**APPROVED**

# AUDIT ADVISORY BOARD SPECIAL MEETING
## CITY OF FORT LAUDERDALE
### Fire Admin Building 3rd Floor Conference Room
### Wednesday, August 9th, 2023, 3:00 PM

| | | Cumulative Attendance 10/1/22 – 9/30/23 | |
|---|---|---|---|
| **Board Member** | **Attendance** | **Present** | **Absent** |
| Joey Epstein | P | 3 | 0 |
| Thomas Bradley | P | 3 | 0 |
| David Brown | A | 2 | 1 |
| Eric Soh* | A | 0 | 1 |

*Partial Term Started

**Staff Present**

Linda Short, Director, Finance
Aaron Kendrick, Deputy Director, Finance
Patrick Reilly, City Auditor
Laura Garcia, Controller, Finance
Laura Reece, Director, OMB
Marco Hausy, Senior Assistant City Auditor
Elena Georgiev, Assistant City Auditor II
Debra Conyers, Board Liaison

**Other Attendees**

Brett Friedman, RSM US, LLP
Sardou Mertilus, RSM US, LLP
Anthony Brunson, ABPA
Leslie Harden, ABPA

**Call to Order**

Chairman Joey Epstein called the meeting to order at 3:06 PM.

**Roll Call**

At the time of roll call, two appointed members to the Board were present, not allowing for a quorum.

**Review of Meeting Minutes for Approval**
Chairman Epstein directed the review of the previous meeting minutes.

Chairman Epstein deferred the approval of meeting minutes of the July 28th, 2022 , January 26, 2023, and February 28, 2023, meeting, since there was no quorum present.

**Floor Open for Public Input**
Chairman Epstein opened the floor for public input. No members of the public came forward.

**Quarterly Audit Compliance Report- June 2023**
Chairman Joey Epstein had questions regarding the schedule of Expenditures of Federal Awards and State Financial Assistance. Ms. Short addressed his concerns and stated the finding was due to a missed grant on the report and left open for an additional year. Board members had more questions regarding findings which included Sub-Recipient Monitoring and Duplicate P-Card Detection.

Further discussion ensued between Board Members and City Staff.

**Presentation of FY2022 ACFR**
A copy of the FY2022 Annual Comprehensive Financial Report was provided to each Board member. Mr. Sardou Mertilus briefly spoke regarding the Audit of the Financial Statements. This included RSM Opinions, Basis for Opinions, Emphasis of Matter, Responsibilities of Management for the Financial Statement, Auditor's Responsibilities for the Audit of the Financial Statements, Required Supplementary Information, Supplementary Information, and Other Reporting Required by Government Auditing Standards.

Further discussion ensued between Board Members and City Staff. (see handout)

**Presentation of FY2022 Single Audit**
Mr. Anthony Brunson provided everyone with a presentation report of the FY2022 Single Audit. Ms. Leslie Harden discussed the Independent Auditor's report on schedule of expenditures of federal awards and state financial assistance, compliance for each major federal program and state project and report on internal control over compliance in accordance with the uniform guidance and Chapter 10.550, schedule of expenditures of federal awards and financial assistance, notes to the schedule of expenditures of federal awards and state financial assistance, and schedule of findings and questioned costs.

Further discussion ensued between Board Members and City Staff. (see handout)

**Communication of FY2024 Proposed Budget and Revenue Estimates**

Ms. Laura Reece went over five key points regarding the proposed FY2024 Budget which included addressing the Commission and the Communities priorities, investing in critical infrastructure, prioritizing public safety, maintaining health in all funds, and a structurally balanced budget.

Further discussion ensued between Board Members and City Staff. (see handout)

**FY2023 Financial Audit Tentative Timeline**

Brett Friedman reviewed the expected timeline and expected issuance dates for the financial audit. Mr. Friedman spoke about the interim fieldwork, which included the initial planning and interim planning dates. In addition, he stated the final fieldwork issuance dates regarding the City Financial Statements (ACFR), Large User Report, CRA, Pension (GERS), and Single Audit.

Further discussion ensued between Board Members and City Staff. (see handout)

**Other Business**

N/A

**Communication to the City Commission**

N/A

**Adjournment**

The next regularly scheduled Audit Advisory Board meeting will be October 26th, 2023, at 5:00 PM.

The meeting adjourned at 4:12 PM
[Minutes prepared by Debra Conyers, Board Liaison]

CITY OF FORT LAUDERDALE

# Open Audit Findings Status Report

## External Audit, Single Audit, and City Commission Audit

**As of June 30, 2023**

WE BUILD COMMUNITY

# CITY OF FORT LAUDERDALE

## OPEN AUDIT FINDINGS STATUS REPORT

The Office of Management and Budget compiles the quarterly Open Audit Findings Status Report based upon updates provided by departmental staff. Each report provides the status of open audit findings from external auditors and the City Auditor's Office. The report is distributed to the City Manager, City's Executive Strategy Team, and Audit Advisory Board on a quarterly basis.

There are currently 13 open audit findings, including observations. As departments implement the corrective action plans and upload supporting documentation into the Audit Compliance Tracking System (ACTS), they are required to notify the City Auditor that a finding has been resolved. The City Auditor's Office will continuously review these responses throughout the year and notify the System Administrator in the Office of Management and Budget to close findings that have been resolved.

Since the last published report (December 2022), the following audit findings in the Public Works Department and City Manager's Office were closed:

- Continuous Monitoring of Overtime, Finding #1 – Preapproval of overtime
- Continuous Monitoring of Overtime, Finding #2 – Tracking overtime
- Continuous Monitoring of Overtime, Finding #3 – Accurate supervisor approval
- Finding 5 – Extended Deadlines for Construction Completion
- Finding 6 – Pre-Approval of Subleases
- Observation 1 – Fuel Flowage Revenue Calculation Lease Provision
- Observation 2 – Verification of FXE Lessee Self-Reported Fuel Deliveries

The departmental breakdown of open findings can be found in the table below.

**Number of Open Audit Findings**

| DEPARTMENT | June 2019 | June 2020 | June 2021 | June 2022 | September 2022 | December 2022 | March 2023 | June 2023 |
|---|---|---|---|---|---|---|---|---|
| City Manager's Office | 2 | 1 | 0 | 0 | 10 | 10 | 10 | 6 |
| Community Redevelopment Agency | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Development Services | 2 | 2 | 1 | 1 | 0 | 0 | 0 | 0 |
| Finance | 2 | 6 | 3 | 3 | 5 | 5 | 5 | 5 |
| Human Resources | 4 | 3 | 3 | 2 | 0 | 0 | 0 | 0 |
| Information Technology Services | 0 | 1 | 0 | 2 | 2 | 2 | 2 | 2 |
| Parks and Recreation | 2 | 1 | 0 | 0 | 0 | 0 | 0 | 0 |
| Police Department | 0 | 0 | 3 | 0 | 0 | 0 | 0 | 0 |
| Public Works | 0 | 0 | 0 | 3 | 3 | 3 | 0 | 0 |
| **TOTAL** | **13** | **14** | **10** | **11** | **20** | **20** | **17** | **13** |

## Status of Audit Findings as of June 30, 2023

| Issue No | External Auditor's Findings | Status | Page |
|---|---|---|---|
| **Finance Department** | | | |
| 466 | Finding 1 - Change Order Approvals, Rio Vista Restoration Project | Implemented | 3 |
| 467 | Finding 2 - Continuing Contracts, Rio Vista Restoration Project | Implemented | 4 |
| **Single Audit Findings** | | | |
| **Finance Department** | | | |
| 479 | Finding 2021-001 - Schedule of Expenditures of Federal Awards and State Financial Assistance | Not Implemented | 7 |
| 480 | Finding 2021-002 - Sub-Recipient Monitoring | Implemented | 8 |
| **City Auditor's Office Findings** | | | |
| **City Manager's Office** | | | |
| 476 | Finding 1 - Documentation for Lease Obligations | Implemented | 11 |
| 477 | Finding 2 - Adequate Policies and Procedures for Lease Operations | Partially Implemented | 12 |
| 478 | Finding 3 - Lack of Billing Interest Payments and Penalties for Late Rent Payments | Partially Implemented | 14 |
| 481 | Finding 4 - Security and Construction Deposits | Partially Implemented | 15 |
| 482 | Finding 5 - Extended Deadlines for Construction Completion | Closed | 16 |
| 484 | Finding 6 - Pre-Approval of Subleases | Closed | 17 |
| 485 | Finding 7 - File Retention Practices | Implemented | 18 |
| 486 | Observation 1 - Fuel Flowage Revenue Calculation Lease Provision | Closed | 19 |
| 487 | Observation 2 - Verification of FXE Lessee Self-Reported Fuel Deliveries | Closed | 20 |
| 488 | Observation 3 - Independent Verification Control of Lease Rent Collection | Partially Implemented | 21 |
| **Finance Department** | | | |
| 429 | Finding #12: Duplicate P-Card Detection | Implemented | 23 |
| **Information Technology Services Department** | | | |
| 464 | Computer Software and Programs Master Inventory Listing | Implemented | 25 |
| 465 | Weak Internal Controls Relating to Software Programs used by Various Departments | Partially Implemented | 26 |
| **Public Works Department** | | | |
| 460 | Continuous Monitoring of Overtime, Finding #1 - Preapproval of overtime | Closed | 28 |
| 461 | Continuous Monitoring of Overtime, Finding #2 - Tracking overtime | Closed | 29 |
| 462 | Continuous Monitoring of Overtime, Finding #3 - Accurate supervisor approval | Closed | 30 |

# EXTERNAL AUDITOR'S FINDINGS

# Finance Department

# Finding 1 - Change Order Approvals, Rio Vista Restoration Project

| | | | | |
|---|---|---|---|---|
| Issue No: | 466 | | | |
| Date of Finding: | 11/22/2021 | | | |
| Final Date of Completion | 03/31/2023 | | | |
| | | Name | Title | Department |
| Responsible Person 1 | llogan-short | Linda Short | Director | Finance |
| Responsible Person 2 | jboutilier | Jason Boutilier | Senior Management Analyst | Finance |
| Correction Plan Status: | Implemented | | Finding Type: | Finding |
| Next Milestone | | | | |
| Milestone Date of Completion | | | | |
| Department: | Finance | | | |
| Audit Initiator | 3rd Party Auditor | | | |
| Title: | Finding 1 - Change Order Approvals, Rio Vista Restoration Project | | | |

**Issue / Observation**

There appears to be inconsistencies regarding the City's interpretation of its procurement policies and procedures as they relate to change orders and task orders.

**Recommendation:**

The City should review its procurement policies and procedures for clarity. The City should provide additional training to relevant personnel regarding change orders and task orders.

**Correction Plan:**

Management Response: Management concurs with the recommendation. The Procurement Code and Manual will be reviewed to provide specificity and consistency with regard to eligible expenditures in task orders and change orders. Additional training will be provided to Procurement staff as well as staff charged with administering contracts in using Departments.

**Current Status:**

The Finance Department/Procurement Services Division and the Public Works Department have created a joint professional development program with the goal of enhancing the procurement and contract management processes. Training dates and course topics are included in the development plan.

# Finding 2 - Continuing Contracts, Rio Vista Restoration Project

| | | | | |
|---|---|---|---|---|
| Issue No: | 467 | | | |
| Date of Finding: | 11/22/2021 | | | |
| Final Date of Completion | 03/31/2023 | | | |
| | | Name | Title | Department |
| Responsible Person 1 | llogan-short | Linda Short | Director | Finance |
| Responsible Person 2 | jboutilier | Jason Boutilier | Senior Management Analyst | Finance |
| Correction Plan Status: | Implemented | | Finding Type: | Finding |
| Next Milestone | | | | |
| Milestone Date of Completion | | | | |
| Department: | Finance | | | |
| Audit Initiator | 3rd Party Auditor | | | |

**Title:** Finding 2 - Continuing Contracts, Rio Vista Restoration Project

**Issue / Observation**

The City appears to have taken conflicting interpretations regarding the administrative renewals of its continuing contracts and whether the administrative renewal provides for additional funding without City Commission approval.

**Recommendation:**

The City should review its procurement policies and procedures as well as its contracts for clarity regarding administrative contract renewals. The City should provide the relevant personnel with training regarding any changes to its interpretation.

**Correction Plan:**

Management Response: Management concurs with the recommendation. The Procurement Code and Manual will be reviewed to provide specificity and consistency with regard to the dollar value of administrative renewals. Additional training will be provided to Procurement staff as well as staff charged with administering contracts in using Departments. Public Works will coordinate training on proper use of Continuing Contracts with the Procurement division to ensure all Project Management staff understand the related procurement policies.

**Current Status:**

On December 14, 2021, both the Finance Department/Procurement Services Division, in conjunction with the Public Works Department, conducted training entitled “City of Fort Lauderdale Competitive Procurement Requirements for Construction, Professional Services and Project Management” for the procurement staff and project managers regarding competitive bidding requirements for construction and professional services and project management overview. Several topics such as projects, purchase orders, task orders, funding, invoicing, and contracting were discussed. Beginning in January 2022, specificity has been added to Commission Agenda Memos on the value of contract renewals.

# SINGLE AUDIT FINDINGS

# Finance Department

# Finding 2021-001 - Schedule of Expenditures of Federal Awards and State Financial Assistance

Issue No: 479

Date of Finding: 07/05/2022

Final Date of Completion 08/31/2023

| | | Name | Title | Department |
|---|---|---|---|---|
| Responsible Person 1 | jboutilier | Jason Boutilier | Senior Management Analyst | Finance |
| Responsible Person 2 | llogan-short | Linda Short | Director | Finance |

Correction Plan Status: Not Implemented

Finding Type: Material Weakness

Next Milestone Submit copies of the grant agreements with the SEFA for review and approval.

Milestone Date of Completion 08/31/2023

Department: Finance

Audit Initiator Single Audit

Title: Finding 2021-001 - Schedule of Expenditures of Federal Awards and State Financial Assistance

Issue / Observation

Internal control should be in place to ensure the Schedule of Expenditures of Federal Awards and State Financial Assistance (SEFA) is prepared correctly including identification of the proper Assistance Listing Number (ALN) and inclusion of grant expenditures that should be reported on the SEFA.

The City inappropriately listed a grant under the incorrect ALN. In addition, the City reported grant expenditures on the SEFA that should not have been reported on the SEFA. Finally the City reported expenditures as state financial assistance that should have been reported as Federal financial assistance.

Recommendation: The City should implement effective internal controls to ensure the SEFA is prepared in accordance with appropriate standards.

Correction Plan: Staff preparing the SEFA will submit copies of the grant agreements along with the SEFA for review and approval.

Current Status: The Treasurer will review the submitted grant agreements along with the SEFA as part of the FY 2022 audit process. This finding will remain open until the submission of the FY 2022 ACFR, with a result of no new audit findings related to the SEFA.

# Finding 2021-002 - Sub-Recipient Monitoring

| | | | | |
|---|---|---|---|---|
| Issue No: | 480 | | | |
| Date of Finding: | 07/05/2022 | | | |
| Final Date of Completion | 08/31/2023 | | | |
| | | Name | Title | Department |
| Responsible Person 1 | jboutilier | Jason Boutilier | Senior Management Analyst | Finance |
| Responsible Person 2 | llogan-short | Linda Short | Director | Finance |
| Correction Plan Status: | Implemented | | Finding Type: | Significant Deficiency |
| Next Milestone | | | | |
| Milestone Date of Completion | | | | |
| Department: | Finance | | | |
| Audit Initiator | Single Audit | | | |
| Title: | Finding 2021-002 - Sub-Recipient Monitoring | | | |

**Issue / Observation**

Internal control should be in place to ensure that information submitted by the Sub-Recipient is reviewed by the City and that the review is documented.

The City could not provide documentation that the Single Audit Report for the Sub-Recipient of the City was reviewed by appropriate personnel.

**Recommendation:**

The City should implement effective internal control to ensure the Sub-Recipient's Single Audit Report is reviewed and that the review is documented.

**Correction Plan:**

The City will ensure that all Single Audit reviews for Sub-Recipients are documented in a central repository and can be retrieved as required.

**Current Status:**

The Housing and Community Development Division has created a central repository and procedural instructions for documenting the review of the Single Audit Report. This finding will remain open pending the results of next year's audit as evidence that the issue has been resolved.

