,049	2,054,748	(12,470,823)
Total OPEB Liability - Beginning	46,289,925	44,235,177	56,706,000
Total OPEB Liability - Ending (a)	<u>\$ 49,793,974</u>	<u>\$ 46,289,925</u>	<u>\$ 44,235,177</u>
Plan Fiduciary Net Position			
Contributions - Employer	\$ 11,607,707	\$ 4,742,839	\$ 3,902,000
Net Investment Income	1,554,482	766,491	1,140
Benefit Payments	<u>(2,318,660)</u>	<u>(2,487,539)</u>	<u>(2,902,000)</u>
Net Change in Plan Fiduciary Net Position	10,843,529	3,021,791	1,001,140
Plan Fiduciary Net Position - Beginning	15,828,581	12,806,790	11,805,650
Plan Fiduciary Net Position - Ending (b)	<u>\$ 26,672,110</u>	<u>\$ 15,828,581</u>	<u>\$ 12,806,790</u>
City's Net OPEB Liability - Ending (a) - (b)	\$ 23,121,864	\$ 30,461,344	\$ 31,428,387
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	53.56%	34.19%	28.95%
Covered-employee Payroll	\$ 206,456,122	\$ 194,804,022	\$ 194,804,022
City's Net OPEB Liability as a Percentage of Covered-employee Payroll	11.20%	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.

CITY OF FORT LAUDERDALE, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

**SCHEDULE OF CONTRIBUTIONS –
OTHER POST-EMPLOYMENT BENEFITS
LAST TEN FISCAL YEARS ***

	2018	2017	2016
Actuarially Determined Contribution	\$ 3,668,737	\$ 4,542,287	\$ 6,627,000
Contributions in relation to			
Actuarially Determined Contribution	11,607,707	4,742,839	3,902,000
Contribution Excess/ (Deficiency)	<u>\$ (7,938,970)</u>	<u>\$ (200,552)</u>	<u>\$ 2,725,000</u>
Covered-employee Payroll	\$ 206,456,122	\$ 194,804,022	\$ 194,804,022
Contributions as a Percentage of			
Covered-employee Payroll	5.62%	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 ultimate rate of 5.0%
Salary increases:	3.00%
Investment rate of return:	7.00%
Retirement age:	Ranges 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.

CITY OF FORT LAUDERDALE, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

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

	<u>2018</u>	<u>2017</u>	<u>2016</u>
Annual Money-weighted Rate of Return, net of Investment Expense	8.14%	5.09%	0.01%

*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.

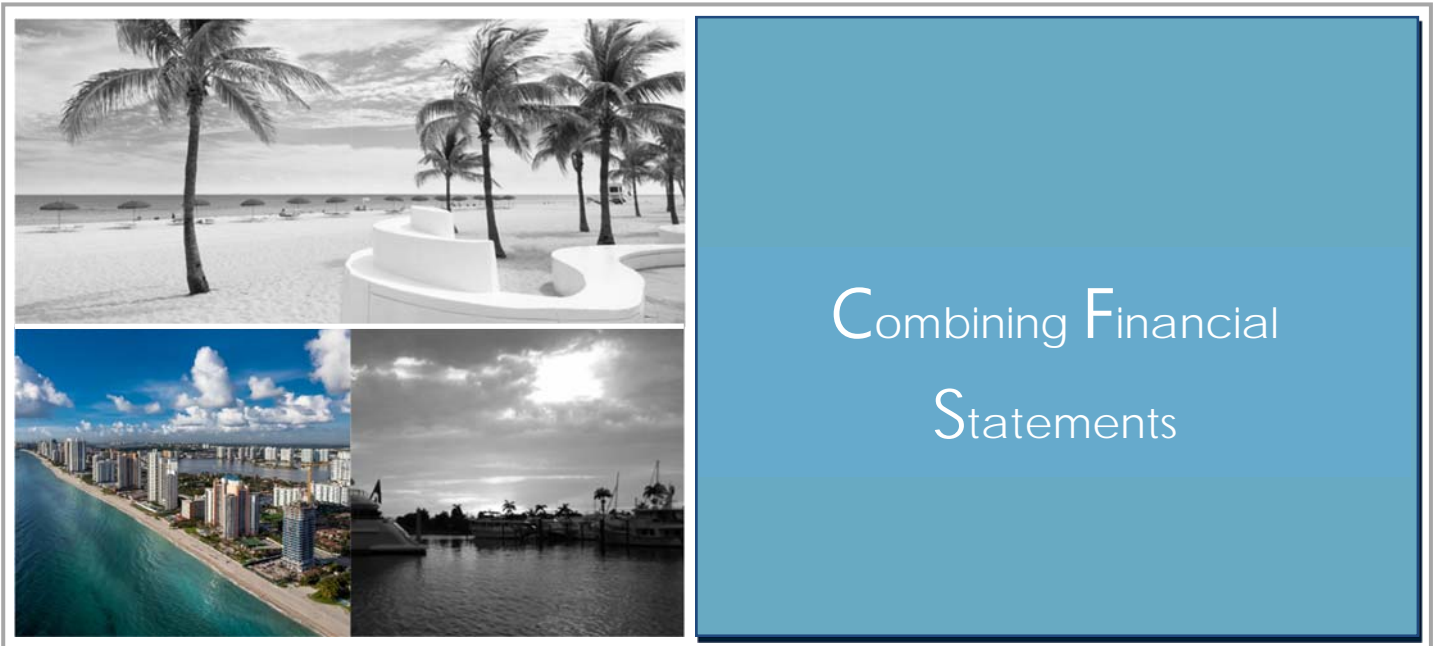
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION:

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 Intergovernmental Revenue, State Housing Initiative Partnership, and 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, 2018 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.

Affordable Housing Trust Fund – to account for funds to create incentives to encourage and stimulate a mixture of affordable housing units in the City.

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.

CITY OF FORT LAUDERDALE, FLORIDA

COMBINING FINANCIAL STATEMENTS

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 Notes – to accumulate monies for payment of the Tax Increment Revenue Notes 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.

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, 2018

	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	\$ 2,686,974	\$ 1,760,892	\$ 1,704,779	\$ -	\$ 1,049,166
Investments	-	15,509,926	-	-	-
Accounts Receivable (Net)	-	2,356	-	265,913	2,153
Accrued Interest Receivable	-	-	-	-	-
Due from Other Governments	-	6,699,685	-	2,787,103	-
Inventories	-	-	16,667	-	-
Property Held for Resale	-	8,070,583	-	2,755,594	-
Deposits	-	-	-	64,150	-
Total Assets	\$ 2,686,974	\$ 32,043,442	\$ 1,721,446	\$ 5,872,760	\$ 1,051,319
LIABILITIES					
Accounts Payable	\$ 364,035	\$ 162,734	\$ 61,055	\$ 1,721,885	\$ 46,798
Accrued Liabilities	4,921	-	-	14,049	-
Due to Other Funds	-	-	-	19,172,753	-
Advances from Other Funds	-	1,921,684	-	-	-
Deposits	-	-	-	6,327	-
Unearned Revenue	-	-	1,643,724	13,903	1,713
Total Liabilities	368,956	2,084,418	1,704,779	20,928,917	48,511
DEFERRED INFLOWS					
Unavailable Property Tax Revenues	-	-	-	-	-
Unavailable Assessment Revenues	-	-	-	-	-
Unavailable Revenues	-	6,699,685	-	-	-
Unavailable Grant Revenues	-	-	-	2,274,795	-
Total Deferred Inflows	-	6,699,685	-	2,274,795	-
FUND BALANCES:					
Nonspendable	-	-	-	2,755,594	-
Restricted	1,407,352	23,259,339	16,667	236,872	-
Committed	-	-	-	-	1,002,808
Assigned	910,666	-	-	-	-
Unassigned	-	-	-	(20,323,418)	-
Total Fund Balances	2,318,018	23,259,339	16,667	(17,330,952)	1,002,808
Total Liabilities, Deferred Inflows, and Fund Balances	\$ 2,686,974	\$ 32,043,442	\$ 1,721,446	\$ 5,872,760	\$ 1,051,319

Continued

CITY OF FORT LAUDERDALE, FLORIDA

COMBINING FINANCIAL STATEMENT

Special Revenue Funds					Debt Service Funds	
Building	School Crossing Guards	Nuisance Abatement	Special Assessment	Affordable Housing Trust	General Obligation Bonds	Special Obligation Bonds
\$ 45,997,305	\$ 529,486	\$ 352,515	\$ 2,566,739	\$ 766,983	\$ 863,578	\$ 14,359,288
-	-	-	-	-	-	-
-	-	103,640	-	-	33,951	-
-	-	-	6,786,492	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 45,997,305</u>	<u>\$ 529,486</u>	<u>\$ 456,155</u>	<u>\$ 9,353,231</u>	<u>\$ 766,983</u>	<u>\$ 897,529</u>	<u>\$ 14,359,288</u>
\$ 549,528	\$ 127,427	\$ 40,171	\$ 9,309,716	\$ -	\$ -	\$ -
766	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
317,454	-	-	43,515	-	-	-
-	-	-	-	-	-	-
<u>867,748</u>	<u>127,427</u>	<u>40,171</u>	<u>9,353,231</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	33,485	-
-	-	97,845	-	-	-	-
-	-	-	5,017,568	-	-	-
-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>97,845</u>	<u>5,017,568</u>	<u>-</u>	<u>33,485</u>	<u>-</u>
-	-	-	-	-	-	-
45,129,557	402,059	318,139	-	766,983	864,044	14,359,288
-	-	-	-	-	-	-
-	-	-	(5,017,568)	-	-	-
<u>45,129,557</u>	<u>402,059</u>	<u>318,139</u>	<u>(5,017,568)</u>	<u>766,983</u>	<u>864,044</u>	<u>14,359,288</u>
<u>\$ 45,997,305</u>	<u>\$ 529,486</u>	<u>\$ 456,155</u>	<u>\$ 9,353,231</u>	<u>\$ 766,983</u>	<u>\$ 897,529</u>	<u>\$ 14,359,288</u>

CITY OF FORT LAUDERDALE, FLORIDA

COMBINING FINANCIAL STATEMENT

COMBINING BALANCE SHEET
ALL NONMAJOR GOVERNMENTAL FUNDS
September 30, 2018

	Debt Service Funds		Capital Projects Funds		
	Special Obligation Loans	Tax Increment Revenue Notes	General Capital Projects	General Obligation Construction 2005 and 2011A	Community Redevelopment Agency Projects
ASSETS					
Cash and Cash Equivalents	\$ 25,117	\$ 460,376	\$ 52,608,249	\$ 278,502	\$ 3,704,812
Investments	-	-	-	10,431,952	52,081,871
Accounts Receivable (Net)	-	-	225,973	-	-
Accrued Interest Receivable	-	-	-	-	-
Due from Other Governments	-	-	-	-	-
Inventories	-	-	6,750	-	-
Property Held for Resale	-	-	-	-	-
Deposits	-	-	95,322	-	-
Total Assets	\$ 25,117	\$ 460,376	\$ 52,936,294	\$ 10,710,454	\$ 55,786,683
LIABILITIES					
Accounts Payable	\$ -	\$ -	\$ 2,068,721	\$ 640,394	\$ 2,182,849
Accrued Liabilities	-	-	-	-	-
Due to Other Funds	-	-	-	-	-
Advances from Other Funds	-	-	-	-	-
Deposits	-	-	70,895	-	71,205
Unearned Revenue	-	-	292,680	-	-
Total Liabilities	-	-	2,432,296	640,394	2,254,054
DEFERRED INFLOWS					
Unavailable Property Tax Revenues	-	-	-	-	-
Unavailable Assessment Revenues	-	-	162,002	-	-
Unavailable Revenues	-	-	-	-	-
Unavailable Grant Revenues	-	-	-	-	-
Total Deferred Inflows	-	-	162,002	-	-
FUND BALANCES:					
Nonspendable	-	-	6,750	-	-
Restricted	25,117	460,376	-	10,070,060	53,532,629
Committed	-	-	-	-	-
Assigned	-	-	50,335,246	-	-
Unassigned	-	-	-	-	-
Total Fund Balances	25,117	460,376	50,341,996	10,070,060	53,532,629
Total Liabilities, Deferred Inflows, and Fund Balances	\$ 25,117	\$ 460,376	\$ 52,936,294	\$ 10,710,454	\$ 55,786,683

Continued

<u>Capital Projects Funds</u>		<u>Permanent</u>	
<u>Gas Tax</u>	<u>Parks Impact Fee Projects</u>	<u>Perpetual Care</u>	<u>Total Nonmajor Governmental Funds</u>
\$ 1,084,238	\$ 11,952,232	\$ 6,353	\$ 142,757,584
-	-	30,544,085	108,567,834
-	-	-	633,986
-	-	138,107	138,107
59,166	-	-	16,332,446
-	-	-	23,417
-	-	-	10,826,177
-	498,720	-	658,192
<u>\$ 1,143,404</u>	<u>\$ 12,450,952</u>	<u>\$ 30,688,545</u>	<u>\$ 279,937,743</u>
\$ 337,455	\$ 67,988	\$ 495,974	\$ 18,176,730
-	-	-	19,736
-	-	112,136	19,284,889
-	-	-	1,921,684
-	-	-	509,396
-	-	-	1,952,020
<u>337,455</u>	<u>67,988</u>	<u>608,110</u>	<u>41,864,455</u>
-	-	-	33,485
-	-	-	259,847
-	-	-	11,717,253
-	-	-	2,274,795
<u>-</u>	<u>-</u>	<u>-</u>	<u>14,285,380</u>
-	-	15,655,965	18,418,309
459,424	12,382,964	14,424,470	178,115,340
-	-	-	1,002,808
346,525	-	-	51,592,437
-	-	-	(25,340,986)
<u>805,949</u>	<u>12,382,964</u>	<u>30,080,435</u>	<u>223,787,908</u>
<u>\$ 1,143,404</u>	<u>\$ 12,450,952</u>	<u>\$ 30,688,545</u>	<u>\$ 279,937,743</u>

CITY OF FORT LAUDERDALE, FLORIDA

COMBINING FINANCIAL STATEMENT

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES
ALL NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2018**

	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	-	-	-	-	-
Intergovernmental Revenues	-	11,899,600	921,282	11,304,047	-
Charges for Services	-	-	-	-	-
Fines and Forfeitures	1,482,205	-	-	-	-
Miscellaneous Revenues:					
Assessments and Other Fees	-	-	-	-	954,287
Investment Income	22,784	1,111,276	-	3,635	13,137
Rents and Concessions	-	-	-	146,075	-
Contributions and Donations	-	-	-	-	-
Other Miscellaneous	-	-	-	252,336	-
Total Revenues	1,504,989	13,010,876	921,282	11,706,093	967,424
EXPENDITURES					
Current:					
General Government	-	-	-	31,436	-
Public Safety	466,718	-	-	623,066	-
Physical Environment	-	-	-	-	-
Transportation	-	-	-	1,008,896	-
Economic Environment	-	5,506,631	921,282	29,827,586	1,313,437
Culture/Recreation	-	-	-	171,842	-
Debt Service:					
Principal Retirement	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
Capital Outlay	794,632	13,688	-	1,142,719	-
Total Expenditures	1,261,350	5,520,319	921,282	32,805,545	1,313,437
Excess (Deficiency) of Revenues Over (Under) Expenditures	243,639	7,490,557	-	(21,099,452)	(346,013)
OTHER FINANCING SOURCES (USES)					
Transfers In	-	7,038,392	-	2,175,782	-
Transfers (Out)	-	(8,638,275)	-	(37,811)	(71,351)
Total Other Financing Sources (Uses)	-	(1,599,883)	-	2,137,971	(71,351)
Net Change in Fund Balances	243,639	5,890,674	-	(18,961,481)	(417,364)
Fund Balances - Beginning	2,074,379	17,368,665	16,667	1,630,529	1,420,172
Fund Balances - Ending	\$ 2,318,018	\$ 23,259,339	\$ 16,667	\$ (17,330,952)	\$ 1,002,808