# CITY AUDITOR'S OFFICE FINDINGS

# City Manager's Office

# Finding 1 - Documentation for Lease Obligations

| | | | | |
|---|---|---|---|---|
| Issue No: | 476 | | | |
| Date of Finding: | 09/06/2022 | | | |
| Final Date of Completion | 08/31/2023 | | | |
| | | Name | Title | Department |
| Responsible Person 1 | rjames | Rufus James | Director | City Manager |
| Responsible Person 2 | charrison | Carlton Harrison | Assistant Director | City Manager |
| Correction Plan Status: | Implemented | | Finding Type: | Finding |
| Next Milestone | | | | |
| Milestone Date of Completion | | | | |
| Department: | City Manager | | | |
| Audit Initiator | Commission Audit | | | |
| Title: | Finding 1 - Documentation for Lease Obligations | | | |

**Issue / Observation**

FXE Management did not provide sufficient documentation to support that certain lease obligations were being met.

FXE Management lacked adequate supporting documentation for the following items:

1. No construction documentation was provided for all applicable lessees relating to,
    a. Construction progress payments support or pay applications showing the construction start and end dates as related to the leases' construction deadlines and the value of the work completed as related to leases' minimum cost requirements;
        i. Verification of construction progress was completed by visual inspection, which is also not documented.
    b. Construction contracts requiring boilerplate provisions per lease;
    c. Construction bonds; and
    d. Construction contractors' insurance certificates.
2. Security deposit bond support for one lessee was not provided.
3. Support was not provided for one lease for potential additional rent. Additionally, the quality of the additional rent support another three lessees was insufficient.
    a. For example, only excel spreadsheets were provided for the additional rent support.
4. Market rate adjustment support, such as a appraisals, were not provided for five of the seven (5 of 7) sampled leases.
5. There were missing fuel invoices for three (3) lessees in support of fuel flowage revenue.

**Recommendation:**

The CAO recommends that the City Manager:

- Ensure that FXE management is aware of all lessee obligations, maintains required lease documentation, and implements policies and procedures for monitoring agreement obligations;
- Periodically review the lease documentation maintained by FXE Management to ensure compliance with requirements and proper monitoring.

**Correction Plan:**

FXE will implement improved controls through a new software, ProDIGIQ, to better monitor agreement obligations. Additionally, FXE will review all lease policies and provisions and consult with legal counsel on relevant procedural updates.

**Current Status:**

The Airport has implemented the lease management system and updated the Airport Lease Form to require monthly reporting by the prime tenant for capital improvements for improved controls. Procedures have been reviewed and updated and the Airport will coordinate to close this finding .

# Finding 2 - Adequate Policies and Procedures for Lease Operations

| | | | | |
|---|---|---|---|---|
| Issue No: | 477 | | | |
| Date of Finding: | 09/06/2022 | | | |
| Final Date of Completion | 09/30/2023 | | | |
| | | Name | Title | Department |
| Responsible Person 1 | rjames | Rufus James | Director | City Manager |
| Responsible Person 2 | charrison | Carlton Harrison | Assistant Director | City Manager |
| Correction Plan Status: | Partially Implemented | Finding Type: | Finding | |
| Next Milestone | Present draft Airport Leasing Policy to the Aviation Advisory Board | | | |
| Milestone Date of Completion | 08/31/2023 | | | |
| Department: | City Manager | | | |
| Audit Initiator | Commission Audit | | | |
| Title: | Finding 2 - Adequate Policies and Procedures for Lease Operations | | | |

**Issue / Observation**

FXE Management lacked adequate policies and procedures for lease operations.

Policies and procedures provided by F XE Management were incomplete, newly created or updated after the audit period, and missing basic internal controls.

Additionally, the non-existence of an FXE leasing policy breaches Policy and Standards Manual (PSM) 7.3.1, which required the creation of a such a policy as of late 2017, just prior to the audit period.

Subsequent Event
Airport policy FXE-008 Accounts Receivable had not been updated and pre-approved by the Director of Finance in regard to transitioning performance of the rent collections process from outside contractor to in-house. This transition began after the audit period, on September 1, 2021, and was significant, impacting approximately $700,000 receipts per month on approximately 40 leases. This was deemed non-compliance with PSM 9.10.1.
- Additionally, software was obtained in July 2021 to manage the new cash collections, but as of seven (7) months later (February 2022) the software had not been implemented nor policies updated for the software processes or controls.

**Recommendation:**

The CAO recommends that the City Manager:
- Perform an adequate risk assessment to highlight areas of risk and concern with appropriate control design built to govern leases. When possible, software systems should be used with proper security configurations to enhance the controls environment, preferably administered by Information Technology Services (ITS).
- Develop and implement comprehensive policies and procedures for lease operations, flowing from the risk assessment. At a minimum, the policies and procedures should include all items identified through this finding; however, all policies and procedures should be reviewed to determine if there are other policies and procedures that may need to be developed or updated.

**Correction Plan:**

FXE will work with outside counsel and the Finance Department to develop policies and procedures. To initiate the process, FXE will review all lease policies and provisions and consult with legal counsel on relevant procedural updates within 120 days. Additionally, FXE purchased a lease management software to support the monitoring of lease agreement obligations.

Current Status: The lease management system has been implemented. In conjunction with the City Attorney 's Office and outside counsel the Airport Lease Form has been revised. The Airport Leasing Policy has been reviewed by stakeholders and the comment period is now closed. The City Attorney's Office is reviewing and updated the Policy in preparation for Staff to present to the Aviation Advisory Board.

# Finding 3 - Lack of Billing Interest Payments and Penalties for Late Rent Payments

| | | | | |
|---|---|---|---|---|
| Issue No: | 478 | | | |
| Date of Finding: | 09/06/2022 | | | |
| Final Date of Completion | 09/29/2023 | | | |
| | | Name | Title | Department |
| Responsible Person 1 | rjames | Rufus James | Director | City Manager |
| Responsible Person 2 | charrison | Carlton Harrison | Assistant Director | City Manager |
| Correction Plan Status: | Partially Implemented | Finding Type: | Finding | |
| Next Milestone | Review and update Account Receivable procedures | | | |
| Milestone Date of Completion | 08/18/2023 | | | |
| Department: | City Manager | | | |
| Audit Initiator | Commission Audit | | | |
| Title: | Finding 3 - Lack of Billing Interest Payments and Penalties for Late Rent Payments | | | |

**Issue / Observation**

Interest payments and penalties had not been billed or collected for late rent payments.

The City Auditor's Office (CAO) found that were were approximately 500 late payments that totaled approximately 5,600 late days. The CAO did not observe any interest payments or penalties that were charged for these late days.

Subsequent Event
In a letter to all airport tenants notifying them that the lease rent collection would be collected by FXE Management instead of the outside contractor beginning on September 1, 2021, FXE Management stated there was a 15-day grace period for late payments. This grace period conflicts with the lease provisions.

**Recommendation:**

The CAO recommends that the City Manager:
- Revise FXE Policy #008 Accounts Receivable to be consistent with leave provisions;
- Consider implementing a mandatory e-payment program for any new tenants;
- Collect owed interest and penalties for late payments or have the City Commission waive the amounts owed; and
- Notify tenants/lessees that there is no grace period for late payments per the agreements and explain the lease provision.
- Consider implementing a late payment penalty within the City's airport lease template that is effective at incentivizing timely payment.

**Correction Plan:**

FXE will evaluate the feasibility implementing an e-payment program. Additionally, FXE will gather details of pending balances of owed interest and penalties and, with the Finance Department, determine appropriate treatment of balances.

Staff will also review implementing late penalties to ensure balances are collected timely.

**Current Status:**

The Airport Lease Form has been updated to reflect an e-payment option for rent payment. The Sr. Financial Administrator was hired in December of 2022 and has reviewed all leases and internal processes. The Sr. Financial Administrator is updating policies to reflect the implementation of the lease management system and INFOR.

# Finding 4 - Security and Construction Deposits

| | | | | |
|---|---|---|---|---|
| Issue No: | 481 | | | |
| Date of Finding: | 09/06/2022 | | | |
| Final Date of Completion | 09/29/2023 | | | |
| | | Name | Title | Department |
| Responsible Person 1 | rjames | Rufus James | Director | City Manager |
| Responsible Person 2 | charrison | Carlton Harrison | Assistant Director | City Manager |
| Correction Plan Status: | Partially Implemented | Finding Type: | Finding | |
| Next Milestone | Finalize financial procedures updates and upload supporting documentation. | | | |
| Milestone Date of Completion | 08/18/2023 | | | |
| Department: | City Manager | | | |
| Audit Initiator | Commission Audit | | | |
| Title: | Finding 4 - Security and Construction Deposits | | | |

**Issue / Observation**

In some instances, security and construction deposits had not been collected in accordance with lease requirement.

In general, the CAO found that security deposits and construction deposits that were required for the sampled lessees were collected; however, the CAO noted the following exceptions:

- One of 18 lessees did not pay its security deposit valued at approximately $125,000.
- Five of six security/construction deposits collected during the audit period were not timely;
  - One of these lessees provided coverage in bond form which omitted the first year, resulting in no coverage for that period.
  - One lessee did not increase its security deposit upon declaring bankruptcy per lease requirement.
  - One lessee did not forfeit its construction deposit of $36,000 for failure to complete construction by the extended deadline.

**Recommendation:**

The CAO recommends that the City Manager:

- Transfer the forfeited funds from the construction deposit in escrow to a City-owned account;
- Collect the $125,000 amount due in escrow;
- Design and Implement policies and procedures to include periodic reconciliation of deposits to the lease provisions and the City's escrow account to ensure that lease provisions have been met;
- Review all other leases (that were not sampled for this audit) for security and construction deposits to ensure they were properly collected; and
- Review all security deposits in escrow to ensure that they are correctly in escrow and resolve any discrepancies identified.

**Correction Plan:**

The Fort Lauderdale Executive Airport (FXE) will examine all leases and determine if deposits are recorded appropriately in escrow accounts. FXE will also follow up with tenants where deposits are not recorded as escrow in the City's financial records to determine if the amount was received. Staff will work with the Finance Department to ensure that deposits are recorded appropriately.

**Current Status:**

All leases have been reviewed by the Sr. Financial Administrator. The lease management system has been implemented and the Airport Lease Form has been updated. Supporting documentation will be uploaded and will coordinate to close this item.

# Finding 5 - Extended Deadlines for Construction Completion

| | | | | |
|---|---|---|---|---|
| Issue No: | 482 | | | |
| Date of Finding: | 09/06/2022 | | | |
| Final Date of Completion | 02/28/2023 | | | |
| | | Name | Title | Department |
| Responsible Person 1 | rjames | Rufus James | Director | City Manager |
| Responsible Person 2 | charrison | Carlton Harrison | Assistant Director | City Manager |
| Correction Plan Status: | Closed | | Finding Type: | Finding |
| Next Milestone | | | | |
| Milestone Date of Completion | | | | |
| Department: | City Manager | | | |
| Audit Initiator | Commission Audit | | | |
| Title: | Finding 5 - Extended Deadlines for Construction Completion | | | |

**Issue / Observation**

One of seven construction projects was not completed on time, yet no formalized amendment was approved by the City Commission to extend deadline for completion.

The City Auditor's Office (CAO) found that one of seven construction projects required by lease, occurring during the audit period, was not completed timely. There were two lease amendments granting additional time, but there was no third amendment approved by the City Commission to provide for the third deadline extension necessary to complete the project.

**Recommendation:**

The CAO recommends that the City Manager ensure that all changes to lease requirements be formalized in a lease amendment and that all such lease amendments are approved by the City Commission, when required.

**Correction Plan:**

Staff will ensure any lease amendments are approved by the City Commission and are processed accordingly.

In the noted examination, the City executed two lease amendments for additional time to complete construction; however, construction was competed before a third amendment could be brought to the City Commission.

**Current Status:**

The Airport has implemented the lease management system for improved tracking and updated the Airport Lease Form with the requirement for monthly reporting during construction.

# Finding 6 - Pre-Approval of Subleases

| | | | | |
|---|---|---|---|---|
| Issue No: | 484 | | | |
| Date of Finding: | 09/06/2022 | | | |
| Final Date of Completion | 02/28/2023 | | | |
| | | Name | Title | Department |
| Responsible Person 1 | rjames | Rufus James | Director | City Manager |
| Responsible Person 2 | charrison | Carlton Harrison | Assistant Director | City Manager |
| Correction Plan Status: | Closed | | Finding Type: | Finding |
| Next Milestone | | | | |
| Milestone Date of Completion | | | | |
| Department: | City Manager | | | |
| Audit Initiator | Commission Audit | | | |
| Title: | Finding 6 - Pre-Approval of Subleases | | | |

**Issue / Observation**

It does not appear that all applicable subleases have received pre-approval by the City Commission.

It appears that four lessees within the audit sample entered into nonexempt subleases without prior approval, contrary to the lease requirement. Additionally, FXE Management had limited information about the lessees' sublease activity to show monitoring and compliance with the leave provision.

**Recommendation:**

The CAO recommends the City Manager:
- Identify and ratify subtenant leases that did not receive proper Commission approval;
- Design and implement policies and procedures that require adequate documentation and monitoring for subleases to ensure compliance with lease provisions and FAA requirements; and
- Collaborate with the City Attorney's Office for re-designing the lease provision for subleasing to ensure purpose/objective for required approvals is understood; adequate documentation is obtained; and FAA compliance is maintained.

**Correction Plan:**

Provisions in each non-aeronautical lease require the prime tenant to notify FXE when a subtenant occupies more than 51% of the overall leasehold which then requires approval by the City Commission. FXE will explore modifying lease language to a more administrative process for subtenant approval with the purpose of maintaining FAA compliance.

Staff will also review existing subtenant leases that have not received proper approval for ratification by the City Commission.

**Current Status:**

A provision in Airport non-aeronautical leases require the lessee to notify the Airport if a subtenant occupies more than 50% of the leasehold and seek approval by the City Commission. The Airport identified two leases that met this requirement and their approved agreements have been uploaded.

# Finding 7 - File Retention Practices

| | | | | |
|---|---|---|---|---|
| Issue No: | 485 | | | |
| Date of Finding: | 09/06/2022 | | | |
| Final Date of Completion | 01/31/2023 | | | |
| | | Name | Title | Department |
| Responsible Person 1 | rjames | Rufus James | Director | City Manager |
| Responsible Person 2 | charrison | Carlton Harrison | Assistant Director | City Manager |
| Correction Plan Status: | Implemented | | Finding Type: | Finding |
| Next Milestone | | | | |
| Milestone Date of Completion | | | | |
| Department: | City Manager | | | |
| Audit Initiator | Commission Audit | | | |
| Title: | Finding 7 - File Retention Practices | | | |

**Issue / Observation**

File retention practices should be improved.

FXE Management exhibited delay or difficulty in promptly providing the auditor with requested lease documents, which should be readily available. Additionally, the City Clerk's Office indicated FXE Management had not provided the Clerk with all current airport lease documents that should be centralized in the Laserfiche retention service for all department's significant documents, which has been effective since approximately 2015.

**Recommendation:**

The CAO recommends the City Manager:
- Retrain FXE personnel on proper records retention practices and requirements; and
- Develop and implement policies and procedures to adequately maintain files in accordance with records retention requirements and completeness of the lease files.

**Correction Plan:**

Within 60 days, FXE will schedule records retention training with the City Clerk's Office. Additionally, Airport staff will work with the City Clerk's Office to develop policies for staff.

**Current Status:**

Staff has been retrained on records retention procedures by the City Clerk's Office. Supporting documents will be uploaded and will coordinate to close this item.

# Observation 1 - Fuel Flowage Revenue Calculation Lease Provision

| | | | | |
|---|---|---|---|---|
| Issue No: | 486 | | | |
| Date of Finding: | 09/06/2022 | | | |
| Final Date of Completion | 12/30/2022 | | | |
| | | Name | Title | Department |
| Responsible Person 1 | rjames | Rufus James | Director | City Manager |
| Responsible Person 2 | charrison | Carlton Harrison | Assistant Director | City Manager |
| Correction Plan Status: | Closed | | Finding Type: | Observation |
| Next Milestone | | | | |
| Milestone Date of Completion | | | | |
| Department: | City Manager | | | |
| Audit Initiator | Commission Audit | | | |
| Title: | Observation 1 - Fuel Flowage Revenue Calculation Lease Provision | | | |

**Issue / Observation**

The City Auditor's Office (CAO) found that for sampled lessees involving fuel farms, FXE Management completed the calculations for fuel revenues on an annual cumulative basis rather than a monthly basis, which was not clearly defined in the leases.

The leases provide a volume discount to lessees upon a 500,000 gallon threshold. As fuel flowage revenue due to FXE, prior to reaching this threshold, lessees owe FXE 5.5% of the fuel costs, and after this threshold is reached lessees owe 3.5% of the fuel cost. However, most of the applicable leases do not currently include language concerning the timing of the threshold, which becomes important when a lessee delivers more than the threshold in any month.

For example, a three month period with monthly fuel flowage of 600,000 gallons per month at $2.50 per gallon would produce fuel flowage revenue to FXE of $232,500 under the monthly basis method or $182,500 under the annual basis method. This is a $50,000 total difference for th

**Recommendation:**

The CAO recommends that the City Manager have the City Commission determine and approve lease amendments to clarify the fuel flowage calculation basis.

**Correction Plan:**

Amend fuel flowage calculation language in all leases for City Commission approval.

**Current Status:**

Fuel flowage calculation language was amended in each lease and approved by the City Commission at the August 16, 2022, Commission Meeting. Corresponding CAM and Resolution have been uploaded.

# Observation 2 - Verification of FXE Lessee Self-Reported Fuel Deliveries

| | | | | |
|---|---|---|---|---|
| Issue No: | 487 | | | |
| Date of Finding: | 09/06/2022 | | | |
| Final Date of Completion | 03/31/2023 | | | |
| | | Name | Title | Department |
| Responsible Person 1 | rjames | Rufus James | Director | City Manager |
| Responsible Person 2 | charrison | Carlton Harrison | Assistant Director | City Manager |
| Correction Plan Status: | Closed | | Finding Type: | Observation |
| Next Milestone | | | | |
| Milestone Date of Completion | | | | |
| Department: | City Manager | | | |
| Audit Initiator | Commission Audit | | | |
| Title: | Observation 2 - Verification of FXE Lessee Self-Reported Fuel Deliveries | | | |

**Issue / Observation**

FXE Management did not verify lessees' self-reported fuel deliveries.

The lessees self-report fuel deliveries used for additional rent. FXE management does not independently verify the totals reported and accepts the lessees' self-reported totals shown on the fuel purchase invoices provided by the lessees. Based on statistical analysis, it appeared that 4 of the 5 lessees were reporting reasonable amounts of fuel deliveries. It appeared 1 of the 5 lessees had potentially under-reported the fuel deliveries by a sufficient amount to warrant concern.

FXE's fuel revenue stream as of Calendar Year 2020 totaled approximately $550,000 collected on approximately 9,000,000 gallons of fuel deliveries self-reported by the fuel farm lessees. The majority of this revenue is from one lessee, which is not the lessee that was identified for potential under-payment of additional rent for fuel deliveries.

**Recommendation:**

The CAO recommends that the City Manager develop and implement policies and procedures for independent verification of lessees' self-reported fuel deliveries and FXE fuel revenues.

**Correction Plan:**

It is not currently feasible for FXE to observe every fuel delivery by each fueling agent. Fuel receipts are reconciled by Airport staff monthly. FXE staff will research the possibility of adopting new technology that may accruately report fuel deliveries and provide real time data.

**Current Status:**

Staff conducted surveys with similar airports on fuel reporting procedures. Initial findings found that airports that are not direct fuel providers do not observe fuel deliveries.

# Observation 3 - Independent Verification Control of Lease Rent Collection

| | | | | |
|---|---|---|---|---|
| Issue No: | 488 | | | |
| Date of Finding: | 09/06/2022 | | | |
| Final Date of Completion | 09/30/2023 | | | |
| | | Name | Title | Department |
| Responsible Person 1 | rjames | Rufus James | Director | City Manager |
| Responsible Person 2 | charrison | Carlton Harrison | Assistant Director | City Manager |
| Correction Plan Status: | Partially Implemented | | Finding Type: | Observation |
| Next Milestone | Upload supporting documentation | | | |
| Milestone Date of Completion | 08/18/2023 | | | |
| Department: | City Manager | | | |
| Audit Initiator | Commission Audit | | | |
| Title: | Observation 3 - Independent Verification Control of Lease Rent Collection | | | |

**Issue / Observation**

Collection of lease rents require an independent verification control.

In general, CAO testing determined that rent was accurately billed and collected during the audit period; however, internal controls need improvement.

During and prior to the audit period, an outside contractor performed the majority of the airport rent collection services. Airport personnel would perform an independent verification of the contractor's performance. The separation of incompatible duties ensured that variations in rent over time, such as additional rental amounts, inflation adjustments, and market rate adjustments, were monitored and billed accurately to lease requirements over the long duration of these leases. This is an important control system because these rent adjustments have a compounding effect over time.

However, the audit could not determine that this control system was operating consistently with the outside contractor, citing the few concerns below.
- Rent accuracy could no

**Recommendation:**

The CAO recommends that the City Manager designate a financial orientated City department to implement detailed monitoring of airport leases and independent verification of FXE's newly insourced rent adjustment and collection process.

**Correction Plan:**

For the period audited, a City contracted third-party was responsible for rent collection which resulted in deficiencies that ultimately led to lease administration responsibilities returning to FXE. FXE staff will research implementation of controls to validate rent adjustments and collections.

**Current Status:**

The lease management system has been implemented and the Senior Financial Administrator position has been hired. The Senior Financial Administrator and Financial Administrator will oversee the lease administration activities. Supporting documentation will be uploaded and will coordinate to close this item.

# Finance Department

# Finding #12: Duplicate P-Card Detection

| | | | | |
|---|---|---|---|---|
| Issue No: | 429 | | | |
| Date of Finding: | 03/01/2019 | | | |
| Final Date of Completion | 06/30/2023 | | | |
| | | Name | Title | Department |
| Responsible Person 1 | lgarcia | Laura Garcia | Controller | Finance |
| Responsible Person 2 | jboutilier | Jason Boutilier | Senior Management Analyst | Finance |
| Correction Plan Status: | Implemented | | Finding Type: | Material Weakness |
| Next Milestone | | | | |
| Milestone Date of Completion | | | | |
| Department: | Finance | | | |
| Audit Initiator | Commission Audit | | | |
| Title: | Finding #12: Duplicate P-Card Detection | | | |

Issue / Observation

The current internal control system does not prevent or detect duplicate P-card payments of invoices processed by both Accounts Payable and the respective departments.

Cause:
Finance lacked software that would enable and facilitate a control over a high volume of transactions.

Impact:
Material waste could occur as uncorrected duplicate payments of the same transaction.

Recommendation:

Finance should enhance internal controls to prevent and detect duplicate payments of P-card invoices.

Correction Plan:

With the implementation of the new Enterprise Resource Planning (ERP) system in fiscal year 2023, P-Card charges will be approved by the Department and routed through Accounts Payable (AP) for processing. Part of this process will include uploading the P-card charges directly to the P-card module of the ERP system on a daily basis, which will help identify duplicate invoices.

Current Status:

ERP (Infor) go-live occurred on October 3, 2022, and P-card charges are being loaded into the system on a daily basis.

Prior to Infor implementation, p-card transaction detail did not transfer to the City's old financial system, FAMIS. For example, if you had two separate p-card charges of $450 and $550 hitting the same index code and sub-object, you would only see a $1,000 total charge in FAMIS. If the $450 p-card charge was also paid via PO, which also would have been processed in a completely different system (BuySpeed), it would be difficult to identify.

With Infor, it is the sole system used to process all financial transactions for the City. Since all transactions require a receipt, someone could not attach the same receipt to a p-card transaction and a PO without the department catching the duplicate entry.

Furthermore, because there is bifurcation of responsibilities in Infor based on security roles, there are multiple levels of checks. For example, a “Requester” can attach a receipt to a PO in the system, but they cannot close out the PO. That must be done by someone with the “Approver” role, and you cannot have both roles in the system.

In conclusion, although it is still a manual process, Infor makes the identification of duplicate payments much easier due to consolidation of systems and the addition of multiple levels of approval. The department has provided training resources on Infor to assist users with acclimating to processes within the system.

# Information Technology Services Department

# Computer Software and Programs Master Inventory Listing

| | | | | |
|---|---|---|---|---|
| Issue No: | 464 | | | |
| Date of Finding: | 10/22/2021 | | | |
| Final Date of Completion | 12/30/2022 | | | |
| | | Name | Title | Department |
| Responsible Person 1 | tmckay | Tamecka McKay | Director | Information Services |
| Responsible Person 2 | vflorestal | Valerie Florestal | Business Operations Manager | Information Services |
| Correction Plan Status: | Implemented | | Finding Type: | Material Weakness |
| Next Milestone | | | | |
| Milestone Date of Completion | | | | |
| Department: | Information Services | | | |
| Audit Initiator | Commission Audit | | | |
| Title: | Computer Software and Programs Master Inventory Listing | | | |

Issue / Observation

The detailed finding and recommendations have been provided to City Management. Detailed information and status updates will not be provided in this report to protect the security and operation of the City's network. A status update will be provided when the finding has been closed.

Recommendation:

Correction Plan:

Current Status:

The master inventory list is updated the first quarter of each fiscal year. The process starts with the continual updating of the business application inventory list. Subsequently, the IT support center uses Lansweeper to perform a search of software installed on the network. The results of this search and business application inventory list are compared against the previous year's list to identify additions. IT then interfaces with each department to identify any software that did not appear in the search and that is no longer in use. The master inventory list is then updated for that fiscal year.

# Weak Internal Controls Relating to Software and Programs used by Various Departments

Issue No: 465

Date of Finding: 10/22/2021

Final Date of Completion 07/31/2023

| | | Name | Title | Department |
|---|---|---|---|---|
| Responsible Person 1 | tmckay | Tamecka McKay | Director | Information Services |
| Responsible Person 2 | vflorestal | Valerie Florestal | Business Operations Manager | Information Services |

Correction Plan Status: Partially Implemented

Finding Type: Material Weakness

Next Milestone

Milestone Date of Completion 07/31/2023

Department: Information Services

Audit Initiator Commission Audit

Title: Weak Internal Controls Relating to Software and Programs used by Various Departments

Issue / Observation The detailed finding and recommendations have been provided to City Management. Detailed information and status updates will not be provided in this report to protect the security and operation of the City's network. A status update will be provided when the finding has been closed.

Recommendation:

Correction Plan:

Current Status: The Informational Technology Department has submitted a draft copy of the City's Technology Purchase Policy and Standards Manual (PSM) which requires all departments to notify ITS of new software purchases to Risk Management for review.

# Public Works Department

# Continuous Monitoring of Overtime - Public Works Department Finding # 1

| | | | | |
|---|---|---|---|---|
| Issue No: | 460 | | | |
| Date of Finding: | 09/09/2021 | | | |
| Final Date of Completion | 10/31/2022 | | | |
| | | Name | Title | Department |
| Responsible Person 1 | adodd | Alan Dodd | Director of Public Works | Public Works |
| Responsible Person 2 | fford-powell | Felicia Ford-Powell | Program Manager I | Public Works |
| Correction Plan Status: | Closed | | Finding Type: | Significant Deficiency |
| Next Milestone | | | | |
| Milestone Date of Completion | | | | |
| Department: | Public Works | | | |
| Audit Initiator | Commission Audit | | | |
| Title: | Continuous Monitoring of Overtime - Public Works Department Finding # 1 | | | |

**Issue / Observation**

Due to the COVID-19 pandemic and other emergencies, the risk for adverse occurrence increases in both impact and likelihood in the utilization of overtime hours. The limited scope audit focused on the most dollars earned and the most overtime hours incurred by employees between January 1, 2020 and March 31, 2020 in the Public Works department.

The Public Works Department's Basic Workweek and Overtime Policy (PW#1001) that details the overtime request and approval process was last revised in September 2018. The policy's process aligns with, and defers as supplemental to, the City's PSM 6.32.1, Reporting on Overtime.

While both the PSM 6.32.1 and the departmental policy (PW#1001) require pre-approvals for overtime hours, the City Auditor's Office did not find evidence of this within or outside of the Kronos time-keeping system.

**Recommendation:**

The City Auditor's Office recommends that the Public Works Department implement a documented pre-approval process as required by the PSM 6.32.1 and PW#1001. The City Auditor's Office also recommends that the City updates the PSM 6.32.1 to reflect "unforeseen" overtime.

**Correction Plan:**

Management Response:
In response to the findings and recommendations, Public Works will be taking the following actions:
• Add language to PW#1001 Basic Workweek and Overtime Policy, allowing for verbal approval of overtime, when necessary (e.g., field work requiring office supervisor approval), written approval would follow.
• Inform Human Resources of the concerns with Citywide PSM 6.32.1.
• Create internal controls in the form of an internal procedure, form, and database for requesting, approving, and tracking overtime. The form will at a minimum meet the requirements of form J-224, Overtime Authorization Form, that is referenced in PSM 6.32.1 as an alternative to record overtime.

**Current Status:**

The Public Works Department has fully rolled out and implemented the Basic Workweek and Overtime Policy and Procedure.

# Continuous Monitoring of Overtime - Public Works Department Finding # 2

| | | | | |
|---|---|---|---|---|
| Issue No: | 461 | | | |
| Date of Finding: | 09/09/2021 | | | |
| Final Date of Completion | 10/31/2022 | | | |
| | | Name | Title | Department |
| Responsible Person 1 | adodd | Alan Dodd | Director of Public Works | Public Works |
| Responsible Person 2 | fford-powell | Felicia Ford-Powell | Program Manager I | Public Works |
| Correction Plan Status: | Closed | | Finding Type: | Significant Deficiency |
| Next Milestone | | | | |
| Milestone Date of Completion | | | | |
| Department: | Public Works | | | |
| Audit Initiator | Commission Audit | | | |
| Title: | Continuous Monitoring of Overtime - Public Works Department Finding # 2 | | | |

**Issue / Observation**

The City Auditor's Office noted that the Kronos system is not capable of recording justification for overtime, as required by PSM 6.32.1. However, the PSM provides an alternative to record overtime details utilizing form J-224, Overtime Authorization Form. This form is not utilized by Public Works. Rather, several Public Works supervisors developed their own spreadsheets for overtime tracking. Reviewing the six spreadsheets provided, we found the following internal control weaknesses:

a. The spreadsheets were incomplete. Eleven (11) out of the sample of 23 (48%) had no approval support.
b. The spreadsheets only record total overtime hours, while form J-224 requires regular and overtime beginning and ending times to clearly demonstrate when overtime occurred.

**Recommendation:**

ISSUE/OBSERVATION CONTINUED:
c. The spreadsheets do not require approver signatures and dates, while form J-224 requires all forms to be signed and dated by the approver.
d. The spreadsheets record the location and task/event for the overtime, while form J-224 also requires “reason overtime was required” to be documented.

RECOMMENDATION:
The City Auditor's Office recommends that a standardized method of tracking overtime be implemented. At the minimum, documentation should mirror the requirements on form J-224, such as details on the beginning and end of overtime hours, the reasoning for the overtime, the approving supervisor, and the date of approval.

**Correction Plan:**

Management Response:
In response to the findings and recommendations, Public Works will be taking the following actions:
• Create internal controls in the form of an internal procedure, form, and database for requesting, approving, and tracking overtime. The form will at a minimum meet the requirements of form J-224 referenced in the findings.

**Current Status:**

The Public Works Department has fully rolled out and implemented the Basic Workweek and Overtime Policy and Procedure.

# Continuous Monitoring of Overtime - Public Works Department Finding # 3

| | | | | |
|---|---|---|---|---|
| Issue No: | 462 | | | |
| Date of Finding: | 09/09/2021 | | | |
| Final Date of Completion | 10/31/2022 | | | |
| | | Name | Title | Department |
| Responsible Person 1 | adodd | Alan Dodd | Director of Public Works | Public Works |
| Responsible Person 2 | fford-powell | Felicia Ford-Powell | Program Manager I | Public Works |
| Correction Plan Status: | Closed | | Finding Type: | Significant Deficiency |
| Next Milestone | | | | |
| Milestone Date of Completion | | | | |
| Department: | Public Works | | | |
| Audit Initiator | Commission Audit | | | |
| Title: | Continuous Monitoring of Overtime - Public Works Department Finding # 3 | | | |

**Issue / Observation**

Due to the COVID-19 pandemic and other emergencies, the risk for adverse occurrence increases in both impact and likelihood in the utilization of overtime hours. The limited scope audit focused on the most dollars earned and the most overtime hours incurred by employees between January 1, 2020 and March 31, 2020 in the Public Works Department.

From the sample of Public Works high overtime earners, 15 out of 30 (50%) Kronos approvers did not match the worker's named supervisor per the Public Works organizational chart.

**Recommendation:**

The City Auditor's Office recommends ensuring that Kronos approvers are in line with the Public Works Department's organizational chart.