Continued

CITY OF FORT LAUDERDALE, FLORIDA

COMBINING FINANCIAL STATEMENT

Special Revenue Funds					Debt Service Funds	
Building	School Crossing Guards	Nuisance Abatement	Special Assessment	Affordable Housing Trust	General Obligation Bonds	Special Obligation Bonds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,237,513	\$ -
23,498,547	-	-	-	-	-	-
-	-	-	-	-	-	-
92,285	-	103,899	-	-	-	-
286,712	910,064	-	-	-	-	-
-	-	384,754	-	-	-	-
404,355	4,176	3,673	-	2,227	7,690	95,082
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
378,058	-	83,206	-	72,951	-	-
24,659,957	914,240	575,532	-	75,178	2,245,203	95,082
-	950,258	163,162	7,493,709	-	-	-
16,839,430	-	-	-	-	-	-
-	-	-	47,083	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	1,025,000	16,130,000
-	-	-	-	-	1,194,766	10,236,530
1,735,185	-	-	-	-	-	-
18,574,615	950,258	163,162	7,540,792	-	2,219,766	26,366,530
6,085,342	(36,018)	412,370	(7,540,792)	75,178	25,437	(26,271,448)
-	-	-	2,523,224	691,805	-	26,359,124
(395,255)	-	(500,000)	-	-	-	-
(395,255)	-	(500,000)	2,523,224	691,805	-	26,359,124
5,690,087	(36,018)	(87,630)	(5,017,568)	766,983	25,437	87,676
39,439,470	438,077	405,769	-	-	838,607	14,271,612
\$ 45,129,557	\$ 402,059	\$ 318,139	\$ (5,017,568)	\$ 766,983	\$ 864,044	\$ 14,359,288

CITY OF FORT LAUDERDALE, FLORIDA

COMBINING FINANCIAL STATEMENT

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES
ALL NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2018**

	Debt Service Funds		Capital Projects Funds			
	Special Obligation Loans	Tax Increment Revenue Notes	General Capital Projects	General Obligation Construction 2005 and 2011A	Community Redevelopment Agency Projects	Gas Tax
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-	-	-
Intergovernmental Revenues	-	-	-	-	-	710,000
Charges for Services	-	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-	-
Miscellaneous Revenues:						
Assessments and Other Fee	-	-	46,300	-	-	-
Investment Income	-	-	539,014	150,358	-	8,353
Rents and Concessions	-	-	-	-	-	-
Contributions and Donations	-	-	101,178	-	135,994	-
Other Miscellaneous	-	-	61,805	-	-	-
Total Revenues	-	-	748,297	150,358	135,994	718,353
EXPENDITURES						
Current:						
General Government	-	-	3,763	219	-	187
Public Safety	-	-	-	-	-	-
Physical Environment	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Economic Environment	-	-	-	-	-	-
Culture/Recreation	-	-	-	-	-	-
Debt Service:						
Principal Retirement	3,036,300	648,000	-	-	-	-
Interest and Fiscal Charges	378,514	200,139	-	-	-	-
Capital Outlay	-	-	11,051,519	3,018,645	14,866,126	392,454
Total Expenditures	3,414,814	848,139	11,055,282	3,018,864	14,866,126	392,641
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,414,814)	(848,139)	(10,306,985)	(2,868,506)	(14,730,132)	325,712
OTHER FINANCING SOURCES (USES)						
Transfers In	3,417,188	848,869	26,429,753	141,887	7,789,406	-
Transfers (Out)	-	-	(12,000)	-	-	-
Total Other Financing Sourc	3,417,188	848,869	26,417,753	141,887	7,789,406	-
Net Change in Fund Balances	2,374	730	16,110,768	(2,726,619)	(6,940,726)	325,712
Fund Balances - Beginning	22,743	459,646	34,231,228	12,796,679	60,473,355	480,237
Fund Balances - Ending	\$ 25,117	\$ 460,376	\$ 50,341,996	\$ 10,070,060	\$ 53,532,629	\$ 805,949

Continued

	<u>Permanent</u>	
<u>Parks Impact Fee Projects</u>	<u>Perpetual Care</u>	<u>Total Nonmajor Governmental Funds</u>
\$ -	\$ -	\$ 2,237,513
-	-	23,498,547
-	-	24,834,929
-	-	196,184
-	-	2,678,981
6,057,579	-	7,442,920
95,784	1,320,060	3,781,604
-	-	146,075
-	-	101,178
-	659,381	1,643,731
<u>6,153,363</u>	<u>1,979,441</u>	<u>66,561,662</u>
1,236	-	8,643,970
-	-	17,929,214
-	1,152,190	1,152,190
-	-	1,055,979
-	-	37,568,936
-	-	171,842
-	-	-
-	-	20,839,300
-	-	12,009,949
<u>2,985,322</u>	<u>-</u>	<u>36,000,290</u>
<u>2,986,558</u>	<u>1,152,190</u>	<u>135,371,670</u>
<u>3,166,805</u>	<u>827,251</u>	<u>(68,810,008)</u>
-	-	77,415,430
-	-	(9,654,692)
-	-	67,760,738
<u>3,166,805</u>	<u>827,251</u>	<u>(1,049,270)</u>
<u>9,216,159</u>	<u>29,253,184</u>	<u>224,837,178</u>
<u>\$ 12,382,964</u>	<u>\$ 30,080,435</u>	<u>\$ 223,787,908</u>

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.

CITY OF FORT LAUDERDALE, FLORIDA

COMBINING FINANCIAL STATEMENT

COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
September 30, 2018

	Sanitation	Parking System	Airport	Stormwater	Total Nonmajor Enterprise Funds
ASSETS					
Current Assets:					
Cash and Cash Equivalents	\$ 4,381,516	\$ 19,893,505	\$ 18,709,370	\$ 12,054,927	\$ 55,039,318
Restricted Cash and Cash Equivalents	1,022,122	32,138	1,155,024	-	2,209,284
Accounts Receivable - (Net)	1,713,584	-	478,659	2,031,427	4,223,670
Due from Other Governments	100,941	1,620	686,791	36,109	825,461
Net Pension Asset	484,154	342,198	139,136	204,943	1,170,431
Prepaid Items	-	2,418	491,223	-	493,641
Total Current Assets	7,702,317	20,271,879	21,660,203	14,327,406	63,961,805
Noncurrent Assets:					
Restricted Assets:					
Cash and Cash Equivalents	-	20,668	1,770,438	-	1,791,106
Total Restricted Assets	-	20,668	1,770,438	-	1,791,106
Investment in Joint Venture	-	591,939	-	-	591,939
Capital Assets:					
Land	1,006,568	35,434,344	2,677,713	6,052,071	45,170,696
Construction in Progress	-	7,860,541	2,143,462	10,397,861	20,401,864
Building	685,014	28,873,318	9,266,438	-	38,824,770
Improvements	2,219,136	5,786,736	67,498,313	18,028,101	93,532,286
Infrastructure	-	465,708	-	-	465,708
Machinery, Equipment and Vehicles	6,677,099	8,383,811	3,345,814	4,001,587	22,408,311
Less: Accumulated Depreciation	(4,753,641)	(29,993,842)	(43,229,294)	(10,593,625)	(88,570,402)
Total Capital Assets (Net)	5,834,176	56,810,616	41,702,446	27,885,995	132,233,233
Total Noncurrent Assets	5,834,176	57,423,223	43,472,884	27,885,995	134,616,278
DEFERRED OUTFLOWS OF RESOURCES					
Deferred Outflows for Pensions	268,883	190,046	77,271	113,819	650,019
Deferred Outflows for OPEB	39,286	29,264	8,018	11,626	88,194
Total Deferred Outflows of Resources	308,169	219,310	85,289	125,445	738,213
Total Assets and Deferred Outflows of Resources	13,844,662	77,914,412	65,218,376	42,338,846	199,316,296
LIABILITIES					
Current Liabilities:					
Accounts Payable	1,207,146	1,965,196	959,713	296,163	4,428,218
Accrued Liabilities	104,573	116,277	26,098	32,853	279,801
Unearned Revenues	-	16,875	1,810	569,604	588,289
Capital Leases Payable	-	89,175	-	-	89,175
Compensated Absences and Longevity	130,236	92,486	16,554	16,487	255,763
Landfill Post-Closure Costs	45,538	-	-	-	45,538
Current Liabilities Payable from Restricted Assets:					
Customer Deposits	1,022,122	32,138	1,155,024	-	2,209,284
Total Current Liabilities	2,509,615	2,312,147	2,159,199	915,107	7,896,068
Noncurrent Liabilities:					
Notes Payable	-	59,000	-	-	59,000
Capital Leases Payable	-	1,178,045	-	-	1,178,045
Net OPEB Liability	894,922	666,626	182,637	264,824	2,009,009
Compensated Absences and Longevity	562,537	449,305	187,749	187,424	1,387,015
Landfill Post-Closure Costs	738,316	-	-	-	738,316
Total Noncurrent Liabilities	2,195,775	2,352,976	370,386	452,248	5,371,385
DEFERRED INFLOWS OF RESOURCES					
Deferred Inflows for OPEB	7,049	5,251	1,439	2,086	15,825
Deferred Inflows for Pensions	1,647,860	1,164,701	473,560	697,541	3,983,662
Total Deferred Inflows of Resources	1,654,909	1,169,952	474,999	699,627	3,999,487
Total Liabilities and Deferred Inflows of Resources	6,360,299	5,835,075	3,004,584	2,066,982	17,266,940
NET POSITION					
Net Investment in Capital Assets	5,834,176	55,543,396	41,702,446	27,885,995	130,966,013
Restricted:					
Capital Improvements	-	-	1,770,438	-	1,770,438
Renewal and Replacement	-	20,668	-	-	20,668
Unrestricted	1,650,187	16,515,273	18,740,908	12,385,869	49,292,237
Total Net Position	\$ 7,484,363	\$ 72,079,337	\$ 62,213,792	\$ 40,271,864	\$ 182,049,356

CITY OF FORT LAUDERDALE, FLORIDA

COMBINING FINANCIAL STATEMENT

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
NONMAJOR ENTERPRISE FUNDS
For the Year Ended September 30, 2018

	Sanitation	Parking System	Airport	Stormwater	Total Nonmajor Enterprise Funds
Operating Revenues:					
Charges for Services	\$ 16,568,094	\$ 15,100,892	\$ 4,406,177	\$ 13,660,202	\$ 49,735,365
Equity in Joint Venture	-	187,394	-	-	187,394
Parking Citations	-	3,102,535	-	-	3,102,535
Land Leases	-	-	3,541,044	-	3,541,044
Miscellaneous Income	294,008	449,468	214,325	386,410	1,344,211
Total Operating Revenues	16,862,102	18,840,289	8,161,546	14,046,612	57,910,549
Operating Expenses:					
Personal Services	8,064,124	6,254,307	2,014,498	2,935,863	19,268,792
Material, Supplies, and Other expenses	14,356,038	10,226,314	5,604,861	4,552,603	34,739,816
Depreciation	1,048,754	1,242,123	3,046,801	1,317,826	6,655,504
Total Operating Expenses	23,468,916	17,722,744	10,666,160	8,806,292	60,664,112
Operating Income (Loss)	(6,606,814)	1,117,545	(2,504,614)	5,240,320	(2,753,563)
Nonoperating Revenues					
Interest Income	91,977	231,093	193,291	177,042	693,403
Interest Expense and Fiscal Charges	-	(82,595)	-	-	(82,595)
Insurance Proceeds	39,986	-	-	-	39,986
Sale of Capital Assets	-	44,858	-	-	44,858
Gain on Disposal of Capital Assets	541,623	-	62,780	174,850	779,253
Total Nonoperating Revenues (Expenses)	673,586	193,356	256,071	351,892	1,474,905
Income Before Contributions and Transfers	(5,933,228)	1,310,901	(2,248,543)	5,592,212	(1,278,658)
Capital Contributions	-	-	3,786,611	-	3,786,611
Transfers In	6,200,000	-	1,342,735	-	7,542,735
Transfers (Out)	(470,422)	(292,885)	(282,840)	(193,826)	(1,239,973)
Change in Net Position	(203,650)	1,018,016	2,597,963	5,398,386	8,810,715
Net Position - Beginning	7,688,013	71,061,321	59,615,829	34,873,478	173,238,641
Net Position - Ending	\$ 7,484,363	\$ 72,079,337	\$ 62,213,792	\$ 40,271,864	\$ 182,049,356

CITY OF FORT LAUDERDALE, FLORIDA

COMBINING FINANCIAL STATEMENT

COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
For the Year Ended September 30, 2018