**Correction Plan:**

Management Response:
In response to the findings and recommendations extracted below, Public Works will be taking the following actions:
• Add language to PW#1001, the department's Basic Workweek and Overtime Policy, to clarify who is authorized to approve overtime.
• Review organizational charts to ensure supervisors are accurate.

**Current Status:**

The Public Works Department has fully rolled out and implemented the Basic Workweek and Overtime Policy and Procedure.

# CITY OF FORT LAUDERDALE, FLORIDA

## SINGLE AUDIT REPORT

## FOR THE YEAR ENDED SEPTEMBER 30, 2022

# CITY OF FORT LAUDERDALE, FLORIDA
## SINGLE AUDIT REPORT
## Year Ended September 30, 2022

### TABLE OF CONTENTS

**PAGE(S)**


Independent Auditor's Report on Schedule of Expenditures of Federal Awards and State Financial Assistance ..... 1-2

Independent Auditor's Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control over Compliance in Accordance with the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General* ..... 3-5

Schedule of Expenditures of Federal Awards and State Financial Assistance ..... 6-9

Notes to the Schedule of Expenditures of Federal Awards and State Financial Assistance ..... 10-11

Schedule of Findings and Questioned Costs ..... 12-16

**INDEPENDENT AUDITOR'S REPORT**

The Honorable Mayor and Members of the City Commission
City of Fort Lauderdale, Florida

**Report on the Audit of the Schedule of Expenditures of Federal Awards and State Financial Assistance**

***Opinion***

We have audited the schedule of expenditures of federal awards and state financial assistance of the City of Fort Lauderdale, Florida (the "City") for the year ended September 30, 2022, and the related notes (Schedule).

In our opinion, the accompanying schedule of expenditures of federal awards and state financial assistance presents fairly, in all material respects, the expenditures of federal awards and state financial assistance of the City of Fort Lauderdale, Florida for the year ended September 30, 2022, in accordance with accounting principles generally accepted in the United States of America.

***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and 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. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of the Schedule section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Responsibilities of Management for the Schedule***

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



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***Auditor's Responsibilities for the Audit of the Schedule***

Our objectives are to obtain reasonable assurance about whether the Schedule as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance as well as Chapter 10.550, Rules of the Auditor General will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the Schedule.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the Schedule, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the Schedule.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the Schedule.

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

This report is intended solely for the information and use of the Honorable Mayor and Members of the City Commission, management, and specific legislative or regulatory bodies and is not intended to be, and should not be, used by anyone other than these specified parties.

Miramar, Florida
July 21, 2023



CLIENT FOCUSED AB SOLUTION DRIVEN

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND STATE PROJECT AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE AND CHAPTER 10.550, *RULES OF THE AUDITOR GENERAL***

The Honorable Mayor and Members of the City Commission
City of Fort Lauderdale, Florida

**Report on Compliance for Each Major Federal Program and State Project**

***Opinion on 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 identified as subject to audit in the OMB *Compliance Supplement* and the requirements described in the Florida Department of Financial Services State Projects Compliance Supplement that could have a direct and material effect on each of the City of Fort Lauderdale, Florida's major federal programs and State projects for the year ended September 30, 2022. The City of Fort Lauderdale, Florida's major federal programs and State projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion the City of Fort Lauderdale, Florida 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 projects for the year ended September 30, 2022.

***Basis for Opinion on Each Major Federal Program***

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; and 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*. Our responsibilities under those standards and the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General* are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.



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***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City of Fort Lauderdale, Florida's Federal programs and State projects.

***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City 's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City of Fort Lauderdale, Florida's compliance with the requirements of each major federal program and State project as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, and Chapter 10.550, *Rules of the Auditor General* we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City of Fort Lauderdale, Florida's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City of Fort Lauderdale, Florida's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the City of Fort Lauderdale, Florida's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

***Other Matters***

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items **2022-001** and **2022-002**. Our opinion on each major federal program is not modified with respect to these matters.

*Government Auditing Standards* requires the auditor to perform limited procedures on the City of Fort Lauderdale's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

**Report on 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 on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a 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 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 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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. Accordingly, this report is not suitable for any other purpose.

Miramar, Florida
July 21, 2023



CLIENT FOCUSED AB SOLUTION DRIVEN

# CITY OF FORT LAUDERDALE, FLORIDA
## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
## Year Ended September 30, 2022

| Federal Grantor/Pass-through Grantor/Program or Cluster Title | Assistance Listing Number | Contract/ Grant 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 and Consumer Services: | | | | |
| Summer Food Service Program for Children – FY20 | 10.559 | 04-0987 | $ 5,547 | $ - |
| Summer Food Service Program for Children – FY22 | 10.559 | 18474 | 59,493 | - |
| Total Child Nutrition Center 10.559 | | | 65,040 | - |
| Child and Adult Care Food Program: | | | | |
| Passed Through Florida Department of Health Child Care | | | | |
| After School Snack Program – FY20 | 10.558 | N/A | 900 | - |
| After School Snack Program – FY22 | 10.558 | A-4798 | 12,481 | - |
| Total Assistance Listing #10.558 | | | 13,381 | - |
| Total U.S. Department of Agriculture | | | 78,421 | - |
| **U.S. Department of Housing and Urban Development:** | | | | |
| Direct Programs: | | | | |
| Office of Community Planning and Development | | | | |
| CDBG – Entitlement Grant Cluster | | | | |
| Community Development Block Grants/ Entitlement Grants | 14.218 | N/A | 1,399,886 | 345,413 |
| Home Investment Partnership Program | 14.239 | M-19-MC-12-0205 | 30,642 | 74,990 |
| | 14.239 | M-20-MC-12-0205 | 132,410 | - |
| | 14.239 | M-21-MC-12-0205 | 133,281 | - |
| | 14.239 | M-22-MC-12-0205 | 68,585 | - |
| HUD – American Rescue Plan Affordable Housing Act | 14.239 | M21-MP120205 | 326 | - |
| Total Assistance Listing #14.239 | | | 365,244 | 74,990 |
| Housing Opportunities for Persons with AIDS | 14.241 | N/A | 6,298,664 | 5,988,609 |
| Coronavirus Aid Relief & Economic Security Act | | | | |
| COVID19 Community Development Block Grants/ Entitlement Grants | 14.218 | B-20-MW-12-0005 | 627,007 | - |
| COVID19 Housing Opportunities for Persons With AIDS | 14.241 | FLH20-FHW004 | 152,403 | 146,586 |
| Total U.S. Department of Housing and Urban Development | | | 8,843,204 | 6,555,598 |

*(Continued on next page)*

See Notes to Schedule.

# CITY OF FORT LAUDERDALE, FLORIDA
## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
## Year Ended September 30, 2022

| Federal Grantor/Pass-through Grantor/Program or Cluster Title | Assistance Listing Number | Contract/ Grant Number | Expenditures | Transfer to Subrecipient |
|---|---|---|---|---|
| **U.S. Department of Justice:** | | | | |
| 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 | 10637 | 14,541 | - |
| Bureau of Justice Assistance: | | | | |
| Edward Byrne Memorial Justice Assistance Grant Program | | | | |
| FY21 Local Law Enforcement Crime Gun Intelligence Center Integration Initiative | | | | |
| Fort Lauderdale Police Crime Gun Reduction Campaign | 16.738 | 15PBJA-21-GG-03280-JAGP | 17,635 | - |
| Equitable Sharing Program: | | | | |
| Forfeiture Fund – Federal Equitable Sharing (Non-Treasury) | 16.922 | N/A | 875,633 | - |
| Coronavirus Emergency Supplemental Funding Program: | | | | |
| COVID19 FY20 Fort Lauderdale Public Safety Response | 16.034 | 2020-VD-BX-0846 | 71,420 | - |
| Total U.S. Department of Justice | | | 979,229 | - |
| **U.S. Department of Transportation:** | | | | |
| Direct Programs: | | | | |
| Federal Aviation Administration (FAA) | | | | |
| Airport Improvement Program: | | | | |
| Construct Taxiway F | 20.106 | 3-12-0024-032-2019 | 15,635 | - |
| Runway Incursion MITI | 20.106 | 3-12-0024-033-2020 | 814,423 | - |
| COVID19 FAA Coronavirus Response | 20.106 | 3-12-0024-035-2021 | 17,491 | - |
| Total Assistance Listing #20.106 | | | 847,549 | - |
| Indirect Programs: | | | | |
| Federal Transit Administration (FTA) | | | | |
| Federal Transit Cluster | | | | |
| Federal Transit Formula Grants | | | | |
| Passed Through Broward Metropolitan Planning Organization | | | | |
| Downtown Fort Lauderdale Mobility Hub: Streetscape | 20.507 | FTA G-22 | 402,893 | - |
| Indirect Programs: | | | | |
| Federal Highway Administration (FHWA) | | | | |
| Highway Planning and Construction Cluster | | | | |
| State Bicycle Pedestrian Safety Program | | | | |
| Passed Through University of South Florida | | | | |
| FY21 FDOT-Florida's Bicycle/Pedestrian Focused Initiative: Communication and High Visibility Enforcement | 20.205 | G1X15 | 56,865 | 56,865 |

*(Continued on next page)*

See Notes to Schedule.

# CITY OF FORT LAUDERDALE, FLORIDA
## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
## Year Ended September 30, 2022

| Federal Grantor/Pass-through Grantor/Program or Cluster Title | Assistance Listing Number | Contract/ Grant Number | Expenditures | Transfer to Subrecipient |
|---|---|---|---|---|
| **U.S. Department of Transportation (cont'd):** | | | | |
| Indirect Projects: | | | | |
| State and Community Highway Safety | | | | |
| Highway Safety Cluster | | | | |
| FL Traffic Safety Office | | | | |
| Fort Lauderdale Police Motorcycle Safety Campaign | 20.600 | G2307 | 20,746 | - |
| Total U.S. Department of Transportation | | | 1,328,053 | 56,865 |
| **U.S. Department of Treasury:** | | | | |
| Direct Programs: | | | | |
| Coronavirus Relief Fund | | | | |
| Coronavirus State and Local Fiscal Recovery Funds | 21.019 | 1505-0271 | 16,166,993 | - |
| Indirect Programs: | | | | |
| US Treasury Pass Through Broward County ARPA | | | | |
| COVID19 Broward County Non-Congregate Sheltering Program | 21.023 | N/A | 11,025 | - |
| Total U.S. Department of Treasury | | | 16,178,018 | - |
| **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 | 36,779 | - |
| Total U.S. Department of Environmental Protection | | | 36,779 | - |
| **U.S. Department of Homeland Security:** | | | | |
| Direct Programs: | | | | |
| Federal Emergency Management Agency (FEMA) | | | | |
| Homeland Security Grant Program | | | | |
| Passed Through City of Miami: | | | | |
| FY2020 Urban Area Security Initiative (UASI) Grant Program | 97.067 | R0232 | 72,808 | - |
| FY2020 Urban Area Security Initiative – Fire Rescue Technical Rescue Team (TRT) Equipment | 97.067 | R0232 | 72,675 | - |
| FY2020 Urban Area Security Initiative – Fire Rescue Technical Rescue Team (TRT) Equipment | 97.067 | R0232 | 20,792 | - |
| FY2020 Urban Area Security Initiative – Fire Rescue Technical Rescue Team (TRT) Equipment | 97.067 | R0232 | 8,372 | - |
| FY2020 Urban Area Security Initiative – Fire Rescue Technical Rescue Team (TRT) Equipment | 97.067 | R0232 | 173,982 | - |
| FY2020 Urban Area Security Initiative – Fire Rescue Technical Rescue Team (TRT) Equipment | 97.067 | R0232 | 8,750 | - |
| Total Assistance Listing #97.067 | | | 357,379 | - |
| Total U.S. Department of Homeland Security | | | 357,379 | - |
| **Total Expenditures of Federal Financial Assistance** | | | $ 27,801,083 | $ 6,612,463 |

*(Continued on next page)*

See Notes to Schedule.

# CITY OF FORT LAUDERDALE, FLORIDA
## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
## Year Ended September 30, 2022

| Federal Grantor/Pass-through Grantor/Program or Cluster Title | CSFA Number | Contact/ Grant Number | Expenditures | Transfer to Subrecipient |
|---|---|---|---|---|
| **II. STATE FINANCIAL ASSISTANCE** | | | | |
| **Florida Inland Navigation District** | | | | |
| Direct Project: | | | | |
| Waterways Assistance Program | | | | |
| George English Park Boat Ramp Renovations Ph II | N/A | BR-FL-20-147 | $ 399,999 | $ - |
| Bill Keith Preserve Shoreline Stabilization PH I | N/A | B-FL-17-126 | 128 | - |
| Total Florida Inland Navigation District | | | 400,127 | - |
| **Florida Housing Finance Corporation:** | | | | |
| Direct Projects: | | | | |
| State Housing Initiatives Partnership Program (SHIP) | 40.901 | N/A | 508,271 | - |
| Total Florida Housing Finance Corporation | | | 508,271 | - |
| **Florida Department of State, Division Historical Resources** | | | | |
| Direct Projects: | | | | |
| City-Wide Architectural Resource Survey – Phase II | 45.031 | 22.h.sm.100.002 | 50,000 | - |
| Total Florida Department of State, Division Historical Resources | | | 50,000 | - |
| **Florida Department of Transportation** | | | | |
| Direct Projects: | | | | |
| Transit Corridor Development Program | 55.013 | N/A | 21,720 | - |
| Aviation Grant Program: | | | | |
| Design & Construct Airfield Signage Replacement at FXE | 55.004 | G0Z90 | 90,060 | - |
| Design Mid-Field Taxiway Extens and Run-Up Area | 55.004 | GIB52 | 133,380 | - |
| Taxiway Foxtrot Relocation 431024-19401 | 55.004 | G1648 | 10,235 | - |
| FXE Design and Construct Taxiway Golf Pavement Rehabilitation | 55.004 | G1L87 | 49,037 | - |
| Total CSFA #55.004 | | | 282,712 | - |
| Total Florida Department of Transportation | | | 304,432 | - |
| **Total Expenditures of State Financial Assistance** | | | $ 1,262,830 | $ - |
| **TOTAL EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE** | | | $ 29,063,913 | $ 6,612,463 |

*(Concluded)*

See Notes to Schedule.

# CITY OF FORT LAUDERDALE, FLORIDA
## NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
## Year Ended September 30, 2022

**NOTE 1 – GENERAL**

The accompanying Schedule of Expenditures of Federal Awards and Schedule of 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, 2022. 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 the Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Costs Principles,* and *Audit Requirements for Federal Awards* (Uniform Guidance) and Chapter 10.550, *Rules of the Auditor General.*

**NOTE 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 propriety funds. Under the modified accrual basis 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 cost 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.

**NOTE 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.

**NOTE 4 – CATALOG OF STATE FINANCIAL ASSISTANCE (CSFA NUMBER)**

The program titles and CSFA numbers were obtained from the State of Florida or pass-through grantor of the 2022 Catalog of State Financial Assistance. Where a CSFA number was not assigned to a program, as in the case of the Waterways Program, the CSFA reference number was marked "N/A" on the Schedule of Expenditures for Federal Awards.

The Waterways Program is funded through the Florida Inland Navigation District (FIND), a special taxing district of the State of Florida which is not assigned a department number. The contract numbers for the Waterways Program were BR-FL-20-147 and BR-FL-17-126. Per the agency request this program was included in the expenditures of state funding.

**NOTE 5 – 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.

**NOTE 6 – NON-CASH AND FEDERAL INSURANCE**

The City did not receive non-cash assistance in the current fiscal year.

**NOTE 7 – DE MINIMIS COST**

The City did not elect to use the 10% de minimis cost rate allowed under the Uniform Guidance in fiscal year 2022.

# CITY OF FORT LAUDERDALE, FLORIDA
## SCHEDULE OF FINDINGS AND QUESTIONED COSTS
## Year Ended September 30, 2022

**Section I - Summary of Independent Auditors' Results**

**Financial Statements**

**Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:** **Unmodified Opinion**

Internal control over financial reporting:

- Material weakness(es) identified? _____ Yes __X__ No
- Significant deficiency(ies) identified? _____ Yes __X__ None Reported
- Noncompliance material to financial statements noted? _____ Yes __X__ No

**Federal Awards and State Financial Assistance**

Internal control over major Federal programs and State projects:

- Material weakness(es) identified? _____ Yes __X__ No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ Yes __X__ None Reported

**Type of Auditors' Report issued on Compliance for Major Federal Programs and State Projects:** **Unmodified Opinion**

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) of the Uniform Guidance or Chapter 10.550, *Rules of the Auditor General*? __X__ Yes _____ No

**Identification of Major Federal Programs and State Projects:**

| Assistance Listing Numbers | Name of Federal Programs |
|---|---|
| 14.239 | HOME Investment Partnerships Program |
| 14.241 | Housing Opportunities for Persons with AIDS |
| 16.922 | Forfeiture Fund - Federal Equitable Sharing (Non-Treasury) |
| 20.019 | Coronavirus State and Local Fiscal Recovery Funds |
| 20.106 | Airport Improvement Program |
| 20.507 | Downtown Fort Lauderdale Mobility Hub: Streetscape |

| CSFA Numbers | Name of State Projects |
|---|---|
| 40.901 | State Housing Initiatives Partnership Program (SHIP) |
| N/A | Waterways Assistance Program |

Dollar threshold used to distinguish between **Type A** and **Type B** programs:

Federal $834,032

State $378,849

Auditee qualified as low-risk auditee? _____ Yes __X__ No

**Section II - Current Year Findings - Financial Statement Audit**

None Reported.