	Sanitation	Parking System	Airport	Stormwater	Total Nonmajor Enterprise Funds
Cash Flows from Operating Activities					
Receipts from Customers and Users	\$ 16,907,337	\$ 18,971,031	\$ 8,605,743	\$ 13,994,743	\$ 58,478,854
Payments to Suppliers	(10,770,072)	(3,306,979)	(3,146,539)	(3,690,120)	(20,913,710)
Payments to Employees	(8,166,570)	(6,359,538)	(2,063,777)	(2,873,055)	(19,462,940)
Payments to Other Funds	(3,509,338)	(5,944,233)	(2,550,317)	(1,830,176)	(13,834,064)
Net Cash Provided (Used) by Operating Activities	(5,538,643)	3,360,281	845,110	5,601,392	4,268,140
Cash Flows from Noncapital Financing Activities					
Transfers from Other Funds	6,200,000	-	1,342,735	-	7,542,735
Transfers (to) Other Funds	(470,422)	(292,885)	(282,840)	(193,826)	(1,239,973)
Net Cash Provided (Used) by Noncapital Financing Activities	5,729,578	(292,885)	1,059,895	(193,826)	6,302,762
Cash Flows from Capital and Related Financing Activities					
Acquisition/Construction of Capital Assets	(1,449,680)	(8,362,401)	(6,217,599)	(9,002,227)	(25,031,907)
Interest Paid on Capital Debt	-	(82,595)	-	-	(82,595)
Proceeds from Sale of Capital Assets	541,623	44,858	62,780	174,850	824,111
Contribution	-	-	3,786,611	-	3,786,611
Proceeds from Insurance	39,986	-	-	-	39,986
Net Cash (Used) Provided by Capital and Related Financing Activities	(868,071)	(8,400,138)	(2,368,208)	(8,827,377)	(20,463,794)
Cash Flows from Investing Activities					
Interest Income on Investments	91,977	231,093	193,291	177,042	693,403
Net Cash Provided by Investing Activities	91,977	231,093	193,291	177,042	693,403
Net Increase (Decrease) in Cash and Cash Equivalents	(585,159)	(5,101,649)	(269,912)	(3,242,769)	(9,199,489)
Cash and Cash Equivalents at Beginning of Year	5,988,797	25,047,960	21,904,744	15,297,696	68,239,197
Cash and Cash Equivalents at End of Year	\$ 5,403,638	\$ 19,946,311	\$ 21,634,832	\$ 12,054,927	\$ 59,039,708
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities					
Operating Income (Loss)	\$ (6,606,814)	\$ 1,117,545	\$ (2,504,614)	\$ 5,240,320	\$ (2,753,563)
Depreciation	1,048,754	1,242,123	3,046,801	1,317,826	6,655,504
Equity in Earnings on Unconsolidated Joint Venture	-	31,764	-	-	31,764
Change in Assets and Liabilities:					
Decrease (Increase) in Accounts Receivable	97,172	5,505	3,338	(129,834)	(23,819)
(Increase) Decrease in Due from Other Governments	(58,552)	76,708	272,043	(23,787)	266,412
(Increase) in Net Pension Asset	-	-	-	(204,943)	(204,943)
(Increase) in Prepaid Expense	-	(2,418)	(22,920)	-	(25,338)
(Decrease) Increase in Deposits	6,615	(110)	168,816	-	175,321
Decrease in Deferred Outflows of Resources	-	115,782	-	-	115,782
Increase (Decrease) in Accounts Payable	121,108	977,520	(70,885)	(883,631)	144,112
Increase in Accrued Liabilities	10,220	35,987	806	2,547	49,560
Increase in Unearned Revenues	-	16,875	1,810	101,752	120,437
(Decrease) Increase in Pension Liabilities	(745,148)	(184,469)	28,287	246,706	(654,624)
Increase (Decrease) in Net OPEB Liability	553,435	(553,802)	(57,974)	(84,062)	(142,403)
Increase (Decrease) in Compensated Absences Payable	79,047	5,904	(20,398)	18,498	83,051
(Decrease) in Landfill Post-Closure Costs	(44,480)	-	-	-	(44,480)
Increase in Deferred Inflows of Resources	-	475,367	-	-	475,367
Total Adjustments	1,068,171	2,242,736	3,349,724	361,072	7,021,703
Net Cash Provided by (Used in) Operating Activities	\$ (5,538,643)	\$ 3,360,281	\$ 845,110	\$ 5,601,392	\$ 4,268,140
Schedule of non-cash Capital and Related Financing Activities:					
Non-Revolving Line of Credit	\$ -	\$ 59,000	\$ -	\$ -	\$ 59,000
Total Schedule of non-cash Capital and Related Financing Activities	\$ -	\$ 59,000	\$ -	\$ -	\$ 59,000

CITY OF FORT LAUDERDALE, FLORIDA

COMBINING FINANCIAL STATEMENT

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
September 30, 2018

	City Insurance	Central Services	Vehicle Rental	Total
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$ 39,720,617	\$ 8,343,269	\$ 17,459,089	\$ 65,522,975
Investments	-	-	159,529	159,529
Accounts Receivable (Net)	232	6,388,176	20,743	6,409,151
Inventory	-	93,351	-	93,351
Net Pension Asset	70,508	656,194	17,862	744,564
Total Current Assets	39,791,357	15,480,990	17,657,223	72,929,570
Capital Assets:				
Construction in Progress	-	1,003,491	8,121	1,011,612
Buildings	-	-	962,879	962,879
Improvements	-	3,488,648	910,694	4,399,342
Machinery, Equipment and Vehicles	198,474	12,426,675	57,572,897	70,198,046
Less Accumulated Depreciation	(180,711)	(10,536,335)	(46,633,369)	(57,350,415)
Total Capital Assets (Net)	17,763	6,382,479	12,821,222	19,221,464
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Outflows for Pensions	39,158	364,428	9,920	413,506
Deferred Outflows for OPEB	5,612	29,665	1,604	36,881
Total Deferred Outflows of Resources	44,770	394,093	11,524	450,387
Total Assets and Deferred Outflows of Resources	39,853,890	22,257,562	30,489,969	92,601,421
LIABILITIES				
Current Liabilities:				
Accounts Payable	1,488,148	780,416	771,991	3,040,555
Accrued Liabilities	23,341	126,249	6,739	156,329
Capital Leases Payable	-	1,339,984	-	1,339,984
Estimated Claims Payable	12,864,000	-	-	12,864,000
Compensated Absences Payable	37,215	135,793	1,390	174,398
Total Current Liabilities	14,412,704	2,382,442	780,120	17,575,266
Noncurrent Liabilities:				
Capital Leases Payable	-	5,153,354	-	5,153,354
Estimated Claims Payable	23,414,000	-	-	23,414,000
Net OPEB Liability	127,846	675,757	36,527	840,130
Compensated Absences Payable	238,387	868,887	15,674	1,122,948
Total Noncurrent Liabilities	23,780,233	6,697,998	52,201	30,530,432
DEFERRED INFLOWS OF RESOURCES				
Derivative Instruments	-	-	159,529	159,529
Deferred Inflows for OPEB	1,007	5,323	288	6,618
Deferred Inflows for Pensions	239,979	2,233,410	60,795	2,534,184
Total Deferred Inflows of Resources	240,986	2,238,733	220,612	2,700,331
Total Liabilities and Deferred Inflows of Resources	38,433,923	11,319,173	1,052,933	50,806,029
NET POSITION				
Net Investment in Capital Assets	17,763	(110,859)	12,821,222	12,728,126
Unrestricted	1,402,204	11,049,248	16,615,814	29,067,266
Total Net Position	\$ 1,419,967	\$ 10,938,389	\$ 29,437,036	\$ 41,795,392

CITY OF FORT LAUDERDALE, FLORIDA

COMBINING FINANCIAL STATEMENT

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
For the Year Ended September 30, 2018

	City Insurance	Central Services	Vehicle Rental	Total
Operating Revenues:				
Charges for Services	\$ 46,740,384	\$ 21,432,973	\$ 17,119,886	\$ 85,293,243
Miscellaneous Revenues	225,966	22,357	1,193,793	1,442,116
Total Operating Revenues	46,966,350	21,455,330	18,313,679	86,735,359
Operating Expenses:				
Personal Services	1,258,993	9,164,613	394,274	10,817,880
Current Expenses	46,700,255	8,906,155	10,591,693	66,198,103
Depreciation	17,763	1,467,642	6,088,019	7,573,424
Total Operating Expenses	47,977,011	19,538,410	17,073,986	84,589,407
Operating Income (Loss)	(1,010,661)	1,916,920	1,239,693	2,145,952
Nonoperating Revenues (Expenses)				
Interest Income	342,977	90,269	157,803	591,049
Interest Expense	-	(191,560)	-	(191,560)
Gain (Loss) on Disposal	-	-	624,938	624,938
Total Nonoperating Revenues (Expenses)	342,977	(101,291)	782,741	1,024,427
Income Before Transfers	(667,684)	1,815,629	2,022,434	3,170,379
Transfers In	-	12,000	-	12,000
Transfers (Out)	(422,749)	(1,028,893)	(10,646)	(1,462,288)
Change in Net Position	(1,090,433)	798,736	2,011,788	1,720,091
Net Position - Beginning	2,510,400	10,139,653	27,425,248	40,075,301
Net Position - Ending	\$ 1,419,967	\$ 10,938,389	\$ 29,437,036	\$ 41,795,392

CITY OF FORT LAUDERDALE, FLORIDA

COMBINING FINANCIAL STATEMENT

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended September 30, 2018

	City Insurance	Central Services	Vehicle Rental	Total
Cash Flows from Operating Activities				
Receipts from Customers and Users	\$ 47,011,760	\$ 21,496,436	\$ 18,463,141	\$ 86,971,337
Payments to Suppliers	(41,921,525)	(7,392,281)	(10,276,977)	(59,590,783)
Payments to Employees	(1,237,152)	(9,297,979)	(397,155)	(10,932,286)
Payments to Other Funds	(3,989,112)	(1,167,447)	(646,374)	(5,802,933)
Net Cash Provided (Used) by Operating Activities	(136,029)	3,638,729	7,142,635	10,645,335
Cash Flows from Noncapital Financing Activities				
Transfers from Other Funds	-	12,000	-	12,000
Transfers (to) Other Funds	(422,749)	(1,028,893)	(10,646)	(1,462,288)
Net Cash Provided (Used) in Noncapital Financing Activities	(422,749)	(1,016,893)	(10,646)	(1,450,288)
Cash Flows from Capital and Related Financing Activities				
Acquisition/Construction of Capital Assets	-	(2,786,456)	(6,882,788)	(9,669,244)
Principal Paid on Capital Debt	-	(1,308,042)	-	(1,308,042)
Interest Paid on Capital Debt	-	(191,560)	-	(191,560)
Proceeds from Sales of Capital Assets	-	-	624,938	624,938
Net Cash Provided (Used) in Capital and Related Financing Activities	-	(4,286,058)	(6,257,850)	(10,543,908)
Cash Flows from Investing Activities				
Interest Income on Investments	342,977	90,269	157,803	591,049
Net Cash Provided By Investing Activities	342,977	90,269	157,803	591,049
Net Increase in Cash and Cash Equivalents	(215,801)	(1,573,953)	1,031,942	(757,812)
Cash and Cash Equivalents at Beginning of Year	39,936,418	9,917,222	16,427,147	66,280,787
Cash and Cash Equivalents at End of Year	\$ 39,720,617	\$ 8,343,269	\$ 17,459,089	\$ 65,522,975
Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities				
Operating Income (Loss)	\$ (1,010,661)	\$ 1,916,920	\$ 1,239,693	\$ 2,145,952
Depreciation	17,763	1,467,642	6,088,019	7,573,424
Change in Assets and Liabilities:				
Decrease in Accounts Receivable	45,410	41,106	149,461	235,977
Decrease in Inventories	-	8,015	-	8,015
(Increase) in Pension Asset	(70,508)	(656,194)	(17,862)	(744,564)
(Increase) Decrease in Deferred Outflows of Resources	(77,552)	1,187,410	31,755	1,141,613
Increase (Decrease) in Accounts Payable Increase	966,207	338,412	(331,658)	972,961
Increase (Decrease) in Accrued Liabilities	233	(11,162)	1,491	(9,438)
(Decrease) in Net Pension Liabilities	(38,009)	(353,735)	(9,629)	(401,373)
(Decrease) Increase in Net OPEB Liability	(40,582)	(214,503)	(11,595)	(266,680)
Increase (Decrease) in Compensated Absences Payable	48,682	(45,451)	3,898	7,129
(Decrease) in Estimated Claims Payable	(176,589)	-	-	(176,589)
Increase (Decrease) in Deferred Inflows of Resources	199,577	(39,731)	(938)	158,908
Total Adjustments	874,632	1,721,809	5,902,942	8,499,383
Net Cash Provided by Operating Activities	\$ (136,029)	\$ 3,638,729	\$ 7,142,635	\$ 10,645,335

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.

CITY OF FORT LAUDERDALE, FLORIDA

COMBINING FINANCIAL STATEMENT

COMBINING STATEMENT OF FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 September 30, 2018

	Pension Trust Funds		Other Post- Employment Benefits (OPEB)	Total
	General Employees'	Police and Firefighters'		
ASSETS				
Cash and Cash Equivalents	\$ 11,973,590	\$ 3,257	\$ 28,153	\$ 12,005,000
Due from Other Funds	-	-	-	-
Prepaid Items	-	-	-	-
Investments				
U.S. Treasury Securities	59,415,842	54,722,648	9,184,771	123,323,261
U.S. Government Agency Obligations	27,011,676	189,443	-	27,201,119
Corporate Bonds and Other Fixed Income	15,306,932	135,594,011	1,746,491	153,263,153
Money Market Funds	17,316,583	24,245,887	-	41,562,470
Index Funds & Other	-	197,300,179	1,245,600	198,545,779
Mutual Funds & Other	101,125,263	-	13,839,471	114,964,734
Fund of Funds	-	37,716,504	-	37,716,504
Common and Preferred Stocks	254,197,585	120,911,005	-	374,492,871
Commingled Funds	112,588,720	224,807,074	-	337,395,794
Real Estate	88,581,748	134,882,047	621,022	224,084,817
Private Equity	11,815,830	15,730,748	-	27,546,578
Total Investments	687,360,179	946,099,546	26,637,355	1,660,097,080
Receivables:				
Unsettled Trades	7,847,376	576,175	-	8,423,551
Accrued Interest and Dividends	679,018	2,259,012	11,669	2,949,699
Contributions	-	3,865	-	3,865
Capital Assets (Net of Accumulated Depreciation)	18	-	-	18
Total Assets	707,860,181	948,941,855	26,677,177	1,683,479,213
LIABILITIES				
Unsettled Trades	20,198,880	4,902,726	5,067	25,106,673
Accounts Payable and Accrued Liabilities	505,909	476,481	-	982,390
Accrued Liabilities	-	-	-	-
Due to Primary Government	2,878,916	2,035,075	-	4,913,991
Total Liabilities	23,583,705	7,414,282	5,067	31,003,054
Net Position - Restricted for Pensions and OPEB Benefits	\$ 684,276,476	\$ 941,527,573	\$ 26,672,110	\$ 1,652,476,159

CITY OF FORT LAUDERDALE, FLORIDA

COMBINING FINANCIAL STATEMENT

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 For the Year Ended September 30, 2018

	Pension Trust Funds		Other Post- Employment Benefits (OPEB)	Total
	General Employees'	Police and Firefighters'		
ADDITIONS				
Contributions:				
City	\$ 10,459,835	\$ 19,328,568	\$ 11,568,478	\$ 41,356,881
Employee	2,741,096	6,891,587	-	9,632,683
State	-	6,380,918	-	6,380,918
Total Contributions	<u>13,200,931</u>	<u>32,601,073</u>	<u>11,568,478</u>	<u>57,370,482</u>
Investment Income:				
Net Appreciation in Fair Value of Investments	48,127,585	44,390,969	1,169,898	93,688,452
Interest and Dividends	11,421,451	11,640,654	381,488	23,443,593
Real Estate Income	2,001,682	8,885,038	-	10,886,720
Other	139,501	5,914	3,096	148,511
Total Investment Income	<u>61,690,219</u>	<u>64,922,575</u>	<u>1,554,482</u>	<u>128,167,276</u>
Less: Investment Expenses	3,452,894	3,018,617	-	6,471,511
Total Investment Expenses	<u>3,452,894</u>	<u>3,018,617</u>	<u>-</u>	<u>6,471,511</u>
Net Investment Income	<u>58,237,325</u>	<u>61,903,958</u>	<u>1,554,482</u>	<u>121,695,765</u>
Total Additions	<u>71,438,256</u>	<u>94,505,031</u>	<u>13,122,960</u>	<u>179,066,247</u>
DEDUCTIONS				
Benefits:				
Retirement	37,478,326	39,909,005	2,279,431	79,666,762
Disability	347,470	1,088,888	-	1,436,358
Death	2,971,452	3,978,302	-	6,949,754
Total Benefits	<u>40,797,248</u>	<u>44,976,195</u>	<u>2,279,431</u>	<u>88,052,874</u>
Refunds	85,828	123,286	-	209,114
Administrative Expense	472,181	648,453	-	1,120,634
Total Deductions	<u>41,355,257</u>	<u>45,747,934</u>	<u>2,279,431</u>	<u>89,382,622</u>
Change in Net Position	<u>30,082,999</u>	<u>48,757,097</u>	<u>10,843,529</u>	<u>89,683,625</u>
Net Position - Beginning of Year	<u>654,193,477</u>	<u>892,770,476</u>	<u>15,828,581</u>	<u>1,562,792,534</u>
Net Position - End of Year	<u>\$ 684,276,476</u>	<u>\$ 941,527,573</u>	<u>\$ 26,672,110</u>	<u>\$ 1,652,476,159</u>

CITY OF FORT LAUDERDALE, FLORIDA

COMBINING FINANCIAL STATEMENT

STATEMENT OF CHANGE IN ASSETS AND LIABILITIES
 ARTS AND SCIENCE DISTRICT GARAGE AGENCY FUND
 For the Year Ended September 30, 2018

	Balance Beginning of Period	Additions	Deletions	Balance End of Period
ASSETS				
Cash and Cash Equivalents	\$ -	\$ 2,050,218	\$ 2,013,601	\$ 36,617
Due from Other Governments	109,566	8,868	109,566	8,868
Total Assets	<u>\$ 109,566</u>	<u>\$ 2,059,086</u>	<u>\$ 2,123,167</u>	<u>\$ 45,485</u>
LIABILITIES				
Accounts Payable	\$ 45,562	\$ 39,997	\$ 45,562	\$ 39,997
Accrued Liabilities	2,650	4,066	2,650	4,066
Due to Other Governments	58,027	-	58,027	-
Compensated Absences	3,327	1,422	3,327	1,422
Total Liabilities	<u>\$ 109,566</u>	<u>\$ 45,485</u>	<u>\$ 109,566</u>	<u>\$ 45,485</u>



Other Financial Information



CITY OF FORT LAUDERDALE

CITY OF FORT LAUDERDALE, FLORIDA

OTHER FINANCIAL INFORMATION

**BUDGETARY COMPARISON SCHEDULE
LAW ENFORCEMENT CONFISCATED PROPERTY FUND
For the Year Ended September 30, 2018**

	Final Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Fines and Forfeitures	\$ -	\$ 1,482,205	\$ 1,482,205
Miscellaneous:			
Investment Income	22,128	22,784	656
Total Revenues	<u>22,128</u>	<u>1,504,989</u>	<u>1,482,861</u>
EXPENDITURES			
Current:			
Public Safety	620,273	466,718	153,555
Capital Outlay	1,167,879	794,632	373,247
Total Expenditures	<u>1,788,152</u>	<u>1,261,350</u>	<u>526,802</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,766,024)</u>	<u>243,639</u>	<u>2,009,663</u>
Net change in Fund Balance	<u>\$ (1,766,024)</u>	<u>243,639</u>	<u>\$ 2,009,663</u>
Fund Balance - Beginning		<u>2,074,379</u>	
Fund Balance - Ending		<u>\$ 2,318,018</u>	

CITY OF FORT LAUDERDALE, FLORIDA

OTHER FINANCIAL INFORMATION

**BUDGETARY COMPARISON SCHEDULE
COMMUNITY REDEVELOPMENT AGENCY FUND
For the Year Ended September 30, 2018**

	Final Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Intergovernmental Revenues	\$ 11,907,264	\$ 11,899,600	\$ (7,664)
Miscellaneous:			
Investment Income	42,547	1,111,276	1,068,729
Total Revenues	<u>11,949,811</u>	<u>13,010,876</u>	<u>1,061,065</u>
EXPENDITURES			
Current:			
Economic Environment	21,880,190	19,834,617	2,045,573
Capital Outlay	88,838	88,838	-
Total Expenditures	<u>21,969,028</u>	<u>19,923,455</u>	<u>2,045,573</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(10,019,217)</u>	<u>(6,912,579)</u>	<u>3,106,638</u>
OTHER FINANCING (USES)			
Transfers In	7,044,749	7,038,392	(6,357)
Transfers (Out)	(8,638,275)	(8,638,275)	-
Total Other Financing (Uses)	<u>(1,593,526)</u>	<u>(1,599,883)</u>	<u>(6,357)</u>
Net change in Fund Balance	<u>\$ (10,019,217)</u>	<u>(8,512,462)</u>	<u>\$ 1,506,755</u>
Fund Balance - Beginning		<u>17,368,665</u>	
Fund Balance - Ending		<u>\$ 8,856,203</u>	
Combining Statement of Revenues, Expenditures and changes in Fund Balance		\$ 23,259,339	
Basis of accounting adjustments encumbrances as of September 30, 2018		<u>(14,403,136)</u>	
Budgetary Comparison Schedule		<u>\$ 8,856,203</u>	

CITY OF FORT LAUDERDALE, FLORIDA

OTHER FINANCIAL INFORMATION

**BUDGETARY COMPARISON SCHEDULE
BEACH BUSINESS IMPROVEMENT DISTRICT FUND
For the Year Ended September 30, 2018**

	Final Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Miscellaneous:			
Assessments and Other Fees	\$ 947,857	\$ 954,287	\$ 6,430
Investment Income	16,586	13,137	(3,449)
Total Revenues	<u>964,443</u>	<u>967,424</u>	<u>2,981</u>
EXPENDITURES			
Current:			
Economic Environment	1,677,414	1,441,300	(236,114)
Total Expenditures	<u>1,677,414</u>	<u>1,441,300</u>	<u>(236,114)</u>
OTHER FINANCING (USES)			
Transfers (Out)	(71,351)	(71,351)	-
Total Other Financing (Uses)	<u>(71,351)</u>	<u>(71,351)</u>	<u>-</u>
Net change in Fund Balance	<u>\$ (641,620)</u>	(545,227)	<u>\$ (233,133)</u>
Fund Balance - Beginning		<u>1,420,172</u>	
Fund Balance - Ending		<u>\$ 874,945</u>	
Combining Statement of Revenues, Expenditures and changes in Fund Balance		\$ 1,002,808	
Basis of accounting adjustments			
encumbrances as of September 30, 2018		(127,863)	
Budgetary Comparison Schedule		<u>\$ 874,945</u>	

CITY OF FORT LAUDERDALE, FLORIDA

OTHER FINANCIAL INFORMATION

**BUDGETARY COMPARISON SCHEDULE
BUILDING FUND
For the Year Ended September 30, 2018**

	Final Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Licenses and Permits	\$ 23,018,793	\$ 23,498,547	\$ 479,754
Charges for Services	407,074	92,285	(314,789)
Fines and Forfeitures	75,000	286,712	211,712
Miscellaneous:			
Investment Income	301,856	404,355	102,499
Other Miscellaneous	610,636	378,057	(232,579)
Total Revenues	<u>24,413,359</u>	<u>24,659,956</u>	<u>246,597</u>
EXPENDITURES			
Current:			
Public Safety	19,746,366	17,634,129	2,112,237
Capital Outlay	2,592,602	3,608,942	(1,016,340)
Total Expenditures	<u>22,338,968</u>	<u>21,243,071</u>	<u>1,095,897</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>2,074,391</u>	<u>3,416,885</u>	<u>1,342,494</u>
OTHER FINANCING (USES)			
Transfers (Out)	(395,255)	(395,255)	-
Total Other Financing (Uses)	<u>(395,255)</u>	<u>(395,255)</u>	<u>-</u>
Net change in Fund Balance	<u>\$ 1,679,136</u>	3,021,630	<u>\$ 1,342,494</u>
Fund Balance - Beginning		<u>39,439,470</u>	
Fund Balance - Ending		<u>\$ 42,461,100</u>	
Combining Statement of Revenues, Expenditures and changes in Fund Balance		\$ 45,129,557	
Basis of accounting adjustments encumbrances as of September 30, 2018		<u>(2,668,457)</u>	
Budgetary Comparison Schedule		<u>\$ 42,461,100</u>	

CITY OF FORT LAUDERDALE, FLORIDA

OTHER FINANCIAL INFORMATION

**BUDGETARY COMPARISON SCHEDULE
SCHOOL CROSSING GUARDS FUND
For the Year Ended September 30, 2018**

	Final Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Fines and Forfeitures	\$ 935,000	\$ 910,064	\$ (24,936)
Miscellaneous:			
Investment Income	2,711	4,176	1,465
Total Revenues	<u>937,711</u>	<u>914,240</u>	<u>(23,471)</u>
EXPENDITURES			
Current:			
General Government	950,987	950,258	729
Total Expenditures	<u>950,987</u>	<u>950,258</u>	<u>729</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(13,276)</u>	<u>(36,018)</u>	<u>(22,742)</u>
Net change in Fund Balance	<u>\$ (13,276)</u>	<u>(36,018)</u>	<u>\$ (22,742)</u>
Fund Balance - Beginning		<u>438,077</u>	
Fund Balance - Ending		<u>\$ 402,059</u>	

CITY OF FORT LAUDERDALE, FLORIDA

OTHER FINANCIAL INFORMATION

**BUDGETARY COMPARISON SCHEDULE
NUISANCE ABATEMENT FUND
For the Year Ended September 30, 2018**

	Final Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Charges for Services	\$ 116,110	\$ 103,899	\$ (12,211)
Miscellaneous:			
Assessments and Other Fees	478,870	384,754	(94,116)
Investment Income	2,887	3,673	786
Other Miscellaneous	110,000	83,206	(26,794)
Total Revenues	<u>707,867</u>	<u>575,532</u>	<u>(132,335)</u>
EXPENDITURES			
Current:			
General Government	267,867	176,470	91,397
Total Expenditures	<u>267,867</u>	<u>176,470</u>	<u>91,397</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>440,000</u>	<u>399,062</u>	<u>(40,938)</u>
OTHER FINANCING (USES)			
Transfers (Out)	(500,000)	(500,000)	-
Total Other Financing (Uses)	<u>(500,000)</u>	<u>(500,000)</u>	<u>-</u>
Net change in Fund Balance	<u>\$ (60,000)</u>	(100,938)	<u>\$ (40,938)</u>
Fund Balance - Beginning		<u>405,769</u>	
Fund Balance - Ending		<u>\$ 304,831</u>	
Combining Statement of Revenues, Expenditures and changes in Fund Balance		\$ 318,139	
Basis of accounting adjustments encumbrances as of September 30, 2018		<u>(13,308)</u>	
Budgetary Comparison Schedule		<u>\$ 304,831</u>	

CITY OF FORT LAUDERDALE, FLORIDA

OTHER FINANCIAL INFORMATION

**BUDGETARY COMPARISON SCHEDULE
SPECIAL ASSESSMENT FUND
For the Year Ended September 30, 2018**

	Final Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Miscellaneous:			
Assessments and Other Fees	\$ 7,157,568	\$ -	\$ (7,157,568)
Investment Income	6,821	-	(6,821)
Total Revenues	<u>7,164,389</u>	<u>-</u>	<u>(7,164,389)</u>
EXPENDITURES			
Current:			
General Government	8,539,275	7,493,709	1,045,566
Transportation	2,146,821	47,083	2,099,738
Total Expenditures	<u>10,686,096</u>	<u>7,540,792</u>	<u>3,145,304</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(3,521,707)</u>	<u>(7,540,792)</u>	<u>(4,019,085)</u>
OTHER FINANCING (USES)			
Transfers In	3,521,707	2,523,224	(998,483)
Total Other Financing (Uses)	<u>3,521,707</u>	<u>2,523,224</u>	<u>(998,483)</u>
Net change in Fund Balance	<u>\$ -</u>	<u>(5,017,568)</u>	<u>\$ (5,017,568)</u>
Fund Balance - Beginning		<u>-</u>	
Fund Balance - Ending		<u>\$ (5,017,568)</u>	

CITY OF FORT LAUDERDALE, FLORIDA

OTHER FINANCIAL INFORMATION

**BUDGETARY COMPARISON SCHEDULE
GENERAL OBLIGATION BONDS DEBT SERVICE FUND
For the Year Ended September 30, 2018**

	Final Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Taxes	\$ 2,221,087	\$ 2,237,513	\$ 16,427
Miscellaneous:			
Investment Income	-	7,690	7,689
Total Revenues	<u>2,221,087</u>	<u>2,245,203</u>	<u>24,116</u>
EXPENDITURES			
Current:			
Principal Retirement	1,025,000	1,025,000	-
Interest and Fiscal Charges	1,196,737	1,194,766	1,971
Total Expenditures	<u>2,221,737</u>	<u>2,219,766</u>	<u>1,971</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(650)</u>	<u>25,437</u>	<u>26,087</u>
Net change in Fund Balance	<u>\$ (650)</u>	<u>25,437</u>	<u>\$ 26,087</u>
Fund Balance - Beginning		<u>838,607</u>	
Fund Balance - Ending		<u>\$ 864,044</u>	

CITY OF FORT LAUDERDALE, FLORIDA

OTHER FINANCIAL INFORMATION

**BUDGETARY COMPARISON SCHEDULE
SPECIAL OBLIGATION BONDS DEBT SERVICE FUND
For the Year Ended September 30, 2018**

	Final Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Miscellaneous:			
Investment Income	\$ 98,483	\$ 95,082	\$ (3,401)
Total Revenues	<u>98,483</u>	<u>95,082</u>	<u>(3,401)</u>
EXPENDITURES			
Current:			
Principal Retirement	16,130,000	16,130,000	-
Interest and Fiscal Charges	10,238,094	10,236,530	1,564
Total Expenditures	<u>26,368,094</u>	<u>26,366,530</u>	<u>1,564</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(26,269,611)</u>	<u>(26,271,448)</u>	<u>(1,837)</u>
OTHER FINANCING (USES)			
Transfers In	26,359,124	26,359,124	-
Total Other Financing (Uses)	<u>26,359,124</u>	<u>26,359,124</u>	<u>-</u>
Net change in Fund Balance	<u>\$ 89,513</u>	87,676	<u>\$ (1,837)</u>
Fund Balance - Beginning		<u>14,271,612</u>	
Fund Balance - Ending		<u>\$ 14,359,288</u>	

CITY OF FORT LAUDERDALE, FLORIDA

OTHER FINANCIAL INFORMATION

**BUDGETARY COMPARISON SCHEDULE
SPECIAL OBLIGATION LOANS DEBT SERVICE FUND
For the Year Ended September 30, 2018**

	Final Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Miscellaneous:			
Investment Income	\$ 5,955	\$ -	\$ (5,955)
Total Revenues	<u>5,955</u>	<u>-</u>	<u>(5,955)</u>
EXPENDITURES			
Current:			
Principal Retirement	3,036,300	3,036,300	-
Interest and Fiscal Charges	382,513	378,514	3,999
Total Expenditures	<u>3,418,813</u>	<u>3,414,814</u>	<u>3,999</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(3,412,858)</u>	<u>(3,414,814)</u>	<u>(1,956)</u>
OTHER FINANCING (USES)			
Transfers In	3,417,188	3,417,188	-
Total Other Financing (Uses)	<u>3,417,188</u>	<u>3,417,188</u>	<u>-</u>
Net change in Fund Balance	<u>4,330</u>	2,374	<u>(1,956)</u>
Fund Balance - Beginning		<u>22,743</u>	
Fund Balance - Ending		<u>\$ 25,117</u>	