**Section III - Current Year - Major Federal Award Programs and State Financial Assistance Findings and Questioned Costs**

**Federal Grants**

**2022-001 – Reporting – 20.106 Airport Improvements**

**Condition:** The City could not provide documentation that SF-425, *Federal Financial Report* was completed and submitted annually as required by the Compliance Supplement.

**Context:** The City is required to perform task in noted areas to be in compliance with the grant terms. For this program annual reporting was a compliance requirement, through submission of the SF-425, Federal Financial Report. The Airport was unaware that this compliance requirement was to be fulfilled by them, therefore, the report was not filed deeming them not in compliance.

**Effect:** The City is not in compliance with the grant terms and therefore funding may be jeopardized.

**Cause:** Staff responsible for completing the reporting were not aware of the requirement and/or that it was their responsibility to complete the task.

**Questioned Costs:** None

**Recommendation:** A review of the grant agreement and terms with the grant manager/project led to ensure that all requirement(s) are understood and to whom is responsible to complete the task.

**Views of responsible officials and planned corrective actions:** The airport submits quarterly reports for FAA AIP projects, however due to an oversight the annual SF-425 form was not completed. The SF-245 form was completed and submitted on June 14, 2023, and a procedure has been drafted to ensure compliance with the reporting requirements in the future. Additionally, the Airport's Project Manager position will be moved from the Public Works Department to the Executive Airport Department in fiscal year 2024 which will improve supervision of the grant reporting requirements.

**Section III - Current Year - Major Federal Award Programs and State Financial Assistance Findings and Questioned Costs (cont'd)**

**Federal Grants (cont'd)**

**2022-002 Eligibility – 14.241 HOPWA**

**Condition:** The City could not validate the income used in determining eligibility for services of HOPWA funds documented in the Provide Enterprise (PE) System. In addition, income verification support was inconsistent with monthly income amount noted and there was evidence of instances where the monthly support provided was not for a consecutive 3-month period, as required for income verification. Furthermore, self-verification was used to verify income after the COVID-19 restriction was lifted.

**Context:** The participant's information is initially inputted by the agency (sub-recipient) and submitted to the City for review and approval of funding for housing. For case management, the agency (sub-recipient) input an intake form which includes income, proof of status and identification is reviewed during the annual monitoring process completed by the City. The participant file should include the application information entered and scans of supporting documentation. The PE system does limitations of storage capacity therefore the original hard copies are kept at the agency site and provided upon request.

**Effect:** The City may not be in compliance with the programs eligibility criteria and funding may be jeopardized.

**Cause:** The subrecipients procedure are not conducive to ensure proper income verification of program participants. The City must also increase monitoring of files and perform additional procedures to address known risk with identified subrecipient(s) and/or process(es).

**Questioned Costs:** Undetermined

**Recommendation:** To increase the sample population and frequency of testing of the participant case files to ensure that the program guidelines are being met. Increase the frequency of the subrecipient monitoring and the perform follow-up of noted monitoring findings within prior to traditional annual monitoring. In addition, to provide continual training to the subrecipients and perform assessment of efficiencies of procedures to determine viability of relationship.

**View of responsible officials and planned corrective actions:** The City identified this issue also during performance of the subrecipient annual monitoring. A monitoring letter was submitted with the noted findings to the agency of Sunserve, with a corrective action plan returned to acknowledge the finding.

The City scheduled a mandatory training on January 12, 2023, which required a minimum of 2 people per agency to attend, and educated on the proper way to perform income verifications and document within the PE system.

**State Grants**

None Reported.

**Section IV - Prior Year - Major Federal Award Programs and State Financial Assistance Findings and Questioned Costs**

**Finding 2021-001 – Schedule of Expenditures of Federal Awards and State Financial Assistance – Material Weakness**

**Criteria or specific requirement:** Internal control should be in place to ensure the Schedule of Expenditures of Federal Awards and State Financial Assistance ("SEFA") is prepared correctly including identification of the proper Assistance Listing Number ("ALN") and inclusion of grant expenditures that should be reported on the SEFA.

**Condition:** The City inappropriately listed a grant under the incorrect ALN. In addition, the City reported grant expenditures on the SEFA that should not have been reported on the SEFA. Finally, the City reported expenditures as state financial assistance that should have been reported as Federal financial assistance.

**Context:** Crowe noted in the original SEFA prepared and presented in January, 2022 an amount of approximately $1 million for Assistance Listing Number (ALN) 97.036 passed through the County. Upon receipt of a revised SEFA in early February 2022, the amount increased approximately $8.7 million. Upon further review of the grant agreement, Crowe noted that the City incorrectly reported this under the wrong ALN. The City reported this under 97.036 when it should have been reported under 21.019. Subsequent to this the City provided a letter from the County dated January 19, 2021 indicating the $8.7 million should not be put on the SEFA and that local funds were used from the County versus Federal funds, so the City removed the $8.7 million from the SEFA. In addition, the City reported approximately $5.7 million on the SEFA under ALN 97.036 that should not have been reported as funds have yet to be obligated by the grantor and therefore are not available to the City. Finally, the City reported approximately $83 thousand as state financial assistance that should have been reported as Federal financial assistance.

**Effect:** The grant expenditures were not originally classified properly on the SEFA. Recording a grant on the SEFA that should not have been reported on the SEFA resulted in a material misstatement of the SEFA.

**Cause:** The SEFA is prepared by staff in the Treasury Division by reviewing the grant agreements, revenues and expenditures in the City's accounting system. The SEFA is then submitted to grant coordinators for review. Once the SEFA has been reviewed by grant coordinators, supervisory personnel in the Treasury Division reviews and provides final approval. During multiple reviews, the grants in question were inadvertently overlooked causing wrong classifications.

**Recommendation:** Crowe recommends the City implement effective internal control to ensure the SEFA is prepared in accordance with appropriate standards.

**FY2022 Update:** The FY 2022 SEFA had to be revised to include approximately $16.1M for Assistance Listing Number 21.019 for program COVID Relief, American Rescue Program, which was omitted from original schedule. The City also adjusted the SEFA for approximately $49,000 from Federal to State for CFSA program 55.004, as it was improperly classified in the original version. We recommend that the City review the current internal controls to ensure that they are properly designed to ensure that the SEFA is prepared properly.

**Section IV - Prior Year - Major Federal Award Programs and State Financial Assistance Findings and Questioned Costs**

**Finding 2021-002 – Sub-Recipient Monitoring – Significant Deficiency**

**Assistance Listing Number: 14.239**
**U.S. Department of Housing and Urban Development**
**HOME Investment Partnership Program**

**Criteria or specific requirement:** Internal control should be in place to ensure that information submitted by the Sub-Recipient is reviewed by the City and that the review is documented.

**Condition:** The City could not provide documentation that the Single Audit Report for the Sub-Recipient of the City was reviewed by appropriate personnel of the City.

**Context:** The City requires that their Sub-Recipient provide a Single Audit Report on an annual basis. The City was able to provide the completed Single Audit Report of the Sub-Recipient but was unable to provide documentation that the City reviewed the Single Audit Report to determine if the Sub-Recipient had any findings and/or questioned costs in the Single Audit Report.

**Effect:** The Sub-Recipient could have had findings and/or questioned costs and the City would be unaware of the findings and/or questioned costs.

**Cause:** Staff responsible for receiving and reviewing the Sub-Recipient's Single Audit Report separated from the City and the current staff could not locate evidence of receipt or review.

**Questioned Costs:** None

**Recommendation:** Crowe recommends the City implement effective internal control to ensure the Sub-Recipients Single Audit Report is reviewed and that the review is documented.

**Views of responsible officials and planned corrective actions:** The City will ensure that all single audit reviews for sub-recipients are documented in a central repository and can be retrieved when required if staff turnover occurs.

**FY2022 Update:** No longer applicable.

# ANNUAL COMPREHENSIVE FINANCIAL REPORT

## CITY OF FORT LAUDERDALE, FLORIDA

Fiscal Year Ended
September 30, 2022

WE BUILD COMMUNITY

# Annual Comprehensive Financial Report

of the

City of Fort Lauderdale, Florida

Fiscal Year Ended
September 30, 2022

Prepared by
The Finance Department

WE BUILD COMMUNITY

## COMMISSION – MANAGER FORM OF GOVERNMENT

(as of July 21, 2023)

### CITY COMMISSION

**Dean J. Trantalis**
Mayor

**Pamela Beasley-Pittman**
Vice Mayor
Commissioner, District III

**John C. Herbst**
Commissioner, District I

**Steven Glassman**
Commissioner, District II

**Warren Sturman**
Commissioner, District IV

**Greg Chavarria**
City Manager

**D'Wayne Spence**
Interim City Attorney

**David R. Soloman**
City Clerk

**Patrick Reilly, CPA**
City Auditor

**Linda Logan-Short, CGFO, CPM**
Director of Finance

**Aaron Kendrick, CPA**
Deputy Director of Finance

**Laura L. Garcia, CGFO**
Controller

WE BUILD COMMUNITY

**CITY OF FORT LAUDERDALE, FLORIDA**

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEAR ENDED SEPTEMBER 30, 2022

## TABLE OF CONTENTS


| INTRODUCTORY SECTION (Unaudited) | Page |
|---|---|
| Letter of Transmittal | i |
| Certificate of Achievement | x |
| Organization Chart | xi |
| **FINANCIAL SECTION** | |
| Independent Auditor's Report | 1 |
| Management's Discussion and Analysis (Unaudited) | 5 |
| Basic Financial Statements | |
| Government-wide Financial Statements | |
| Statement of Net Position | 20 |
| Statement of Activities | 22 |
| Fund Financial Statements | |
| Balance Sheet - Governmental Funds | 23 |
| Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position | 24 |
| Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds | 25 |
| Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities | 26 |
| Statement of Net Position - Proprietary Funds | 27 |
| Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds | 29 |
| Statement of Cash Flows - Proprietary Funds | 30 |
| Statement of Fiduciary Net Position - Fiduciary Funds | 32 |
| Statement of Changes in Fiduciary Net Position - Fiduciary Funds | 33 |
| Notes to the Financial Statements | 35 |
| Required Supplementary Information (Unaudited) | |
| Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - General Fund | 114 |
| Notes to the Required Supplementary Information | 117 |
| Schedule of Changes in the Net Pension Liability and Related Ratios - General Employees' Retirement System | 118 |
| Schedule of Contributions - General Employees' Retirement System | 120 |
| Schedule of Changes in the Net Pension Liability and Related Ratios - Police and Firefighter's Retirement System | 122 |
| Notes to Schedule of Changes in Net Pension Liability and Related Ratios | 124 |
| Schedule of Contributions - Police and Firefighters' Retirement System | 125 |
| Schedule of Changes in the Net Pension Liability and Related Ratios - Post-Retirement Pay Steps Plan | 126 |
| Schedule of Contributions - Post-Retirement Pay Steps Plan | 127 |
| Schedule of Investment Returns - Post-Retirement Pay Steps Plan | 128 |
| Schedule of Proportionate Share of the Net Pension Liability - Florida Retirement System | 130 |
| Schedule of Contributions - Florida Retirement System | 131 |
| Schedule of Changes in the Net OPEB Liability and Related Ratios - Other Post-Employment Benefits | 132 |
| Schedule of Contributions - Other Post-Employment Benefits | 134 |
| Schedule of Investment Returns - Other Post-Employment Benefits | 135 |

**CITY OF FORT LAUDERDALE, FLORIDA**

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEAR ENDED SEPTEMBER 30, 2022

## TABLE OF CONTENTS (Continued)


**Combining Financial Statements** — Page

Combining Balance Sheet - Nonmajor Governmental Funds ..... 140

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds ..... 144

Combining Statement of Net Position - Nonmajor Enterprise Funds ..... 149

Combining Statement of Revenues, Expenses and Changes in Net Position - Nonmajor Enterprise Funds ..... 151

Combining Statement of Cash Flows - Nonmajor Enterprise Funds ..... 152

Combining Statement of Net Position - Internal Service Funds ..... 154

Combining Statement of Revenues, Expenses and Changes in Net Position - Internal Service Funds ..... 153

Combining Statement of Cash Flows - Internal Service Funds ..... 156

Combining Statement of Fiduciary Net Position - Fiduciary Funds ..... 159

Combining Statement of Changes in Fiduciary Net Position - Fiduciary Funds ..... 160

**Other Financial Information**

Budgetary Comparison Schedules:

Schedule of Revenues, Expenditure and Changes in Fund Balance - Budget to Actual (Budgetary Basis) - Law Enforcement Confiscated Property Fund ..... 162

Schedule of Revenues, Expenditure and Changes in Fund Balance - Budget to Actual (Budgetary Basis) - Community Redevelopment Agency Fund ..... 163

Schedule of Revenues, Expenditure and Changes in Fund Balance - Budget to Actual (Budgetary Basis) - Community Redevelopment Agency Business Incentive Fund ..... 164

Schedule of Revenues, Expenditure and Changes in Fund Balance - Budget to Actual (Budgetary Basis) - Beach Business Improvement District Fund ..... 165

Schedule of Revenues, Expenditure and Changes in Fund Balance - Budget to Actual (Budgetary Basis) - Building Fund ..... 166

Schedule of Revenues, Expenditure and Changes in Fund Balance - Budget to Actual - School Crossing Guards Fund ..... 167

Schedule of Revenues, Expenditure and Changes in Fund Balance - Budget to Actual - Nuisance Abatement Fund ..... 168

Schedule of Revenues, Expenditure and Changes in Fund Balance - Budget to Actual - General Obligation Bonds Debt Service Fund ..... 169

Schedule of Revenues, Expenditure and Changes in Fund Balance - Budget to Actual - Special Assessment Bonds Debt Service Fund ..... 170

Schedule of Revenues, Expenditure and Changes in Fund Balance - Budget to Actual - Special Obligation Bonds Debt Service Fund ..... 171

Schedule of Revenues, Expenditure and Changes in Fund Balance - Budget to Actual - Special Obligation Loans Debt Service Fund ..... 172

Schedule of Revenues, Expenditure and Changes in Fund Balance - Budget to Actual - Tax Increment Revenue Note Debt Service Fund ..... 173

Schedule of Revenues, Expenditure and Changes in Fund Balance - Budget to Actual - Perpetual Care Fund ..... 174

**CITY OF FORT LAUDERDALE, FLORIDA**

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEAR ENDED SEPTEMBER 30, 2022

## TABLE OF CONTENTS (Continued)


**Other Financial Information - continued** — Page

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual - From Inception of Current Projects - General Obligation Construction Fund 2011A ..... 175

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual - From Inception of Current Projects - General Obligation Construction Fund 2020A ..... 176

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual - From Inception of Current Projects - General Obligation Construction Fund 2020B ..... 177

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual - From Inception of Current Projects - Special Assessment Construction Fund ..... 178

**STATISTICAL SECTION (Unaudited)**

Net Position by Component - Last Ten Fiscal Years ..... 181

Changes in Net Position - Last Ten Fiscal Years ..... 182

Fund Balances - Governmental Funds - Last Six Fiscal Years ..... 184

Changes in Fund Balances - Governmental Funds - Last Ten Fiscal Years ..... 185

Assessed Value and Actual Value of Taxable Property - Last Ten Fiscal Years ..... 186

Property Tax Millage Rates - Direct and Overlapping Governments - Last Ten Fiscal Years ..... 187

Principal Property Taxpayers - Current Year and Nine Years Ago ..... 188

Property Tax Levies and Collections - Last Ten Fiscal Years ..... 189

Ratio of Outstanding Debt by Type - Last Ten Fiscal Years ..... 190

Ratios of Net General Bonded Debt Outstanding - Last Ten Fiscal Years ..... 191

Direct and Overlapping Governmental Activities Net Debt ..... 192

Pledged Revenue Coverage - Last Ten Fiscal Years ..... 193

Demographic and Economic Statistics - Last Ten Fiscal Years ..... 194

Principal Employers - Current Year ..... 195

Full-time Equivalent City Government Employees by Function/Program - Last Ten Fiscal Years ..... 196

Operating Indicators by Function/Program - Last Ten Fiscal Years ..... 197

Capital Asset Statistics by Function/Program - Last Ten Fiscal Years ..... 198

CITY OF FORT LAUDERDALE

July 21, 2023

To The Honorable Mayor,
Members of the City Commission,
Citizens of the City of Fort Lauderdale, Florida:

This letter transmits the Annual Comprehensive Financial Report (ACFR) for the City of Fort Lauderdale, Florida (City) for the fiscal year ended September 30, 2022. 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 RSM US 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 districts, 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 who provides an independent, objective, and comprehensive auditing program of City operations.