CITY OF FORT LAUDERDALE, FLORIDA

OTHER FINANCIAL INFORMATION

**BUDGETARY COMPARISON SCHEDULE
TAX INCREMENT REVENUE NOTES DEBT SERVICE FUND
For the Year Ended September 30, 2018**

	Final Budget	Actual Amounts	Variance with Budget - Positive (Negative)
EXPENDITURES			
Principal Retirement	\$ 648,000	\$ 648,000	\$ -
Interest and Fiscal Charges	200,869	200,139	730
Total Expenditures	<u>848,869</u>	<u>848,139</u>	<u>730</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(848,869)</u>	<u>(848,139)</u>	<u>730</u>
OTHER FINANCING (USES)			
Transfers In	848,869	848,869	-
Total Other Financing (Uses)	<u>848,869</u>	<u>848,869</u>	<u>-</u>
Net change in Fund Balance	<u>\$ -</u>	730	<u>\$ 730</u>
Fund Balance - Beginning		<u>459,646</u>	
Fund Balance - Ending		<u>\$ 460,376</u>	

CITY OF FORT LAUDERDALE, FLORIDA

OTHER FINANCIAL INFORMATION

**BUDGETARY COMPARISON SCHEDULE
PERPETUAL CARE FUND
For the Year Ended September 30, 2018**

	Final Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Miscellaneous:			
Investment Income	\$ 830,000	\$ 1,320,060	\$ 490,060
Other Miscellaneous	622,500	659,381	(30,619)
Total Revenues	<u>1,452,500</u>	<u>1,979,441</u>	<u>459,441</u>
EXPENDITURES			
Current:			
Physical Environment	872,446	1,152,190	(279,744)
Capital Outlay	-	116,792	(116,792)
Total Expenditures	<u>872,446</u>	<u>1,268,982</u>	<u>(396,536)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>580,054</u>	<u>710,459</u>	<u>62,905</u>
Net change in Fund Balance	<u>\$ 580,054</u>	<u>710,459</u>	<u>\$ 62,905</u>
Fund Balance - Beginning		<u>29,253,184</u>	
Fund Balance - Ending		<u>\$ 29,963,643</u>	
Combining Statement of Revenues, Expenditures and changes in Fund Balance		\$ 30,080,435	
Basis of accounting adjustments encumbrances as of September 30, 2017		<u>(116,792)</u>	
Budgetary Comparison Schedule		<u>\$ 29,963,643</u>	

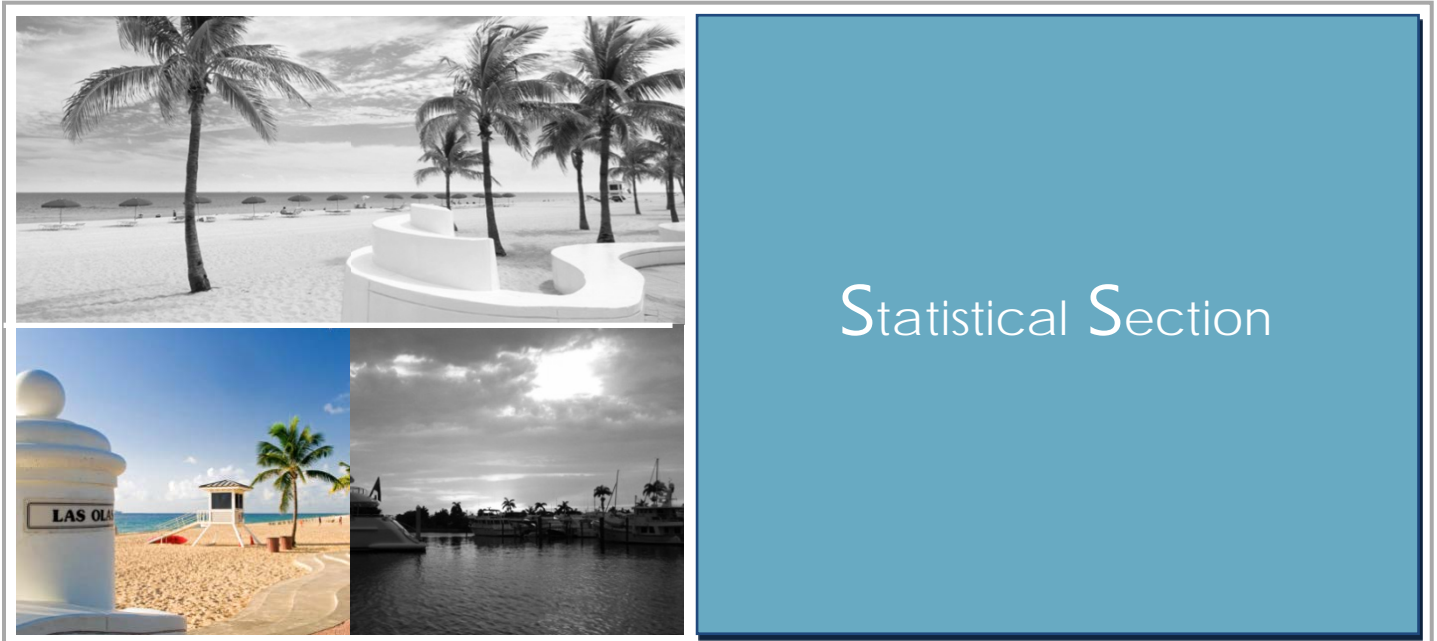


CITY OF FORT LAUDERDALE, FLORIDA

OTHER FINANCIAL INFORMATION

**SCHEDULE OF SOURCES AND USES
GENERAL OBLIGATION CONSTRUCTION FUND 2005 AND 2011A
For Fiscal Year Ended September 30, 2018**

	<u>INCEPTION TO DATE</u>
SOURCES	
Earnings on Investments	\$ 150,358
Transfers from Other Funds	
Airport	<u>141,887</u>
Total Sources	<u>292,245</u>
 USES	
Bond Issue and Other Expenses	219
Cost of Municipal Improvements	
Fire Control	
Fire Station No. 13 Replacement	13,653
Fire Station No. 54 Replacement	2,966,575
Fire Station Southeast	<u>38,417</u>
Total Uses	<u>3,018,864</u>
 Net Change in Fund Balance	 (2,726,619)
 Fund Balance - Beginning	 <u>12,796,679</u>
 Fund Balance - Ending	 <u>\$ 10,070,060</u>



Statistical Section

**STATISTICAL SECTION
FISCAL YEAR ENDED SEPTEMBER 30, 2018**

This part of the City of Fort Lauderdale’s Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City’s overall financial health.

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Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB Statement 34 in 2002; schedules presenting government-wide information include information beginning in that year.



CITY OF FORT LAUDERDALE

CITY OF FORT LAUDERDALE, FLORIDA

STATISTICAL SECTION

**NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS**

Schedule 1

	2008	2009	2010	2011	2012	2013	2014	2015 *	2016 *	2017 *	2018 *
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	\$ 311,296,668
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	166,811,911	169,408,028
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)	(216,699,492)	(191,865,494)
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	\$ 288,839,202
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	\$ 474,281,805	\$ 555,520,044
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	41,231,234	43,233,881
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	128,937,274	137,245,993
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	\$ 644,450,313	\$ 735,999,918
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	\$ 753,161,307	\$ 866,816,712
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	208,043,145	212,641,909
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)	(87,762,218)	(54,619,501)
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	\$ 873,442,234	\$ 1,024,839,120

* 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

CITY OF FORT LAUDERDALE, FLORIDA

STATISTICAL SECTION

**CHANGES IN NET POSITION
LAST TEN FISCAL YEARS**

Schedule 2

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Expenses										
Governmental Activities:										
General Government	\$ 42,893,044	\$ 41,228,117	\$ 44,571,363	\$ 40,616,650	\$ 53,453,789	\$ 47,638,285	\$ 47,395,226	\$ 50,656,373	\$ 57,047,568	\$ 51,865,682
Public Safety	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	210,939,834
Physical Environment	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	7,140,333
Transportation	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	12,777,480
Economic Environment	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	39,150,299
Culture/Recreation	40,801,321	38,792,196	41,781,558	41,690,222	39,033,256	32,492,486	35,648,804	34,616,954	38,776,032	40,454,278
Interest on Long-Term Debt	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	11,954,784
Total Governmental Activities Expenses	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	374,282,690
Business-Type Activities:										
Water and Sewer	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	135,734,552
Sanitation	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	23,401,132
Parking System	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	17,766,082
Airport	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	10,647,199
Stormwater	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	8,782,857
Total Business-Type Activities Expenses	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	196,331,822
Total Primary Government Expenses	\$ 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	\$ 570,614,512
Program Revenues										
Governmental Activities:										
Charges for Services:										
General Government	\$ 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	\$ 42,896,051
Public Safety	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	89,020,777
Culture/Recreation	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	14,237,858
Other Activities	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	5,003,787
Operating Grants and Contributions	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	35,369,514
Capital Grants and Contributions	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	1,519,075
Total Governmental Activities Program Revenue:	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	188,047,062
Business-Type Activities:										
Charges for Services										
Water and Sewer	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	142,717,538
Sanitation	20,112,154	20,206,509	22,084,671	18,821,045	23,290,471	15,447,550	20,769,944	15,236,518	16,415,880	16,862,102
Parking System	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	18,840,289
Airport	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	8,161,546
Stormwater	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	14,046,612
Operating Grant and Contributions	658,598	2,757,142	282,568	1,091,104	305,515	-	-	-	-	-
Capital Grants and Contributions	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	8,638,202
Total Business-Type Activities Program Revenue:	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	209,266,289
Total Primary Government Program Revenues	\$ 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	\$ 397,313,351

Continued

CITY OF FORT LAUDERDALE, FLORIDA

STATISTICAL SECTION

**CHANGES IN NET POSITION
LAST TEN FISCAL YEARS**

Schedule 2

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Net (Expense)/Revenue										
Governmental Activities	\$ (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)	\$ (186,235,626)
Business-Type Activities	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	12,934,467
Total Primary Government Net Expense	\$ (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)	\$ (173,301,159)
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes	\$ 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	\$ 135,946,356
Other Taxes	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	68,892,462
Grants and Contributions	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	18,498,676
Investment Earnings	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	6,055,904
Other	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	4,805,298
Sale of General Capital Assets	-	-	-	-	-	-	-	-	-	13,913,316
Transfers	157,470	584,349	1,082,900	1,713,406	(5,092,222)	1,289,249	(679,271)	(355,107)	(3,371,727)	(2,029,105)
Total Governmental Activities	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	246,082,907
Business-Type Activities:										
Investment Earnings	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	3,799,985
Miscellaneous	-	-	-	-	-	700,000	49,048	7,873	521,832	1,724,727
Special Items - Gain from Land Swap	-	-	-	-	-	-	-	-	20,705,100	-
Transfers	(157,470)	(584,349)	(1,082,900)	(1,713,406)	5,092,222	(1,289,249)	679,271	355,107	3,371,727	2,029,105
Total Business-Type Activities	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	7,553,817
Total Primary Government	\$ 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	\$ 253,636,724
Change in Net Position										
Governmental Activities	\$ 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	\$ 59,847,281
Business-Type Activities	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	20,488,284
Total Primary Government	\$ 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	\$ 80,335,565

* In fiscal year 2006 general government and public safety expenses and operating grants/contributions show significant increases due to cleanup and repair costs resulting from Hurricanes Katrina and Wilma and related reimbursements from federal and state sources.

Source: City of Fort Lauderdale, Finance Department

CITY OF FORT LAUDERDALE, FLORIDA

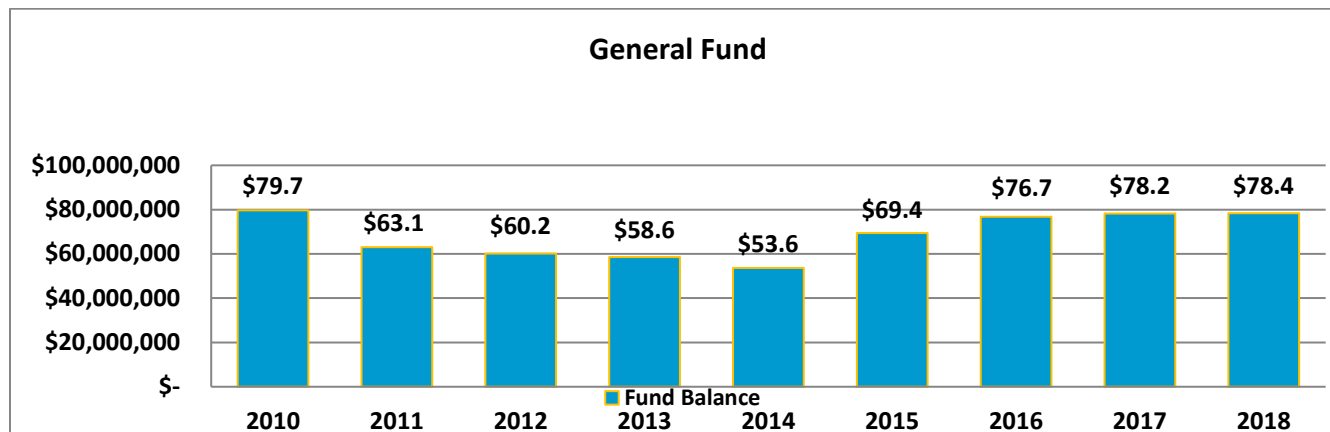
STATISTICAL SECTION

**FUND BALANCES – GOVERNMENTAL FUNDS
LAST NINE FISCAL YEARS***

Schedule 3

	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Fund									
Nonspendable	\$ 58,191	\$ 15,077,422	\$ 28,159,409	\$ 13,339,582	\$ 59,258	\$ 57,129	\$ 21,391	\$ 15,662	\$ 10,870
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	965,158
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	2,463,491
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	74,992,328
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	\$ 78,431,847
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	\$ 18,418,309
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	178,115,340
Unrestricted									
Committed	7,831,215	7,395,146	132,818	453,443	889,489	1,365,292	1,519,050	1,336,069	1,002,808
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	51,592,437
Unassigned	-	-	-	(6,272,275)	(3,904,111)	(2,794,776)	-	(1,125,065)	(25,340,986)
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	\$ 223,787,908

* 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.



CITY OF FORT LAUDERDALE, FLORIDA

STATISTICAL SECTION

CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

Schedule 4

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Revenues										
Property Taxes	\$ 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	\$ 135,946,356
Utility Taxes	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	39,537,407
Franchise Fees	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	22,978,002
Insurance Premium Taxes	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	6,377,053
Licenses and Permits	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	26,791,860
Intergovernmental	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	46,201,797
Charges for Services	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	23,720,775
Fines and Forfeitures	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	4,765,852
Other	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	109,859,877
Total Revenues	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	415,905,269
Expenditures										
General Government	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	50,608,481
Public Safety	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	213,569,202
Physical Environment	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	8,467,109
Transportation	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	11,795,831
Economic Environment	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	40,548,392
Culture/Recreation	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	34,974,118
Debt Service:										
Bond Principal Retirement	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	20,883,259
Interest and Fiscal Charges	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	12,023,877
Debt Issuance Costs	-	-	-	-	-	-	264,725	-	-	-
Capital Outlay	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	37,222,781
Total Expenditures	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	430,093,050
Excess of Revenues Over (Under)										
Expenditures	(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	(14,187,781)
Other Financing Sources (Uses)										
Debt Proceeds	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	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	77,915,430
Transfers (Out)	(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)	(78,494,245)
Sale of General Capital Assets	-	-	-	-	-	-	-	-	-	13,913,314
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)	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)	13,334,499
Net Change in Fund Balances	\$ 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	\$ (853,282)
Debt Service as a Percentage of Noncapital Expenditures	3.91%	2.79%	3.01%	3.19%	7.45%	10.83%	10.59%	11.26%	9.95%	8.38%

CITY OF FORT LAUDERDALE, FLORIDA

STATISTICAL SECTION

**ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS**

Schedule 5

FISCAL YEAR	TAX ROLL YEAR**	RESIDENTIAL PROPERTY	COMMERCIAL PROPERTY	INDUSTRIAL PROPERTY	ALL OTHER PROPERTIES	TOTAL ASSESSED VALUE**	LESS: EXEMPTIONS					TOTAL TAXABLE ASSESSED VALUE	TOTAL DIRECT TAX RATE
							HOMESTEAD	GOVERNMENTAL	INSTITUTIONAL	SAVE			
										OUR HOMES	OTHER		
2018	2017	\$ 34,045,927,200	\$ 9,892,567,370	\$ 1,834,287,340	\$ 1,825,526,453	\$ 47,598,308,363	\$ 1,042,084,957	\$ 3,307,032,857	\$ 1,087,528,517	\$ 5,508,191,760	\$ 2,839,388,235	\$ 33,814,082,037	4.1884
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

* 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: State of Florida Department of Revenue

CITY OF FORT LAUDERDALE, FLORIDA

STATISTICAL SECTION

**PROPERTY TAX MILLAGE RATES*
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS**

Schedule 6

FISCAL YEAR	TAX ROLL	FORT LAUDERDALE			BROWARD COUNTY		OTHER TAXING AGENCIES			TOTAL CITY-WIDE	SPECIAL DISTRICTS**			
		OPERATING	DEBT SERVICE	TOTAL CITY	BROWARD COUNTY	BROWARD COUNTY SCHOOLS	S. FLORIDA WATER MGMT. DISTRICT	FLORIDA INLAND NAVIGATION DISTRICT	BROWARD CHILDREN'S SERVICES COUNCIL		DOWNTOWN DEV. AUTH.		N. BROWARD HOSPITAL DISTRICT	HILLSBORO INLET
											OPERATING	DEBT SERVICE		
2018	2017	4.1193	0.0691	4.1884	5.6690	6.5394	0.3100	0.0320	0.4882	17.2270	0.5272	0.4099	1.2483	0.0860
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

* 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.

CITY OF FORT LAUDERDALE, FLORIDA

STATISTICAL SECTION

**PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO**

Schedule 7

TAXPAYER	TYPE OF BUSINESS	2018			2009		
		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	\$ 195,932,170	1	0.58%			
TAF GG LAS OLAS LP	Business Services	186,598,000	2	0.56%			
FLORIDA POWER & LIGHT CO % PROPERTY TAX - PSX/JB	Power Energy Utility	170,891,756	3	0.51%	\$ 108,775,690	4	0.37%
PIER 66 VENTURES LLC %TAVISTOCK DEVELOPMENT CO	Real Estate	144,666,000	4	0.43%			
T-C THE MANOR AT FLAGLER VILLAGE LLC	Real Estate	134,898,580	5	0.40%			
SUNRISE HARBOUR MULTIFAMILY INC % MARVIN F POER & CO	Real Estate	108,995,590	6	0.33%	91,823,140	7	0.31%
FTL 500 CORP	Real Estate	105,380,000	7	0.31%			
T-C THE EDGE AT FLAGLER VILLAGE LLC	Real Estate	103,000,000	8	0.31%			
CAPRI HOTEL LLC	Hospitality	102,500,000	9	0.31%			
AMARAY LAS OLAS BY WINDSOR LLC %LEGAL DEPT GID INVESTMENT	Real Estate	102,269,220	10	0.31%			
KEYSTONE-FLORIDA PROPERTY HOLD	Real Estate	101,881,070	11	0.30%	99,895,370	5	0.34%
FL GRANDE LLC % PROPERTY TAX-HOTELS	Real Estate	95,450,850	12	0.28%	94,956,000	6	0.32%
PRII SR 200 EAST LAS OLAS OWNER LLC % PRUDENTIAL REAL ESTATE	Real Estate	93,402,000	13	0.28%			
CWI-GG RCFL PROPERTY OWNER LLC %RYAN LLC ATTN MCINEFRA	Real Estate	90,967,240	14	0.27%			
RAR2 - LAS OLAS CENTRE LLC %RREEF - RYAN LLC TAX COMPLIANCE	Real Estate	85,382,400	15	0.25%			
GV IP 110 TOWER OWNER LLC % GEMREALTY CAPITAL INC	Real Estate	84,000,000	16	0.25%			
CAMDEN SUMMIT PARTNERSHIP LP	Real Estate	83,361,030	17	0.25%			
RAR2 - LAS OLAS CENTRE LLC %RREEF - RYAN LLC TAX COMPLIANCE	Real Estate	76,223,180	18	0.23%			
BMIRF MANOR LLC % BERKSHIRE GROUP	Real Estate	70,000,000	19	0.21%			
FT LAUDERDALE ES HOTEL L L C	Real Estate	69,793,700	20	0.21%			
BF LAS OLAS LLC	Real Estate				158,241,490	1	0.54%
NORTHWESTERN MUTUAL LIFE INSURANCE COMPANY	Insurance				141,050,990	2	0.48%
FIFTH AVENUE PARTNERS LTD	Real Estate				120,139,730	3	0.41%
MARRIOTT OWNERSHIP RESORTS, INC	Timeshare Management				76,989,910	8	0.26%
2301 SE 17 ST LTD	Real Estate				76,907,180	9	0.26%
GENESIS CAPITAL PARTNERS IX LT	Real Estate				70,704,600	10	0.24%
		<u>\$ 2,205,592,786</u>		<u>6.58%</u>	<u>\$ 1,039,484,100</u>		<u>3.53%</u>

Source: Broward County Property Appraiser.

CITY OF FORT LAUDERDALE, FLORIDA

STATISTICAL SECTION

**PROPERTY LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

Schedule 8

FISCAL YEAR	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS	COLLECTIONS TO DATE	
		AMOUNT	PERCENTAGE OF LEVY		AMOUNT	PERCENTAGE OF LEVY
2018	\$ 139,485,072	\$ 138,157,082	99.0%	\$ -	\$ 138,157,082	99.0%
2017	128,271,963	127,624,652	99.5%	52,036	127,676,688	99.5%
2016	117,615,644	116,905,478	99.4%	56,322	116,961,800	99.4%
2015	108,085,092	107,040,848	99.0%	47,116	107,087,964	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%	84,840	95,755,153	99.5%
2011	100,485,419	98,916,252	98.4%	233,889	99,150,141	98.7%
2010	112,960,028	110,925,089	98.2%	1,084,207	112,009,296	99.2%
2009	125,137,680	123,421,092	98.6%	1,165,667	124,586,759	99.6%

Source: Broward County Revenue Collector.

CITY OF FORT LAUDERDALE, FLORIDA

STATISTICAL SECTION

**RATIO OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

Schedule 9

(Dollars in thousands except per Capita)

FISCAL YEAR	GOVERNMENTAL ACTIVITIES					BUSINESS-TYPE ACTIVITIES					TOTAL PRIMARY GOVERNMENT	PERCENTAGE OF PERSONAL INCOME	PER CAPITA ⁽²⁾
	GENERAL OBLIGATION BONDS	TAX INCREMENT BONDS/NOTES ⁽¹⁾	SPECIAL OBLIGATION LOANS	SPECIAL OBLIGATION BONDS	CAPITAL LEASES	WATER & SEWER REVENUE BONDS	SANITATION REVENUE BONDS	STATE REVOLVING FUND LOANS	CAPITAL LEASES				
2018	\$ 30,737	\$ 5,981	\$ 11,334	\$ 243,555	\$ 7,154	\$ 532,111	\$ -	\$ 37,453	\$ 1,267	\$ 869,592	0.92%	\$ 4,756.37	
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	

(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.

CITY OF FORT LAUDERDALE, FLORIDA

STATISTICAL SECTION

**RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

Schedule 10

FISCAL YEAR	GENERAL OBLIGATION BONDS	LESS SINKING FUND	NET GENERAL BONDED DEBT	PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY*	PER CAPITA**
2018	\$ 30,737,368	\$ 864,044	\$ 29,873,324	0.09%	\$ 163.40
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

* 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.

CITY OF FORT LAUDERDALE, FLORIDA

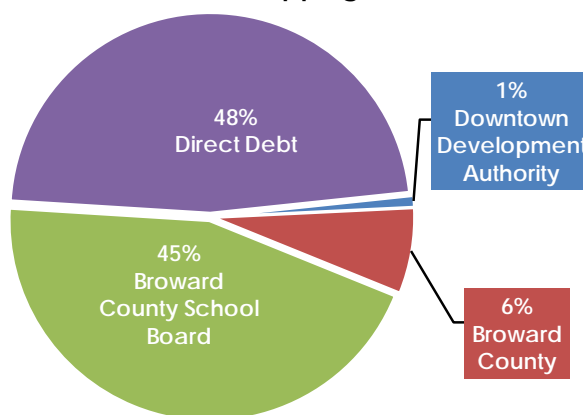
STATISTICAL SECTION

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT September 30, 2018

Schedule 11

GOVERNMENTAL UNIT	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE	ESTIMATED SHARE OF OVERLAPPING NET DEBT
Debt Repaid with Property Taxes			
Downtown Development Authority	\$ 5,652,182	100.00%	\$ 5,652,182
Broward County ⁽¹⁾	228,060,000	19.09%	43,536,654
Broward County School Board ⁽¹⁾	1,482,733,000 *	19.09%	<u>283,053,730</u>
Subtotal Overlapping Debt			332,242,566
City of Fort Lauderdale Direct Debt	298,761,160	100.00%	<u>298,761,160</u>
Total Direct and Overlapping Debt			<u>\$ 631,003,726</u>

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 (\$33,814,082,037) by the County's gross taxable property values (\$177,102,876,979).

* Debt outstanding as of June 30, 2018

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

Schedule 12

(Dollars in Thousands)

SPECIAL OBLIGATION BONDS*								SPECIAL OBLIGATION LOANS							
FISCAL YEAR	GROSS REVENUE	OPERATING EXPENSES	NET AVAILABLE REVENUE	MAXIMUM ANNUAL DEBT SERVICE		TOTAL	COVERAGE	GROSS REVENUE	EXPRESS LIEN DEBT	ESSENTIAL SERVICE EXPENSES	NET AVAILABLE REVENUE	DEBT SERVICE		TOTAL	COVERAGE
				PRINCIPAL	INTEREST							PRINCIPAL	INTEREST		
2018	\$ 45,747	\$ -	\$ 45,747	\$ 20,840	\$ 7,357	\$ 28,197	1.62	\$ 223,445	\$ 26,357	\$ 146,533	\$ 50,555	\$ 3,036	\$ 377	\$ 3,413	14.81
2017	44,103	-	44,103	20,840	7,357	28,197	1.56	204,950	26,360	137,966	40,624	2,958	454	3,412	11.91
2016	43,681	-	43,681	20,840	7,357	28,197	1.55	195,688	26,359	132,400	36,929	2,884	528	3,412	10.82
2015	43,222	-	43,222	20,840	7,357	28,197	1.53	204,526	26,360	133,358	44,808	2,811	601	3,412	13.13
2014	42,815	-	42,815	20,840	7,357	28,197	1.52	186,847	26,361	132,042	28,444	2,740	672	3,412	8.34
2013	42,044	-	42,044	20,840	7,357	28,197	1.49	164,902	24,949	126,199	13,754	3,215	754	3,969	3.47
2012	-	-	-	-	-	-	-	153,629	-	131,413	22,216	2,429	547	2,976	7.47
2011	-	-	-	-	-	-	-	141,866	-	120,491	21,375	2,466	862	3,328	6.42
2010	-	-	-	-	-	-	-	144,696	-	113,287	31,409	1,410	1,262	2,672	11.75
2009	-	-	-	-	-	-	-	144,779	-	105,445	39,334	76	966	1,042	37.75

WATER AND SEWER REVENUE BONDS								WATER AND SEWER STATE REVOLVING FUND LOANS							
FISCAL YEAR	GROSS REVENUE	OPERATING EXPENSES	NET AVAILABLE REVENUE	DEBT SERVICE		TOTAL	COVERAGE	GROSS REVENUE	OPERATING EXPENSES	REVENUE BOND DEBT SERVICE		NET AVAILABLE REVENUE	STATE LOANS DEBT SERVICE		
				PRINCIPAL	INTEREST					PRINCIPAL	INTEREST		PRINCIPAL	INTEREST	COVERAGE
2018	\$ 146,507	\$ 78,501	\$ 68,006	\$ 11,190	\$ 12,840	\$ 24,030	2.83	\$ 151,495	\$ 78,501	\$ 11,190	\$ 12,840	\$ 48,964	\$ 3,619	\$ 904	10.83
2017	139,800	76,462	63,338	10,665	13,366	24,031	2.64	144,280	76,462	10,665	13,366	43,787	3,539	983	9.68
2016	134,367	77,042	57,325	9,050	13,273	22,323	2.57	136,490	77,042	9,050	13,273	37,125	4,218	1,326	6.70
2015	131,913	69,475	62,438	9,945	16,252	26,197	2.38	134,923	69,475	9,945	16,252	39,251	4,869	1,697	5.98
2014	117,552	62,816	54,736	9,590	16,590	26,180	2.09	119,196	62,816	9,590	16,590	30,200	4,753	1,812	4.60
2013	121,076	60,927	60,149	9,345	16,874	26,219	2.29	123,905	60,927	9,345	16,874	36,759	4,641	1,882	5.64
2012	106,017	60,168	45,849	9,100	16,783	25,883	1.77	107,399	75,038	9,100	16,782	6,479	3,445	1,993	1.19
2011	105,231	54,082	51,149	8,805	17,849	26,654	1.92	107,049	58,869	8,805	17,849	21,526	4,500	2,081	3.27
2010	103,156	58,144	45,012	6,885	15,663	22,548	2.00	107,784	62,467	6,885	15,663	22,769	4,286	2,138	3.54
2009	92,071	55,847	36,224	6,645	14,821	21,466	1.69	97,376	60,169	6,645	14,821	15,741	4,663	1,956	2.38

TAX INCREMENT REVENUE NOTE**						
FISCAL YEAR	GROSS REVENUE	MAXIMUM ANNUAL DEBT SERVICE		TOTAL	COVERAGE	
		PRINCIPAL	INTEREST			
2018	\$ 10,055	\$ 690	\$ 158	\$ 848	11.86	
2017	9,024	669	179	848	10.64	
2016	7,702	628	220	848	9.08	
2015	5,858	628	220	848	6.91	

* Bonds issued in fiscal year 2013.