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 and an aquatic complex.

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 City Commission. The Boards have responsibility for investment of the pension assets and approval of benefits as employees retire or seek other benefits under the plans. At September 30, 2022, the plans had total assets of $1.695 billion. The General Employees Retirement System was closed to new participants beginning October 1, 2007 and replaced with a defined contribution plan. The defined contribution plan was closed to new participants hired after December 31, 2020.

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 Statement 75, "Accounting and Financial Reporting for Post-employment Benefits Other Than Pensions". The City Commissioners serve as the Board of Trustees of the OPEB Trust and delegate the administration of the Trust to the City's Finance Director as the Trust Administrator. At September 30, 2022, the Trust had total assets of $35.4 million.

In addition, the City created a Post-Retirement Pay Steps Plan for the Police and Firefighters' Retirement System member retirees. The plan provides for five post-retirement pay steps payable annually after the third year until five steps have been achieved. This plan is contained within the OPEB Trust, as a separate plan. At September 30, 2022, the plan had total assets of $5.2 million.

On January 1, 2021, the City of Fort Lauderdale joined the Florida Retirement System (FRS) for City employees other than police officers and firefighters. The FRS provides two cost sharing, multiple employer defined benefit plans administered by the Florida Department of Management Services, Division of Retirement, including the Pension Plan and the Retiree Health Insurance Subsidy (HIS Plan). Under Section 121.4501, Florida Statutes, the FRS also provides a defined contribution plan (Investment Plan) alternative to the Pension Plan, which is administered by the State Board of Administration (SBA).

## Economic Conditions

The City of Fort Lauderdale's taxable assessed value for tax year 2022 increased by 13.75% from 2021. New construction, which represents improvements to real property that were not on the tax roll in the prior year, added $1.679 billion to the tax roll. This is the tenth 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**

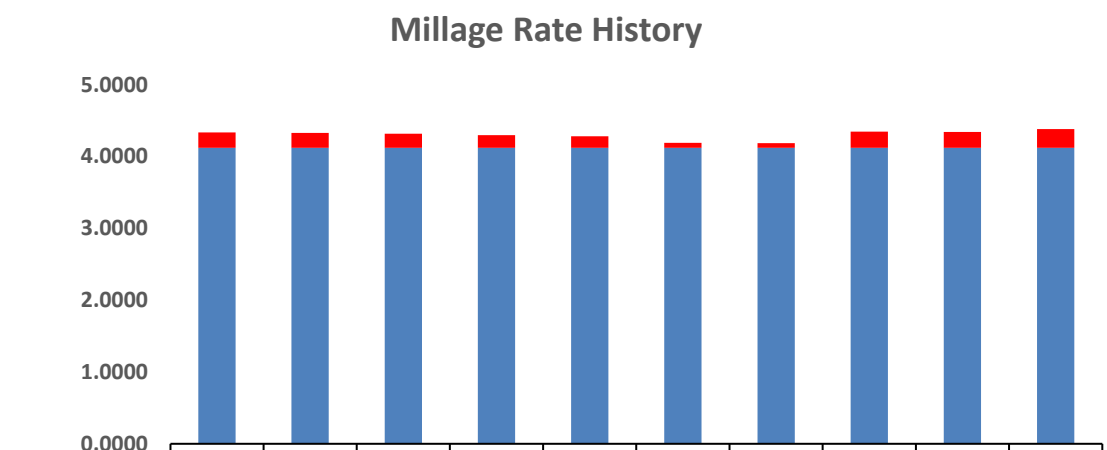
| Calendar Tax Year | Net New Construction | Final Gross Taxable Value | Increase/Decrease from Prior Year | Operating Millage Rate |
|---|---|---|---|---|
| 2022-Certified | $ 1,679,235,780 | $ 49,152,939,183 | 13.75% | 4.1193 |
| 2021-Final | 1,141,870,340 | 43,209,678,707 | 5.74% | 4.1193 |
| 2020-Final | 686,582,000 | 40,865,741,282 | 5.43% | 4.1193 |
| 2019-Final | 1,139,083,000 | 38,762,628,574 | 7.36% | 4.1193 |
| 2018-Final | 824,076,040 | 36,105,845,628 | 7.69% | 4.1193 |

For the first time since 1957, Florida was the fastest growing state in the country. Mirroring the overall state trend, South Florida continues to see a surge in domestic migration as residents from high-tax, high-density states relocate to the region. This is reflected in increased business investment and a low unemployment rate, but also in rising real estate values and rents. According to the Bureau of Labor Statistics, the greater Fort Lauderdale metropolitan area civilian labor force was 1,083,770 as of September 2022, amounting to a 4.3% increase from the prior year of 1,038,849. The unemployment rate decreased to 2.3% as compared to 3.7% in the prior year.

## 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. On an annual basis, the City completes a ten-year financial sustainability analysis for the General Fund and other proprietary funds within the City. This financial forecast model is populated with 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 2022 is the fifteenth consecutive year that the City Commission maintained an operating millage rate of 4.1193. The chart below represents the adopted operating and debt service millage rates for the last ten years.




| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|---|---|---|---|---|---|---|---|---|---|---|
| Total Millage | 4.3342 | 4.3263 | 4.3151 | 4.2952 | 4.2803 | 4.1884 | 4.1833 | 4.3443 | 4.3411 | 4.3806 |
| Debt Service | 0.2149 | 0.2070 | 0.1958 | 0.1759 | 0.1610 | 0.0691 | 0.0640 | 0.2250 | 0.2218 | 0.2613 |
| Operating | 4.1193 | 4.1193 | 4.1193 | 4.1193 | 4.1193 | 4.1193 | 4.1193 | 4.1193 | 4.1193 | 4.1193 |

Over 67.7% of the General Fund budget for operating expenditures is dedicated to public safety through police, fire-rescue, and code enforcement. Another 11.6% is allocated to cultural and recreational quality of life programs.

**Financial Policies**

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

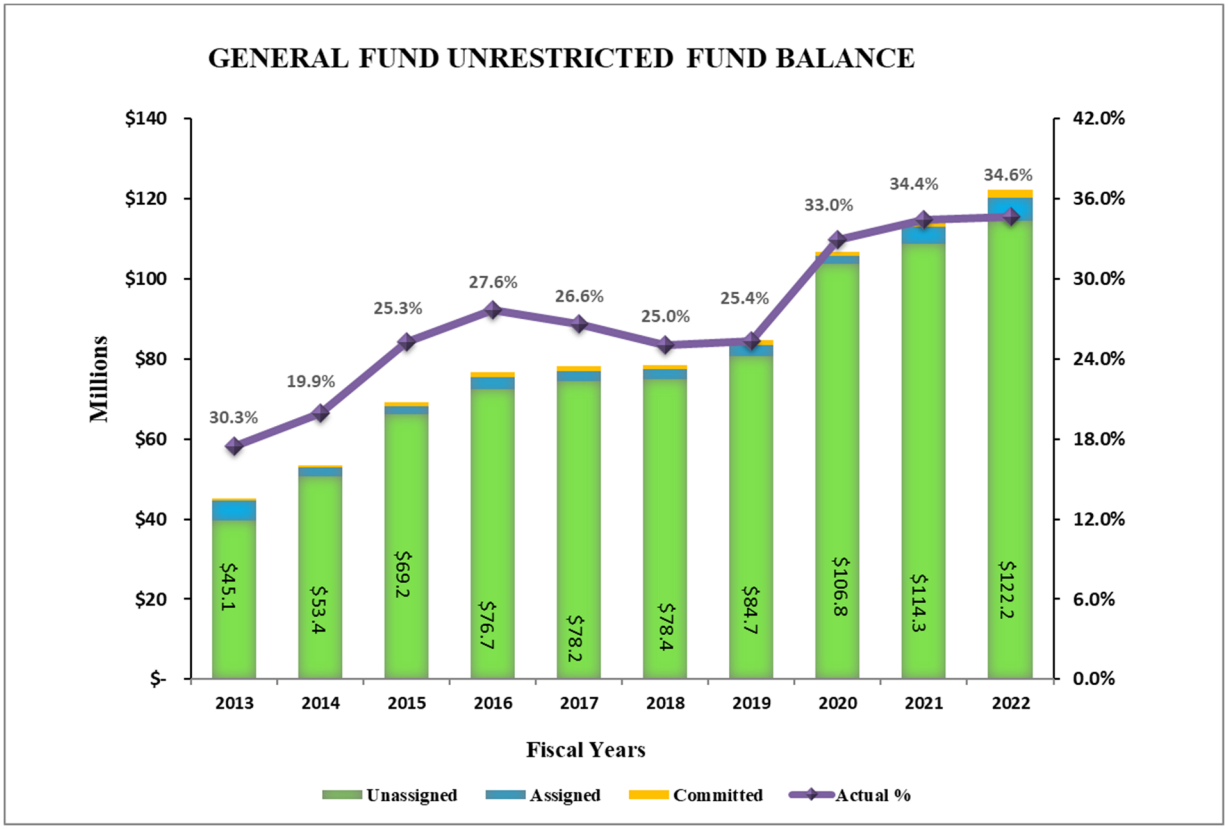
- ***Sound Budgeting Practices*** - The City of Fort Lauderdale shall be committed to maintaining a structurally balanced budget to support high quality service to our neighbors, while maintaining a relatively low millage rate and reserves consistent with the needs of the City.

- ***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 2022 the General Fund unrestricted balance increased from $114.3 million to $122.2 million. At 34.6%, this amount exceeds the minimum unrestricted requirement for the General Fund by $63.4 million. The chart below presents a ten-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, 2022 was $925.9 million, excluding investments of the permanent and fiduciary funds. The City's master and payroll accounts are swept regularly to maximize interest earnings.

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

## Major Initiatives of FY 2022

The FY 2022 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 City Commission Top Priorities and associated projects for FY 2022 included:

- Homelessness and Housing Opportunities
    - Community Court and support services
    - Increase affordable housing inventory
    - Homelessness prevention

- Infrastructure and Resilience
    - Seawalls
    - Sidewalks
    - Stormwater infrastructure
    - Water and wastewater infrastructure
    - Water treatment plant

- Parks and Public Places
    - City beautification of empty lots/dormant spaces (publicly and privately owned)
    - Complete design of Lockhart Park including Community Center
    - eSports opportunities
    - Maintenance of streetscapes, medians, and public areas
    - Parks Bond Implementation
    - Host premier events at Lockhart Park
    - Public Private Partnership (P3) ordinance
    - Shared use playgrounds with schools

- Transportation and Traffic
    - Las Olas Mobility Vision Plan
    - LauderTrail
    - One-way pairing of streets downtown
    - Tunnel under the New River
    - Tunnel between downtown and the beach

In addition to the City Commission Top Priorities, the following items were identified as Priorities:

- Community Response and Safety
    - Code enforcement resources
    - Continue COVID-19 response for community health
    - Police headquarters
    - Vacation rental regulation

- Economic Diversification
    - Advocate for State and Federal funding
    - Attract new businesses and industries to the City (such as the film industry)
    - Reduce economic reliance on tourism and marine industries

- Historic Preservation
    - Develop thematic districts
    - Evaluate City's historic preservation staffing and resource levels
    - Incentivize the designation of buildings and homes as historic
    - Recognize and retain the City's built history

- Smart Growth
    - Balance growth and development with infrastructure plans
    - Consider Uptown Master Plan South
    - Preserve land and City assets

- Waterway Quality
    - Continue water quality testing
    - Guarantee waterways are clean and safe
    - Pump out stations
    - Waterway dredging

- Workforce Training and Education
    - Continue partnership with Broward County Public Schools
    - Continue work with consultant to identify aviation workforce development options
    - Develop workforce training opportunities

The American Rescue Plan Act's (ARPA) Coronavirus Local Fiscal Recovery Fund provided a substantial infusion of resources to help address the cascading economic impact of the pandemic on local governments. The City of Fort Lauderdale's allocation was $38.1 million under the ARPA's entitlement calculation. The funding was provided in two (2) tranches – the first half in May 2021 and the balance approximately 12 months later. To further recovery efforts and present a structurally balanced budget, the FY 2022 Adopted Budget included one-time expenses that were funded because of the one-time revenue received from the first tranche of the American Rescue Plan Act (ARPA).

**Major Initiatives of FY 2023**

The FY 2023 adopted operating budget and community investment plan includes over $23.4 million in funding enhancements and new or reprioritized projects. Each project and funding enhancement recommendation was made in an effort to enhance the City's capacity to meet the needs of the Community.

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 2023 such as:

| | |
|---|---|
| Water and Sewer System Improvements | $ 200,000,000 |
| Stormwater Improvements in Seven Neighborhoods | 130,000,000 |
| Future Parks Projects | 60,000,000 |
| Advanced Metering Infrastructure Implementation | 30,000,000 |
| New Fire Station 13 | 4,100,000 |
| Bridge Replacement and Improvements | 3,600,000 |
| Seawall Replacement and Improvements | 3,600,000 |
| Emergency Medical Sub Station 88 | 3,100,000 |
| Las Olas Mobility | 3,000,000 |
| Galt Ocean Mile Beautification | 2,500,000 |

## Accreditations and Certifications

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

The City of Fort Lauderdale's Quality Management System is certified under the ISO 9001:2015 standard.

The City of Fort Lauderdale's Environmental and Sustainability Management System (for Fleet Services and the George T. Lohmeyer Wastewater Treatment Plant fencelines) is certified under the ISO 14001:2015 standard. Fort Lauderdale is one of the few municipalities in the country that is certified at more than one location for this 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 (FGBC). Among other certifications, the FGBC Green Local Government Standard designates Green Cities and Green Counties for outstanding environmental stewardship through evaluation of many aspects of government operations, including their energy and water usage, air quality, land use, recycling and waste disposal, maintenance policies, educational programs, purchasing practices, and regulatory policies. The City received its first FGBC Green Local Government certification in 2013 and was recertified at the Gold Level in 2019.

Fort Lauderdale Fire Rescue (FLFR) 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. FLFR continues to be part of the elite ranks of less than 1% of all Fire Departments across the country that hold a Class-1 designation.

Fort Lauderdale Fire Rescue earned accreditation from the Commission on Accreditation of Ambulance Services (CAAS), acknowledging our outstanding emergency medical care. CAAS accreditation is designed to help EMS agencies increase organizational performance and efficiency, increase clinical quality, and decrease risk and liability, thus, improving the overall performance of the agency.

Fort Lauderdale's Emergency Management Office is accredited status through the Emergency Management Accreditation Program (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 Annual Comprehensive Financial Report (ACFR) for the fiscal year ended September 30, 2021. This was the 45th 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 annual comprehensive 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 ninth 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.