** Note issued in fiscal year 2015.

CITY OF FORT LAUDERDALE, FLORIDA

STATISTICAL SECTION

**DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

Schedule 13

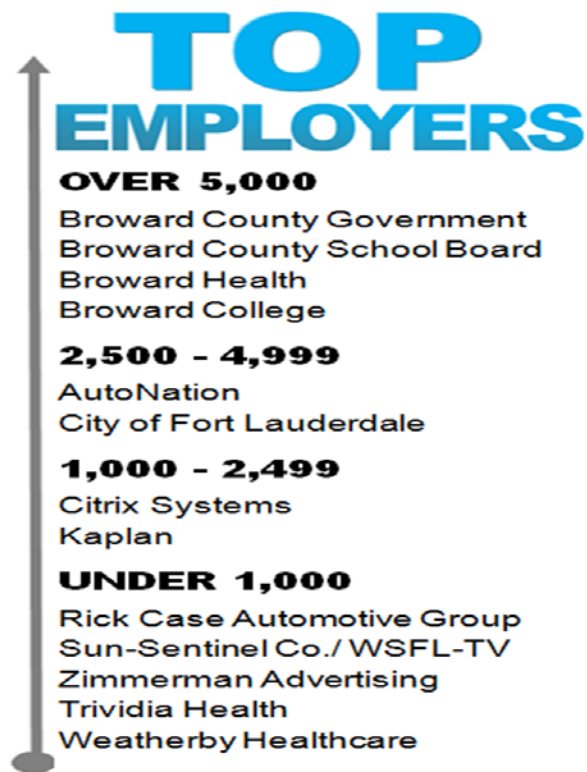
FISCAL YEAR	FORT LAUDERDALE POPULATION	BROWARD COUNTY POPULATION	BROWARD COUNTY PERSONAL INCOME*	BROWARD COUNTY PER CAPITA PERSONAL INCOME	UNEMPLOYMENT RATE
2018	182,827	1,897,976	\$ 94,239,376	\$ 49,653	2.8%
2017	179,063	1,873,970	89,572,271	47,798	3.3%
2016	176,747	1,854,513	85,167,498	45,924	4.6%
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%

* 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
CURRENT YEAR**

Schedule 14



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.

CITY OF FORT LAUDERDALE, FLORIDA

STATISTICAL SECTION

**FULL TIME EQUIVALENT CITY GOVERNMENTAL EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

Schedule 15

FUNCTION/PROGRAM	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Government										
Business Enterprises	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	21.00	18.00	33.00	34.00	51.00	52.00	55.00	58.00
City Attorney	26.00	26.00	25.00	25.00	25.00	25.00	30.60	31.60	31.60	32.60
City Auditor	5.00	5.00	5.00	5.00	5.00	5.00	6.00	6.00	6.00	6.00
City Clerk	6.00	6.50	6.50	6.60	7.40	7.40	7.40	7.40	7.40	7.40
Finance	64.00	64.00	65.00	66.00	58.40	58.00	67.00	67.00	70.00	71.00
Human Resources	24.00	20.00	19.00	29.00	32.00	33.00	42.60	42.60	41.40	39.40
Information Systems	38.60	38.30	38.12	38.60	63.10	65.70	77.20	78.20	78.20	81.20
Office of Management and Budget	13.00	12.00	-	-	-	-	-	-	-	-
Office of Professional Standards	4.00	3.00	3.00	-	-	-	-	-	-	-
Procurement	11.00	11.00	11.00	-	-	-	-	-	-	-
Planning and Zoning	36.40	31.30	31.00	31.00	-	-	-	-	-	-
Public Works	52.00	36.00	48.00	115.00	53.00	39.00	57.00	57.00	58.00	69.00
Public Information	11.00	11.00	10.00	10.00	-	-	-	-	-	-
Sustainable Development	-	-	-	-	-	-	-	6.00	-	-
Public Safety										
Building Services	117.00	108.00	98.00	97.00	-	-	-	-	-	-
Fire Rescue	465.20	461.00	458.90	461.00	461.10	447.30	454.80	454.80	472.80	484.80
Police	696.70	702.90	696.00	673.00	673.00	682.30	712.30	709.30	724.90	735.90
Physical Environment										
Business Enterprises	1.00	1.00	1.00	-	-	-	-	-	-	-
Public Works	523.50	520.50	492.38	419.40	354.00	371.00	376.00	376.00	387.00	391.00
Transportation & Mobility										
Business Enterprises	14.00	16.00	16.00	16.00	6.00	-	-	-	-	-
Transportation	-	-	-	-	-	8.50	15.50	15.50	17.00	23.00
Parking and Fleet Services	54.60	51.90	49.80	81.60	75.40	78.10	78.00	78.00	80.80	84.20
Executive Airport	23.00	23.00	22.00	18.00	18.00	19.80	21.80	21.80	20.80	20.80
Public Works	11.60	8.50	5.20	3.20	4.00	3.00	5.00	5.00	4.00	5.00
Arts & Science District Garage	-	5.60	8.80	-	1.50	1.60	1.60	1.60	1.60	2.60
Economic Environment										
Economic Development	21.00	20.00	18.00	19.00	130.50	140.10	170.90	193.50	215.50	247.50
Planning and Zoning	17.00	17.00	17.00	15.00	-	-	-	-	-	-
Culture and Recreation										
Parks and Recreation	344.40	314.90	281.40	274.80	415.80	366.00	381.40	387.40	401.50	404.50
Business Enterprises	40.70	40.40	40.20	-	-	-	-	-	-	-
Total	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	2,775.90

CITY OF FORT LAUDERDALE, FLORIDA

STATISTICAL SECTION

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	2018
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	N/A
Citations Issued	51,470	44,140	50,541	60,677	56,457	45,976	38,806	27,991	29,376	35,110	51,863
Arrests	14,018	13,903	14,601	17,256	13,752	13,172	10,995	8,067	7,174	6,961	8,068
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	113,828
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	50,622
Total Fire Incidents	645	636	521	639	578	542	529	600	582	600	561
Inspections Performed	20,352	16,663	16,754	20,267	24,951	19,570	20,075	24,564	19,852	20,739	22,164
Physical Environment											
Water Distribution											
Water Main Failures/Repairs	107	86	52	42	29	76	144	93	107	153	82
New Water Mains Construction (Feet) ⁽³⁾	22,976	21,827	19,927	20,356	22,736	22,000	5,809	595	163	779	10,850
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	14.19
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	14.58
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	44,573
Recycling Tonnage	7,989	8,269	8,650	7,891	9,107	11,688	10,060	10,692	10,864	10,747	11,787
Culture and Recreation											
Parks and Recreation											
Pavilion Rentals	900	1,020	1,145	1,050	664	668	744	708	1,311	839	877
Learn to Swim Registrants	3,594	3,596	2,942	2,988	2,329	2,251	2,509	1,580	1,701	1,769	1,590
Youth/Sports Club Participants	1,122	1,664	1,200	1,750	2,451	3,141	3,028	2,204	1,824	1,190	2,256
Summer Camp Registrants	1,317	1,284	1,010	1,058	1,897	2,059	2,228	2,010	2,137	2,276	2,419

Source: Various City departments

(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 maintenance tasks. Consultants have initiated design to be constructed in FY2016.

CITY OF FORT LAUDERDALE, FLORIDA

STATISTICAL SECTION

**CAPITAL ASSET STATISTICS BY FUNCTION / PROGRAM
LAST TEN FISCAL YEARS**

Schedule 17

FUNCTION/PROGRAM	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Government												
City Buildings	112	112	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	1	1
Marked Units (cars, vans, trailers, bomb van)	408	408	414	420	405	420	393	380	462	439	391	466
Unmarked Units (cars)	209	209	214	214	229	223	237	236	228	239	236	245
Fire Rescue												
Fire Stations	13	11	11	11	10	10	10	10	10	10	10	10
Fire Apparatus	20	20	20	20	20	20	20	20	20	20	20	20
Ambulances	20	20	20	20	19	19	20	20	20	24	24	24
Physical Environment												
Public Works - Water and Sewer												
Fire Hydrants	5,352	5,352	5,352	5,420	5,621	5,804	5,872	5,979	6,103	6,105	6,167	6,188
Water Mains (miles)	750	750	750	757	782	786	786	784	782	780	780	780
Water Plants (2) - capacity per day (million gallons)	90	82	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	56	57	57	57
Sanitary Sewers (miles)	503	503	503	546	577	585	621	598	592	592	592	592
Storm Drainage (miles)	149	149	149	160	163	170	171	171	181	184	184	184
Storm and Wastewater Pumping Stations	153	153	153	198	208	208	213	193	190	193	190	190
Transportation												
Public Works - Road and Street Facilities												
Streets (miles)	497	497	497	497	498	500	500	525	525	525	523	526
Sidewalks (miles)	312	312	312	312	312	325	425	425	425	425	425	425
Bridges	51	51	51	51	51	51	52	52	51	51	51	51
Community Bus	11	11	11	3	3	32	3	3	12	12	6	6
Parking and Fleet Services												
City Maintained Parking Spaces	9,078	9,078	9,224	9,438	9,506	9,347	10,923	11,025	10,963	10,997	10,859	10,646
City Parking Garages	4	4	4	4	4	4	4	4	4	4	4	4
Meters (single and multi-space)	2,641	2,495	2,104	2,477	2,104	2,496	2,326	2,330	2,096	1,830	1,736	1,502
Culture and Recreation												
Public Beach (miles)	5	5	5	5	5	5	5	5	5	5	5	7
Municipal Swimming Pools	15	14	13	13	13	12	13	13	13	13	13	13
Public Parks (acres)	766	744	756	786	786	786	876	876	876	880	880	900
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	2,110	2,110
Lockhart Stadium (Seating Capacity)	19,500	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	8,340	-	-
Fort Lauderdale Aquatic Complex (Seating Capacity)	2,540	2,540	2,540	2,465	1,840	1,740	1,740	1,740	1,740	1,740	1,740	1,740
Bahia Mar Yachting Center - Municipal Yacht Slips	200	200	200	200	200	219	250	250	250	250	250	250

Source: Various City departments and the annual budget

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

To the Honorable Mayor,
City Commission and City Manager
City of Fort Lauderdale, Florida
Fort Lauderdale, Florida

We have audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Fort Lauderdale, Florida (the "City") as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated May 29, 2019. Our report includes a reference to other auditors who audited the financial statements of the City of Fort Lauderdale Police and Fire Retirement System (the "System"), as described in our report on the City's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those other auditors.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2018-001 and 2018-002 that we consider to be material weaknesses.

Compliance and Other Matters

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

City's Response to Findings

The City's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The City's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

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



Crowe LLP

Fort Lauderdale, Florida
May 29, 2019

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND STATE FINANCIAL ASSISTANCE PROJECT AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE

To the Honorable Mayor,
City Commission and City Manager
City of Fort Lauderdale, Florida
Fort Lauderdale, Florida

Report on Compliance for Each Major Federal Program and State Project

We have audited the City of Fort Lauderdale, Florida's (the "City") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the requirements described in the *Department of Financial Services' State Projects Compliance Supplement*, that could have a direct and material effect on each of the City's major federal programs and state financial assistance projects for the year ended September 30, 2018. The City's major federal programs and state financial assistance projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its federal programs and state financial assistance projects.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal programs and state financial assistance projects based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, *Rules of the Auditor General*. Those standards, the Uniform Guidance, and Chapter 10.550, *Rules of the Auditor General*, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program and state financial assistance project occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program and state financial assistance project. However, our audit does not provide a legal determination of the City's compliance.

Opinion on Each Major Federal Program and State Financial Assistance Project

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state financial assistance projects for the year ended September 30, 2018.

Report on Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program and state financial assistance project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and state financial assistance project and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*. Accordingly, this report is not suitable for any other purpose.


Crowe LLP

Fort Lauderdale, Florida
May 29, 2019

**CITY OF FORT LAUDERDALE, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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					
Child Nutrition Cluster					
Summer Food Service Program for Children					
Passed Through Florida Department of Agriculture Food and Consumer Services					
Summer Food Service Program for Children - FY18	10.559	04-0987	N/A	\$ 105,984	\$ -
Child and Adult Care Food Program					
Passed Through Florida Department of Health Child Care					
Afterschool Snack Program - FY18	10.558	N/A	N/A	36,845	-
Afterschool Snack Program - FY19	10.558	N/A	N/A	7,997	-
Total CFDA # 10.558				<u>44,842</u>	<u>-</u>
Total U. S. Department of Agriculture				<u>150,826</u>	<u>-</u>
U.S. Department of Housing and Urban Development:					
Direct Programs:					
Office of Community Planning and Development					
CDBG - Entitlement Grants Cluster					
Community Development Block Grants/ Entitlement Grants	14.218		N/A	1,451,399	431,847
Community Development Block Grants/ Entitlement Grants	14.218	B-08-MN-12-0007	N/A	8,236	-
Community Development Block Grants/ Entitlement Grants	14.218	B-11-MN-12-0007	N/A	4,999	-
Total CFDA # 14.218				<u>1,464,634</u>	<u>431,847</u>
Home Investment Partnerships Program	14.239			584,541	245,802
Housing Opportunities for Persons with AIDS	14.241			6,661,026	6,318,796
Indirect Programs:					
Continuum of Care Program					
Passed Through Broward County					
Chronic Homelessness Housing Collaborative (CHHC)	14.267	17-CP-HIP-8261-HUD15-01	N/A	63,417	-
Chronic Homelessness Housing Collaborative (CHHC)	14.267	17-CP-HIP-8261-HUD15-01	N/A	262,980	-
Total CFDA # 14.267				<u>326,397</u>	<u>-</u>
Total U.S. Department of Housing and Urban Development				<u>9,036,598</u>	<u>6,996,445</u>
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		225,830	-
Indirect Programs:					
Office of Juvenile Justice and Delinquency Prevention					
Juvenile Justice and Delinquency Prevention					
Passed Through Florida Department of Juvenile Justice					
Juvenile Justice Delinquency Program	16.540	10314	2011JFFX034 - P6105	26,996	-