Greg Chavarria
*City Manager*

Linda Logan-Short, CGFO, CPM
*Director of Finance*

Government Finance Officers Association

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

**City of Fort Lauderdale**
**Florida**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

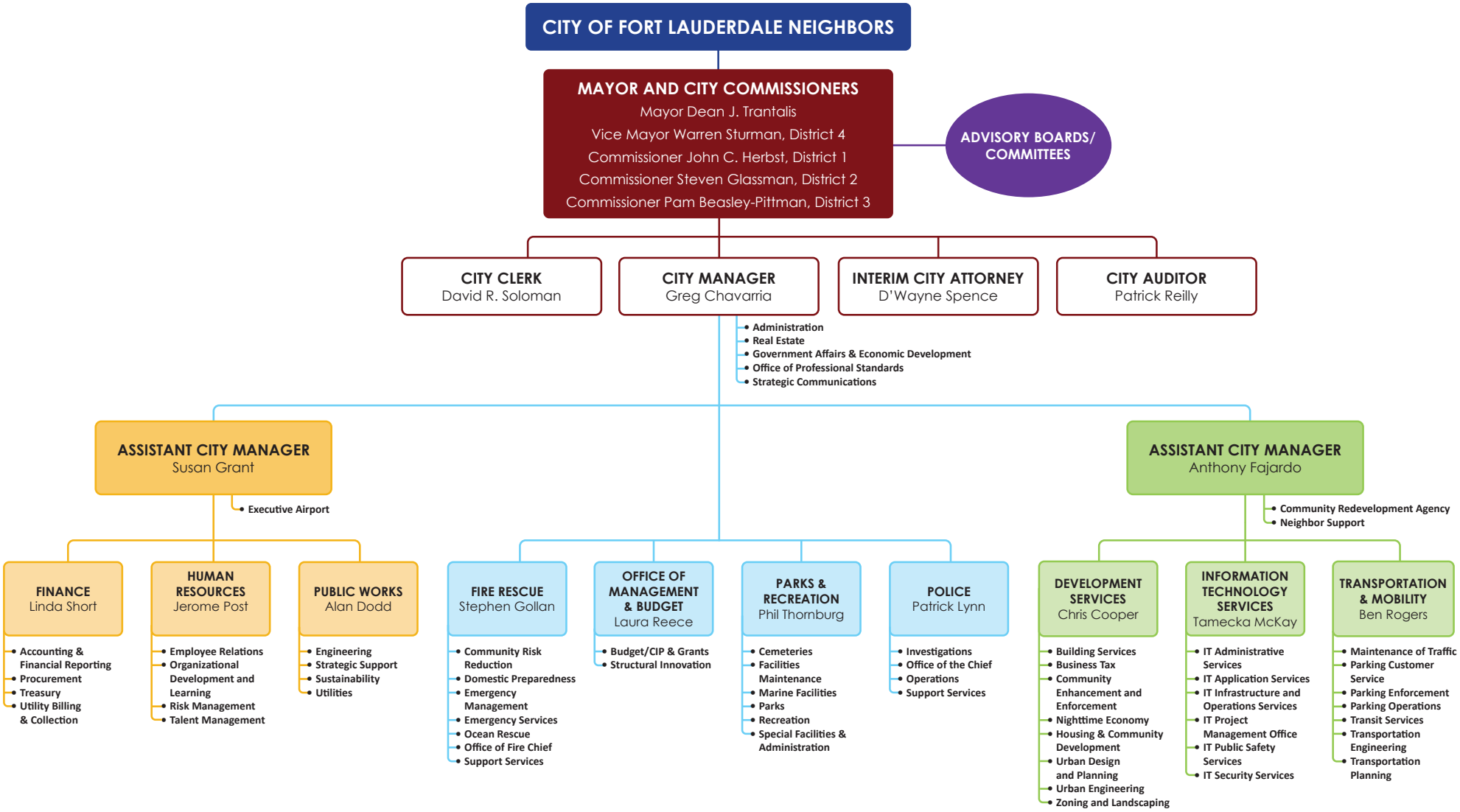
September 30, 2021

Christopher P. Morrill

Executive Director/CEO

# CITY OF FORT LAUDERDALE ORGANIZATIONAL CHART

WE BUILD COMMUNITY




Revised: 1/3/2023

CITY OF FORT LAUDERDALE

RSM

**Independent Auditor's Report**

RSM US LLP

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

## Report on the Audit of the Financial Statements

### *Opinions*

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the discretely presented component unit and remaining fund information of the City of Fort Lauderdale, Florida (the City), as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the discretely presented component unit and remaining fund information of the City of Fort Lauderdale, Florida, as of September 30, 2022, 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.

We did not audit the financial statements of the Police and Firefighters' Retirement System and Supplemental Share Plan which represents 59%, 42% and 58% of the total assets, fund balance/net position and revenues/additions, respectively, of the aggregate discretely presented component unit and remaining fund information. 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 entity listed above, is based solely on the report of the other auditors.

### *Basis for Opinions*

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

### *Emphasis of Matter*

As discussed in Note 18 to the financial statements, the City adopted Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases,* as of October 1, 2021. As a result, beginning lease receivables, right-of-use assets, lease liabilities, and deferred inflows of resources balances were restated. Our opinions are not modified with respect to this matter.

As discussed in Note 18 to the financial statements, the October 1, 2021 beginning net position balance for governmental activities has been restated to correct an error in accounting for the net pension liability. Our opinion is not modified with respect to this matter.



RSM US LLP is the U.S. member firm of RSM International, a global network of independent audit, tax, and consulting firms. Visit rsmus.com/aboutus for more information regarding RSM US LLP and RSM International.

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

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

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

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

***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 accompanying combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the accompanying combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

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

**Other Reporting Required by *Government Auditing Standards***
In accordance with *Government Auditing Standards*, we have also issued our report dated July 21, 2023, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.

RSM US LLP

Fort Lauderdale, Florida
July 21, 2023

CITY OF FORT LAUDERDALE

The Management's Discussion and Analysis section is intended to provide readers of this report with a general overview of the financial activities of the City of Fort Lauderdale (City) during fiscal year (FY) 2022. 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, 2022 by $1,333.3 million (net position). Of this amount, $414.7 million was from governmental activities and $918.6 million was from business-type activities.

- The City's revenues for governmental activities, excluding transfers, totaled $470.6 million, a 3.4% or $15.6 million increase from FY2021. Property taxes increased by $10.3 million, charges for services increased by $17.3 million, while program revenue for grants and contributions decreased by $2.3 million. Interest income decreased by $20.7 million, due to lower interest rates. Expenses for governmental activities decreased by $23.7 million or 5.6% to $399.4 million. Public safety decreased by $14.1 million, economic environment decreased by $6.9 million and general government decreased by $1.7 million, while transportation increased by $1.2 million.

- Revenues related to business-type activities decreased by $263,569 to $258.2 million and expenses, excluding transfers, decreased by $19.1 million to $198.7 million.

- The General Fund's fund balance increased by $7.9 million to $122.2 million. Unassigned fund balance increased from $108.8 million in FY2021 to $115.7 million in FY2022.

- The City's long-term debt decreased by $19.9 million net of retirements to $888.2 million: this primarily resulted from the reduction of current debt of $54.9 million through annual debt payments and an increase of $35.0 million from the issuance of Special Assessments Bonds, Tax Increment Revenue Note and the Parking System line of credit.

- The City has a AAA/Stable outlook rating from Standards & Poor's for the General Obligation Bonds (GOB) and the Special Obligation Bonds (SOB). Additionally, Moody's Investors Service gave the City a Aa2/positive outlook rating for the SOB and a Aa1/positive outlook for the GOB.

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

The government-wide statements include two component units. The financial information of the City's Community Redevelopment Agency (CRA) is blended within the primary government. The Sunrise Key Safe Neighborhood District (SK) is discretely presented on the s*tatement of activities* and s*tatement of net position*. Refer to the Summary of Significant Accounting Policies for additional information on individual component units on page 35. Fiduciary funds, which include pension and custodial 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 23 through 33. 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 23) 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 27 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 27) are comprised of two different categories. Enterprise funds include business-type activities such as water and sewer, sanitation, cemetery, stormwater, the parking system, and the executive airport. Internal service funds include project management, 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 32), which are not included in the government-wide statements are presented in this section and include the General Employees' Retirement System, the Police and Firefighters' Retirement System, the Post-Retirement Pay Steps Plan and the Other Post-Employment Benefits Fund.

**Notes to Financial Statements** (beginning on page 35) are integral to a complete understanding of both the government-wide and fund financial statements. They provide additional explanation of the amounts shown in the various statements.

### Other Information

This report also includes required supplementary information related to employee pension liability, other post-employment benefits, and the budgetary comparison schedules for major governmental funds. The combining statements and other financial information, in connection with nonmajor governmental and enterprise funds, internal service funds, and fiduciary funds 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, 2022 and 2021.

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

| | Governmental Activities | | Business-type Activities | | Total | | Increase/ (Decrease) | |
|---|---|---|---|---|---|---|---|---|
| | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 | Amount | Percent |
| **Assets and Deferred Outflows of Resources** | | | | | | | | |
| Current and Other Assets | $ 750,750 | $ 602,310 | $ 484,069 | $ 381,399 | $ 1,234,819 | $ 983,709 | $ 251,110 | 25.53% |
| Capital Assets (Net) | 454,094 | 434,520 | 1,028,648 | 1,025,249 | 1,482,742 | 1,459,769 | 22,973 | 1.57% |
| **Total Assets** | 1,204,844 | 1,036,830 | 1,512,717 | 1,406,648 | 2,717,561 | 2,443,478 | 274,083 | 11.22% |
| Deferred Outflows of Resources | 113,309 | 133,968 | 27,739 | 25,802 | 141,048 | 159,770 | (18,722) | -11.72% |
| **Total Assets and Deferred Outflows of Resources** | 1,318,153 | 1,170,798 | 1,540,456 | 1,432,450 | 2,858,609 | 2,603,248 | 255,361 | 9.81% |
| **Liabilities and Deferred Inflows of Resources** | | | | | | | | |
| Current and Other Liabilities | 118,063 | 109,643 | 50,851 | 55,337 | 168,914 | 164,980 | 3,934 | 2.38% |
| Long-Term Liabilities | 575,132 | 637,368 | 495,842 | 520,111 | 1,070,974 | 1,157,479 | (86,505) | -7.47% |
| **Total Liabilities** | 693,195 | 747,011 | 546,693 | 575,448 | 1,239,888 | 1,322,459 | (82,571) | -6.24% |
| Deferred Inflows of Resources | 210,275 | 9,419 | 75,128 | 2,574 | 285,403 | 11,993 | 273,410 | 2279.84% |
| **Total Liabilities and Deferred Inflows of Resources** | 903,470 | 756,430 | 621,821 | 578,022 | 1,525,291 | 1,334,452 | 190,839 | 14.30% |
| **Net Position** | | | | | | | | |
| Net Investment in Capital Assets | 389,732 | 381,045 | 609,406 | 605,649 | 999,138 | 986,694 | 12,444 | 1.26% |
| Restricted | 129,182 | 152,348 | 69,143 | 62,603 | 198,325 | 214,951 | (16,626) | -7.73% |
| Unrestricted | (104,231) | (119,025) | 240,086 | 186,176 | 135,855 | 67,151 | 68,704 | 102.31% |
| **Total Net Position** | $ 414,683 | $ 414,368 | $ 918,635 | $ 854,428 | $ 1,333,318 | $ 1,268,796 | $ 64,522 | 5.09% |

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 $999.1 million represents 74.9% of its net position. These capital assets are used to provide services to City of Fort Lauderdale neighbors and are not available for future spending. The resources needed to repay the debt incurred to acquire these assets will come from future revenues.

An additional portion of net position (14.9%) represents resources subject to external restrictions ($198.3 million). The unrestricted balance increased by $68.7 million or 102.3%, as compared to the end of FY2021 and the reasons for the overall increase are discussed in the sections for governmental activities and business-type activities. At the end of the current fiscal year, the City is able to report positive balances in all reported categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities.

In FY2022, the total net position increased by $64.5 million. The following table summarizes changes in net position for governmental and business-type activities for the past two fiscal years.

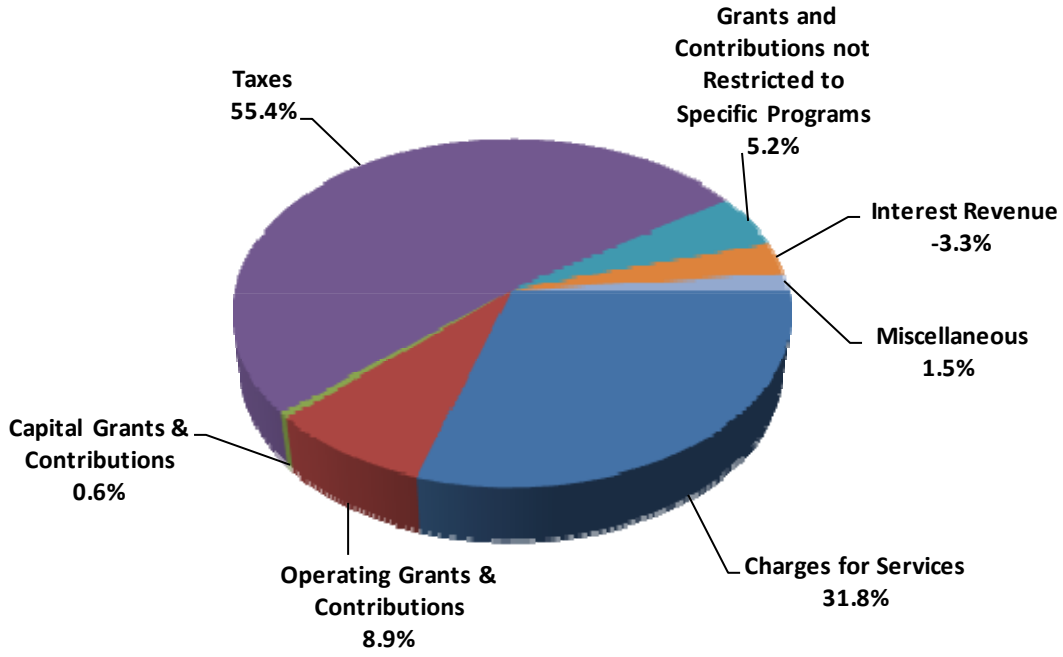
**City of Fort Lauderdale**
**Changes in Net Position**
(in thousands of $)

| | Governmental Activities | | Business-type Activities | | Total | | Increase/ (Decrease) | |
|---|---|---|---|---|---|---|---|---|
| | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 | Amount | Percent |
| **Revenues** | | | | | | | | |
| Program Revenues | | | | | | | | |
| Charges for Services | $ 149,430 | $ 132,085 | $ 262,391 | $ 250,350 | $ 411,821 | $ 382,435 | $ 29,386 | 7.68% |
| Operating Grants and Contributions | 41,858 | 44,978 | - | - | 41,858 | 44,978 | (3,120) | -6.94% |
| Capital Grants and Contributions | 2,585 | 1,742 | 5,050 | 7,208 | 7,635 | 8,950 | (1,315) | -14.69% |
| General Revenues | | | | | | | | |
| Property Taxes | 181,741 | 171,409 | - | - | 181,741 | 171,409 | 10,332 | 6.03% |
| Other Taxes | 79,101 | 71,304 | - | - | 79,101 | 71,304 | 7,797 | 10.93% |
| Other Miscellaneous Revenue | 15,929 | 33,542 | (9,269) | 879 | 6,660 | 34,421 | (27,761) | -80.65% |
| **Total Revenues** | 470,644 | 455,060 | 258,172 | 258,437 | 728,816 | 713,497 | 15,319 | 2.15% |
| **Expenses** | | | | | | | | |
| General Government | 52,613 | 54,266 | - | - | 52,613 | 54,266 | (1,653) | -3.05% |
| Public Safety | 247,565 | 261,656 | - | - | 247,565 | 261,656 | (14,091) | -5.39% |
| Physical Environment | 1,060 | 1,553 | 170,999 | 188,744 | 172,059 | 190,297 | (18,238) | -9.58% |
| Transportation | 10,334 | 9,157 | 27,665 | 29,006 | 37,999 | 38,163 | (164) | -0.43% |
| Economic Environment | 29,663 | 36,556 | - | - | 29,663 | 36,556 | (6,893) | -18.86% |
| Culture/Recreation | 47,572 | 48,241 | - | - | 47,572 | 48,241 | (669) | -1.39% |
| Interest on Long-Term Debt | 10,543 | 11,579 | - | - | 10,543 | 11,579 | (1,036) | -8.95% |
| **Total Expenses** | 399,350 | 423,008 | 198,664 | 217,750 | 598,014 | 640,758 | (42,744) | -6.67% |
| **Change in Net Position before transfers** | 71,294 | 32,052 | 59,508 | 40,687 | 130,802 | 72,739 | 58,063 | 79.83% |
| Transfers | (4,699) | (5,989) | 4,699 | 5,989 | - | - | - | 0.00% |
| **Change in Net Position** | 66,595 | 26,063 | 64,207 | 46,676 | 130,802 | 72,739 | 58,063 | 79.83% |
| **Beginning Net Position, as Restated** | 348,088 | 388,305 | 854,428 | 807,752 | 1,202,516 | 1,196,057 | 6,459 | 6.08% |
| **Ending Net Position** | $ 414,683 | $ 414,368 | $ 918,635 | $ 854,428 | $ 1,333,318 | $ 1,268,796 | $ 64,522 | 5.09% |

The governmental activities net position showed an increase of $66.6 million. Total revenues from governmental activities increased by $15.6 million compared to FY2021. Although the property tax levy millage rate remained constant for the fifteenth consecutive year, there was a $10.3 million increase in property tax revenues resulting from an increase in property values. In FY2022, charges for services, other taxes, and capital grants and contributions reported an increase of $17.3 million, $7.8 million, and $843,101, respectively. Other revenue reported a decrease of $17.6 million, $15.4 million is related to investment loss. Operating grants reported a decrease of $3.1 million.