See Notes to the Schedule of Expenditures of Federal Award and State Assistance

**CITY OF FORT LAUDERDALE, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FISCAL YEAR ENDED SEPTEMBER 30, 2018**

Federal/State Grantor, Pass-through Grantor Federal Programs/State Projects	CFDA# CSFA #	Contract/ Grant Number	Financial Project Number	Expenditures	Transfer to Subrecipient
Bureau of Justice Assistance					
Edward Byrne Memorial Justice Assistance Grant Program					
Passed Through Broward Sheriff's Office					
2015 Edward Byrne JAG Local Solicitation Program	16.738	2015-DJ-BX-1021	N/A	\$ 945	\$ -
2016 Edward Byrne JAG Local Solicitation Program	16.738	2016-DJ-BX-0574	N/A	102,046	-
Total CFDA # 16.738				<u>102,991</u>	<u>-</u>
Justice Assistance Grant					
Edward Byrne Memorial Competitive Grant Program					
Passed Through Florida Department of Law Enforcement					
Agency Response to MSDHS	16.751	2018-JAGE-BROW-8-E9-009	2018-DG-BX-0002	9,041	-
Direct Programs:					
Office of Justice Programs					
Equitable Sharing Program					
Forfeiture Fund - Federal Equitable Sharing (Non Treasury)	16.922	N/A	N/A	713,955	-
Total U.S. Department of Justice				<u>1,078,813</u>	<u>-</u>
U.S. Department of Transportation:					
Direct Programs:					
Federal Aviation Administration (FAA)					
Airport Improvement Program					
Rehabilitate Taxiway F	20.106	3-12-0024-030-2017		1,961,060	-
Direct Programs:					
Federal Transit Administration (FTA)					
Federal Transit Cluster					
Federal Transit Capital Investment Grants					
Transit Oriented Development Planning Grant					
Fort Lauderdale TOD Planning Grant	20.500	FTA G-22	FL-2016-051-00	420,334	-
Indirect Programs:					
Federal Transit Formula Grants					
Passed Through Broward Metropolitan Planning Organization					
Downtown Fort Lauderdale Mobility Hub: Streetscape	20.507	FL-2016-028-00		243,250	-
Total Federal Transit Cluster				<u>663,584</u>	<u>-</u>
Indirect Programs:					
Federal Highway Administration (FHWA)					
Highway Planning and Construction					
Passed Through University of South Florida					
FY17 FDOT Pedestrian & Bicycle Safety Enforcement Campaign	20.205	G0023	433144-1	50,820	-
Recreational Trails Program					
Passed Through Florida Department of Environmental Protection					
Snyder Park Bike Trail	20.219	T14017	T14017	146,436	-
Total Highway Planning and Construction Cluster				<u>197,256</u>	<u>-</u>
Total U.S. Department of Transportation				<u>2,821,900</u>	<u>-</u>

See Notes to the Schedule of Expenditures of Federal Award and State Assistance

**CITY OF FORT LAUDERDALE, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FISCAL YEAR ENDED SEPTEMBER 30, 2018**

Federal/State Grantor, Pass-through Grantor Federal Programs/State Projects	CFDA# CSFA #	Contract/ Grant Number	Financial Project Number	Expenditures	Transfer to Subrecipient
U.S. Environmental Protection Agency:					
Indirect Programs:					
Nonpoint Source Implementation Grants					
Passed Through Florida Department of Environmental Protection					
River Oaks Preserve Project	66.460	NF019	N/A	\$ 2,982	\$ -
Total U.S. Department of Environmental Protection				<u>2,982</u>	<u>-</u>
U.S. Department of Homeland Security:					
Direct Programs:					
Federal Emergency Management Agency (FEMA)					
Port Security Grant Program					
Fiscal Year 2016 Port Security Grant Program	97.056	EMW-2016-PU-00137-S01	N/A	224,928	-
Total CFDA # 97.056				<u>224,928</u>	<u>-</u>
Indirect Programs:					
Emergency Management Performance Grant					
Passed Through Florida Division of Emergency Management					
FY 2018 Emergency Management Performance Grants - CERT Program	97.042			6,100	-
FY 2018 Emergency Management Performance Grants - Citizen Corps Program	97.042		N/A	6,857	-
Total CFDA # 97.042				<u>12,957</u>	<u>-</u>
Homeland Security Grant Program					
Passed Through City of Miami					
FY 2016 Urban Area Security Initiative (UASI) Grant Program	97.067	17-DS-V9-11-23-02-346	N/A	187,016	-
FY 2016 Urban Area Security Initiative (UASI) Grant Program	97.067	17-DS-V9-11-23-02-346		15,209	-
FY 2017 Urban Area Security Initiative (UASI) Grant Program	97.067	18-DS-X3-11-23-02-376		11,137	-
Total CFDA # 97.067				<u>213,362</u>	<u>-</u>
Total U.S. Department of Homeland Security				<u>451,247</u>	<u>-</u>
II. NON CASH FEDERAL FINANCIAL ASSISTANCE					
U.S. Department of Transportation:					
Hazardous Materials Emergency Preparedness (HMEP) Grant Funds					
Passed Through Florida Department of Emergency Management					
Tandem Axle Cargo Trailer	20.U01	N/A		5,200	-
Total Expenditures of Federal Financial Assistance				<u>\$ 13,547,566</u>	<u>\$ 6,996,445</u>

See Notes to the Schedule of Expenditures of Federal Award and State Assistance

**CITY OF FORT LAUDERDALE, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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					
Local Economic Development Initiatives					
Housing and Community Development Projects					
Rapid Rehousing Program	40.038	HL041	N/A	\$ (3,328)	\$ -
Rapid Rehousing Program	40.038	HL093	N/A	262,484	-
Total CSFA # 40.038				<u>259,156</u>	<u>-</u>
Total Florida Department of Economic Opportunity				<u>259,156</u>	<u>-</u>
Florida Housing Finance Corporation:					
Direct Projects:					
State Housing Initiatives Partnership Program (SHIP)	40.901	N/A	N/A	921,282	-
Total Florida Housing Finance Corporation				<u>921,282</u>	<u>-</u>
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	144,076	144,076
Transit Corridor Development Program					
Downtown Route Operating Expansion of Routes	55.013	ARA50	434480-1-84-01	193,882	187,883
Aviation Grant Programs					
Rehab Airfield Lighting at Fort Lauderdale Executive Airport	55.004	ARN37	431010-1-94-01	39,319	-
Master Plan Study at Ft Lauderdale Executive Airport	55.004	ARN36	431012-1-94-01	285,618	-
Design Western Perimeter Road at Ft Lauderdale Executive Airport	55.004	GO659	429711-1-94-01	1,651	-
Taxiway Intersection Improvements at Ft Lauderdale Executive Airport	55.004	GO662	437843-1-94-01	1,025,685	-
Airfield Electrical Vault Improvements	55.004	GOA04	437890-1-94-01	6,623	-
Construct Rehab Taxiway Foxtrot - PH1	55.004	AS621	431016-1-94-01	108,948	-
Construct Airport Administration Building Expansion	55.004	G0038	440025-1-94-01	352,159	-
Total CSFA # 55.004				<u>1,820,003</u>	<u>-</u>
Total Florida Department of Transportation				<u>2,157,961</u>	<u>331,959</u>
Florida Department of Health					
Indirect Projects:					
Emergency Medical Services County Grant Awards					
Passed Through Broward County					
FY17 EMS County Grant Program - Pediatric and Newborn Simulator Training Manikins	64.005	17-OMET5 01	N/A	13,863	-
Total Florida Department of Health				<u>13,863</u>	<u>-</u>
IV. NON CASH STATE FINANCIAL ASSISTANCE					
Florida Department of Health					
Emergency Medical Services (EMS) Matching Awards					
Passed Through City of Hollywood					
Stop the Bleed Training Kits	N/A	N/A	N/A	6,821	-
Total Expenditures of State Financial Assistance				<u>\$ 3,359,083</u>	<u>\$ 331,959</u>

See Notes to the Schedule of Expenditures of Federal Award and State Assistance

CITY OF FORT LAUDERDALE, FLORIDA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
For the Year Ended September 30, 2018

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, 2018. 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 2018, the City received non-cash assistance from the Florida Department of Health for Medical Services in the amount of \$6,821.

6. De Minimis Cost

The City did not elect to use the 10% de minimis cost rate in fiscal year 2018.

CITY OF FORT LAUDERDALE, FLORIDA
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS –
 FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
 YEAR ENDED SEPTEMBER 30, 2018

SECTION I - SUMMARY OF AUDITOR'S RESULTS

FINANCIAL STATEMENTS

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weakness identified	Yes
Significant deficiency identified not considered to be material weakness	None reported
Noncompliance material to financial statements noted	No

FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

Type of auditor's report issued on compliance for major federal programs and state financial assistance projects	Unmodified
Internal control over major federal programs and state financial assistance projects:	
Material weakness identified	No
Significant deficiency identified not considered to be material weakness	None reported
Audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a), Section 215.97, <i>Florida Statutes</i> and Chapter 10.550, <i>Rules of the Auditor General</i>	No

Identification of major federal programs and state projects:

		<u>Name of Federal Program/State Project</u>
<u>Federal Awards</u>		
CFDA Number		
14.218	Community Development Block Grant/Entitlement Grant Cluster	
14.241	Housing Opportunities for Person with AIDS	
20.106	Airport Improvement Program	
<u>State Financial Assistance</u>		
CSFA Number		
55.004	Aviation Grant Programs	

Dollar threshold used to distinguish between Type A and Type B programs/projects:	
Federal	\$750,000
State	\$300,000

Auditee qualified as low-risk No

CITY OF FORT LAUDERDALE, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS –
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
YEAR ENDED SEPTEMBER 30, 2018

SECTION II – FINANCIAL STATEMENT FINDINGS

Classification: Material Weakness

Finding 2018-001 - Fort Lauderdale Community Redevelopment Agency

Criteria or specific requirement: Under the modified accrual basis of accounting, revenues are recognized when they become susceptible to accrual; that is measurable and available to finance the Agency's operations. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

Condition: The Agency recorded other revenues for an amount not received within 60 days after fiscal year end.

Context: The Agency recorded approximately \$7 million in revenue versus a deferred inflow of resources.

Effect: Overstatement of revenue.

Cause: The Agency did not complete a detail review over revenue accounts to ensure that they had been received and available for the current period.

Recommendation: Crowe recommends the Agency complete a review over the fiscal year end revenue accounts in order to determine if all recorded revenues have been received within the Agency's recognition policy time period of 60 days.

Views of responsible officials and planned corrective actions: On May 10, 2018, the City of Fort Lauderdale (City) terminated the Wave Streetcar project. The Agency paid approximately \$7.5 million to fund the north loop of the project. The City sent a demand letter requesting the reimbursement of unused Agency funds on July 11, 2018. The Agency fully expected to receive the reimbursement in a timely manner. Unfortunately, the unwinding of the multi-agency agreements for this project took much longer than anticipated and the revenue was not received prior to the end of the recognition period. Moving forward, the Agency will evaluate the probability of collection of revenues, to ensure the financial statements are prepared in accordance with accounting principles generally accepted in the United States of America.

Finding 2018-002 - City of Fort Lauderdale General Employees' Retirement System

Criteria or specific requirement: An unsettled trade is a trade for which payment has not yet been received or paid and should be classified as either an asset or liability on the statement of fiduciary net position.

Condition: The Plan did not correctly record unsettled trade liabilities, accounts receivable and cash at year-end.

Context: Cash and accounts receivable were understated by approximately \$12.3 million and \$7.8 million respectively and liabilities were understated by approximately \$20.1 million.

Effect: Understatement of liabilities, accounts receivable and cash.

Cause: The Plan reversed the previously accurate recording of pending investment trades at year end resulting in the improper classification of unsettled trades.

CITY OF FORT LAUDERDALE, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS –
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
YEAR ENDED SEPTEMBER 30, 2018

Recommendation: Crowe recommends that the Plan implement a policy to ensure that there is a detail review over investment trades at fiscal year-end and that there is an independent review by an appropriate level of management.

Views of responsible officials and planned corrective actions: The original entry was recorded correctly. During a secondary review there was a misinterpretation of GASB Statement 67 and the entry was reversed. In the future the Plan will seek assistance from the external auditors when there is a difference in the interpretation of a GASB statement.

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No items to report

SECTION IV - STATE FINANCIAL ASSISTANCE FINDINGS AND QUESTIONED COSTS

No items to report

CITY OF FORT LAUDERDALE, FLORIDA
SUMMARY OF PRIOR YEAR AUDIT FINDINGS
YEAR ENDED SEPTEMBER 30, 2018

SUMMARY OF PRIOR YEAR AUDIT FINDINGS

FINANCIAL STATEMENT FINDINGS

Material Weakness

2017-001 Schedule of Federal Expenditures and State Financial Assistance (SEFA)

Condition: The incorrect Catalog of State Financial Assistance (CSFA) number was reported on the SEFA for the Chronic Homelessness Housing Collaborative grant program.

Current Year Status: Matter has been resolved.

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

To the Honorable Mayor,
City Commission and City Manager
City of Fort Lauderdale, Florida
Fort Lauderdale, Florida

We have examined the City of Fort Lauderdale, Florida (the "City") compliance with Section 218.415, *Florida Statutes*, concerning the investment of public funds during the year ended September 30, 2018. Management of the City is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on the City's compliance with the specified requirements based on our examination.

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

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

In our opinion, the City complied, in all material respects, with the requirements contained in Section 218.415, *Florida Statutes* for the year ended September 30, 2018.

The purpose of this report is solely to comply with Chapter 10.550, *Rules of the Florida Auditor General*. Accordingly, this report is not suitable for any other purpose.


Crowe LLP

Fort Lauderdale, Florida
May 29, 2019

To the Honorable Mayor,
City Commission and City Manager
City of Fort Lauderdale, Florida
Fort Lauderdale, Florida

Report on the Financial Statements

We have audited the financial statements of the City of Fort Lauderdale, Florida (the “City”), as of and for the year ended September 30, 2018, and have issued our report thereon dated May 29, 2019. Our report includes a reference to other auditors who audited the financial statements of the City of Fort Lauderdale Police and Fire Retirement System (the “Systems”), as described in our report on the City’s financial statements. This report does not include our consideration of the other auditor’s management letter that is reported on separately by those other auditors.

Auditor’s Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*; and Chapter 10.550, *Rules of the Auditor General*.

Other Reports and Schedule

We have issued our Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor’s Report on Compliance for Each Major Federal Program and State Financial Assistance Project and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountant’s Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports and schedule, which are dated May 29, 2019, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. The finding made in the preceding annual financial audit has been corrected.

Official Title and Legal Authority

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

Financial Condition

Section 10.554(1)(i)5.a. and 10.556(7), *Rules of the Auditor General*, requires that we report the results of our determination as to whether or not the City has met one or more of the conditions described in Section 218.503(1), *Florida Statutes*, and identification of the specific condition(s) met. In connection with our audit, we determined that the City did not meet any of the conditions described in Section 218.503(1), *Florida Statutes*.

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

Special District Component Units

Section 10.554(1)(i)5.d, *Rules of the Auditor General*, requires that we determine whether or not a special district that is a component unit of a county, municipality, or special district, provided the financial information necessary for proper reporting of the component unit, within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), *Florida Statutes*. In connection with our audit, we determined that all special district component units provided the necessary information for proper reporting in accordance with Section 218.39(3)(b), *Florida Statutes*.

Other Matters Section

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

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

Purpose of this Report

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


Crowe LLP

Fort Lauderdale, Florida
May 29, 2019



FORT LAUDERDALE CITY COMMISSION

Mayor Dean J. Trantalis

Vice Mayor Robert L. McKinzie, District III

Commissioner Heather Moraitis, District I

Commissioner Steven Glassman, District II

Commissioner Ben Sorensen, District IV

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