As the following chart of revenues from governmental activities (by source) shows, property and other taxes provided 55.4% of the revenues used to fund governmental functions. Charges for services, such as parks and recreation programs and fire suppression special assessment comprised 31.8% of total revenues.

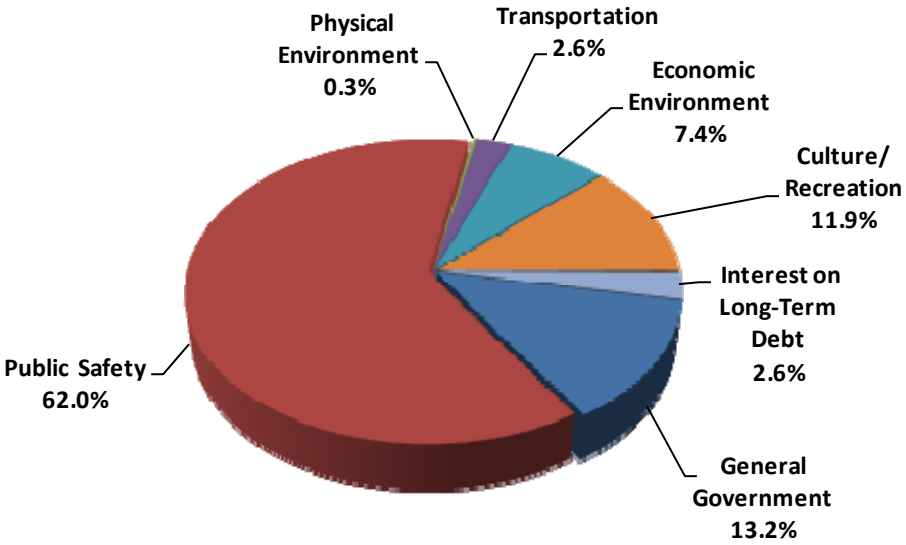
**Revenue by Source - Governmental Activities**




Expenses for governmental activities decreased by 5.6% or $23.7 million. Public safety reported a decrease of $14.1 million in FY2022. Economic environment and general government reported a decrease of $6.9 million and $1.7 million, respectively. Physical environment reported a decrease of $493,253 while transportation reported an increase of $1.2 million.

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 62.0% of all resources used. General government, culture/recreation, and economic environment expenses accounted for 13.2%, 11.9%, and 7.4%, respectively.

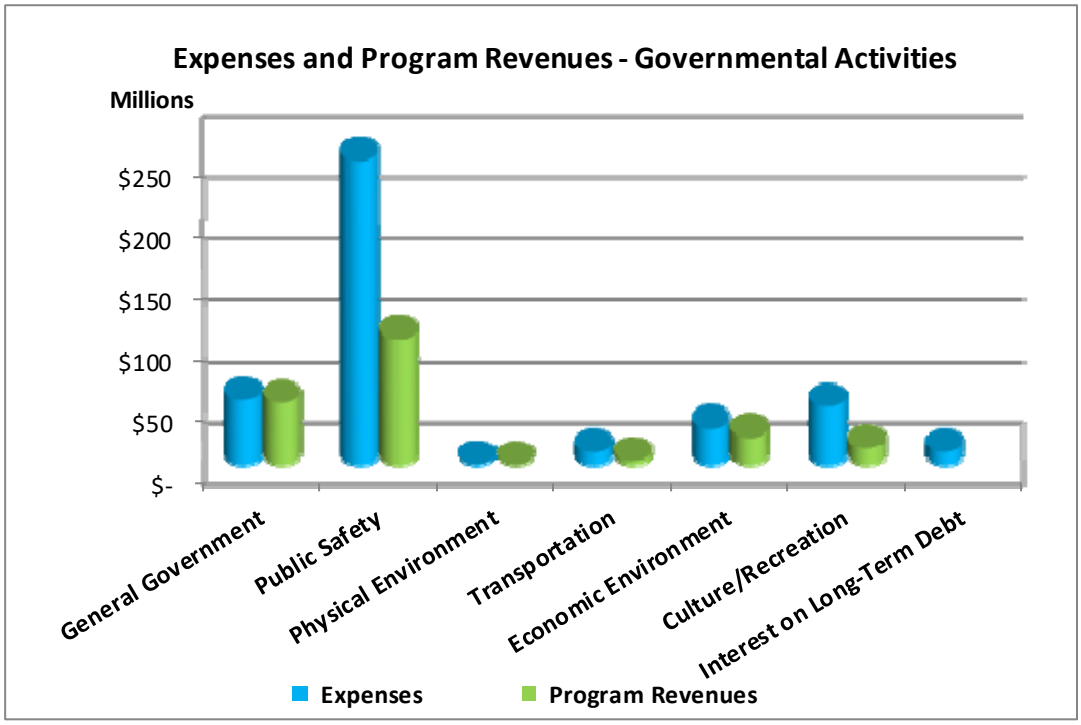
**Expenses by Function - Governmental Activities**




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

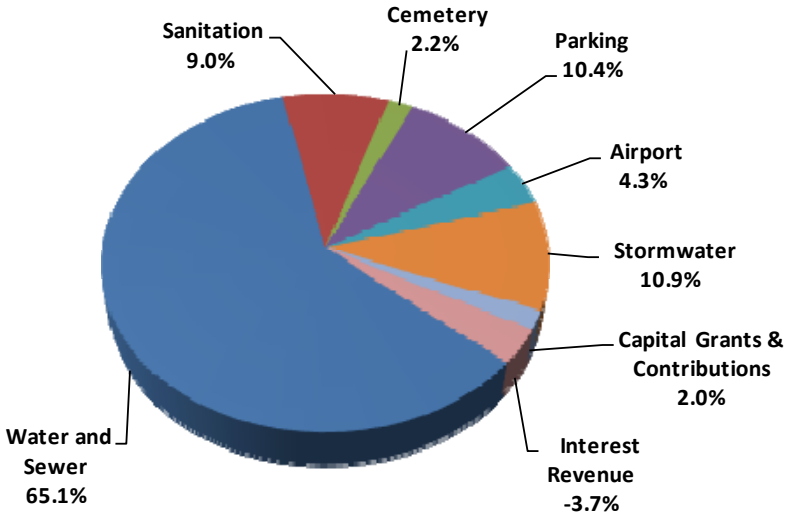
**Expenses and Program Revenues – Governmental Activities**

| Functions/Programs | Expenses | % of Total | Program Revenues | % of Total | Net (Expense) |
|---|---|---|---|---|---|
| General Government | $ 52,615,584 | 13.2% | $ 50,434,899 | 26.0% | $ (2,180,685) |
| Public Safety | 247,576,303 | 62.0% | 103,084,779 | 53.2% | (144,491,524) |
| Physical Environment | 1,059,536 | 0.3% | 375,236 | 0.2% | (684,300) |
| Transportation | 10,334,629 | 2.6% | 3,706,277 | 1.9% | (6,628,352) |
| Economic Environment | 29,647,400 | 7.4% | 22,842,676 | 11.8% | (6,804,724) |
| Culture/Recreation | 47,573,663 | 11.9% | 13,428,665 | 6.9% | (34,144,998) |
| Interest on Long-Term Debt | 10,543,022 | 2.6% | - | 0.0% | (10,543,022) |
| | $ 399,350,137 | 100% | $ 193,872,532 | 100% | $ (205,477,605) |



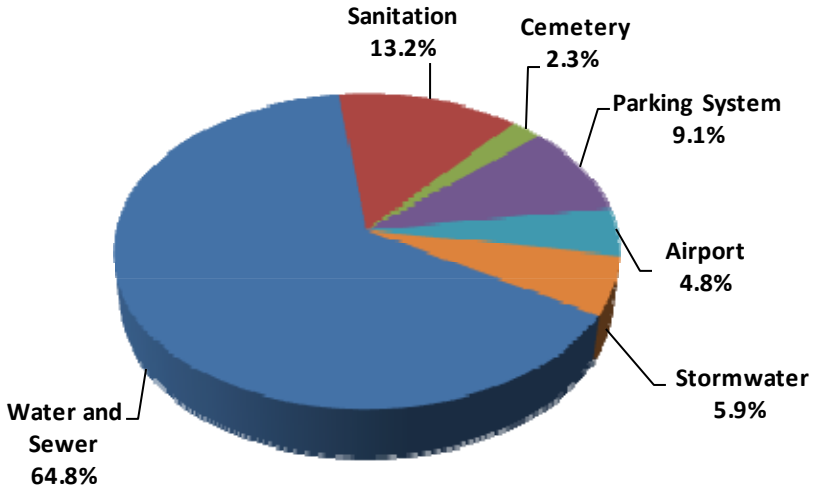

For the business-type activities, net position showed an increase of $64.2 million. Total revenues for these activities decreased by $263,569. In FY2022, overall charges for services increased by $12.0 million. Water and Sewer, parking, sanitation, and airport reported increases of $7.7 million, $3.5 million, $1.1 million, and $402,672, respectively. This fiscal year, a decrease was reported by the Cemetery of $344,943 and Stormwater of $298,393. Interest income decreased by $9.9 million, as a result of lower interest rates.

**Operating Revenues by Function - Business-type Activities**



The total expenses for business-type activities decreased by $19.1 million or 8.8%. Physical environment related expenses decreased by $17.7 million or 9.4% and transportation related expenses decreased by $1.3 million or 4.6%.

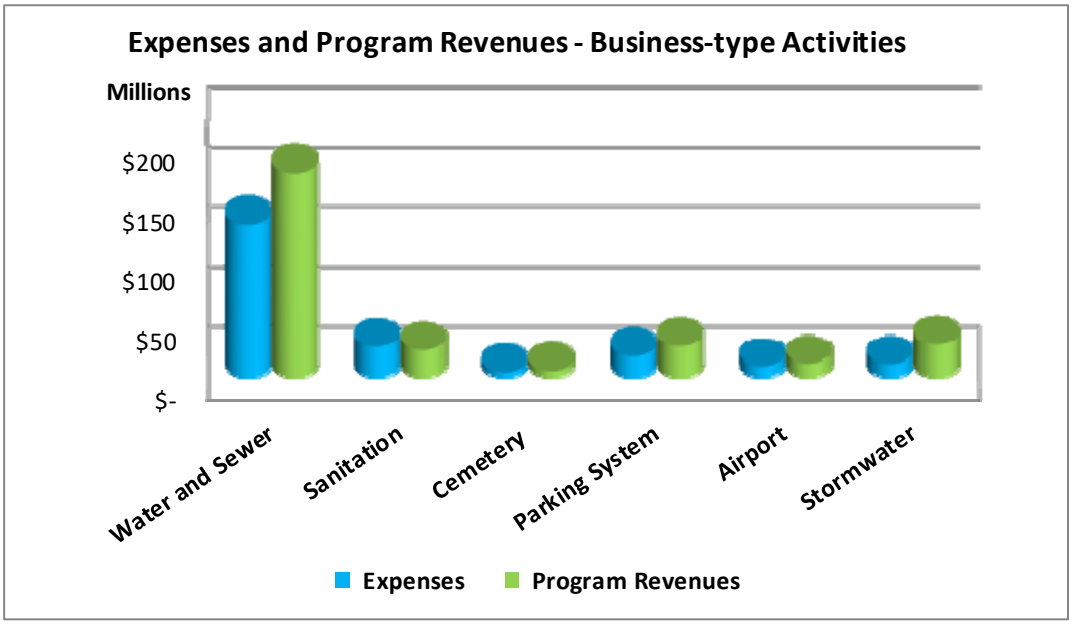
**Expenses by Program - Business-type Activities**




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 | $ 128,643,534 | 64.8% | $ 171,819,074 | 64.3% | $ 43,175,540 |
| Sanitation | 26,194,249 | 13.2% | 23,229,533 | 8.7% | (2,964,716) |
| Cemetery | 4,536,342 | 2.3% | 5,571,691 | 2.1% | 1,035,349 |
| Parking System | 18,053,924 | 9.1% | 26,749,754 | 10.0% | 8,695,830 |
| Airport | 9,611,532 | 4.8% | 11,952,595 | 4.5% | 2,341,063 |
| Stormwater | 11,624,391 | 5.9% | 28,119,089 | 10.5% | 16,494,698 |
| | $ 198,663,972 | 100% | $ 267,441,736 | 100.0% | $ 68,777,764 |




**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, 2022 was $122.2 million, an increase of 6.9% or $7.9 million from the prior year balance of $114.3 million. Approximately 94.6% of the FY2022 fund balance or $115.7 million represents the unassigned fund balance, which is available for spending at the government's discretion.

General Fund revenues for FY2022 totaled $391.8 million, a $19.5 million or 5.2% increase from FY2021. Tax revenues increased by $16.2 million in FY2022, of which property taxes levied for operations increased by $8.4 million. Other taxes increased by $7.8 million or 10.9%. Intergovernmental revenues increased by $4.2 million. Miscellaneous revenues and fines and forfeitures, increased by $1.1 million, combined. Charges for services and licenses and permits revenues decreased by $1.5 million and $347,058, respectively.

Total General Fund expenditures increased by $21.5 million from $318.3 million in FY2021 to $339.8 million in FY2022. Public safety reported an increase of $13.2 million or 6.0%. General government, culture and recreation, transportation, and economic environment reported increases of $2.7 million, $2.5 million, $1.3 million, and $419,036, respectively. Physical environment reported a decrease of $692,488.

The governmental funds ended the year with $497.5 million in fund balance, which is an increase of $18.7 million or 3.9% from FY2021. The combined fund balances of the nonmajor governmental funds increased by $108.1 million or 40.5% to $375.3 million. This increase was mainly due to the General Obligation Construction Fund 2020B not been reported as a major fund in FY2022.

General Capital Projects Fund balance increased by $9.6 million. The Community Redevelopment Agency Capital Projects funds decreased by $4.3 million. The Central Beach Redevelopment Area was due to sunset on September 30, 2021, however in agreement with Broward County the term was extended for a period of up to three years to complete public improvement projects in progress. No taxing authority shall have any tax increment financing obligation to this area after December 31, 2020. The Building Fund fund balance increased by $3.7 million. The Cemetery Trust Fund fund balance decreased by $5.0 million to $27.4 million in FY2022.

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 $64.2 million to $918.6 million in FY2022. Total enterprise funds operating income increased by $31.8 million from $48.7 million in FY2021, to $80.5 million in FY2022, a 65.2% increase. The Water and Sewer Fund net position increased by $33.5 million to $642.4 million. Water and Sewer fund operating income was $55.8 million in FY2022, an increase of $17.6 million compared to FY2021, charges for services increased by $10.7 million mostly due to an additional 5% rate increase dedicated to costs associated with the new water treatment plant. The fund also reported a reduction in personal services in the amount of $8.4 million and in materials, supplies and other expenses of $2.1 million.

In FY2022, the parking system reported a net operating income of $8.6 million, a $4.0 million increase from the prior year, mostly due to an increase in charges for services and parking citations. The Stormwater fund had a net operating income of $16.6 million, an increase of $5.0 million from FY2021. The increase is mainly due to a decrease in personnel costs and other expenses. The Airport and Cemetery funds reported a net operating income of $1.3 million and $82,648 in FY2022. The Sanitation fund reported a net operating loss of $3.0 million.

At September 30, 2022, the City's internal service funds reported a combined net position of $48.8 million. The Vehicle Rental fund ended the year with a net position of $40.8 million, which is an increase of $2.1 million from FY2021. The City Insurance fund's deficit net position increased by $3.8 million from $3.0 million in FY2021 to $6.8 million in FY2022. City Insurance fund reported operating loss of $2.4 million, which is a decrease of $5.0 million from FY2021. The Project Management reported a deficit in net position of $238,692 in FY2022. The Central Services fund's net position balance of $15.2 million represents an increase of $3.1 million or 25.2% from $12.1 million in FY2021. Central Services operating income of $4.2 million is an increase of $1.6 million from FY2021. The Vehicle Rental fund reported a net operating income of $2.5 million, while the Project Management fund reported a net operating loss of $228,141.

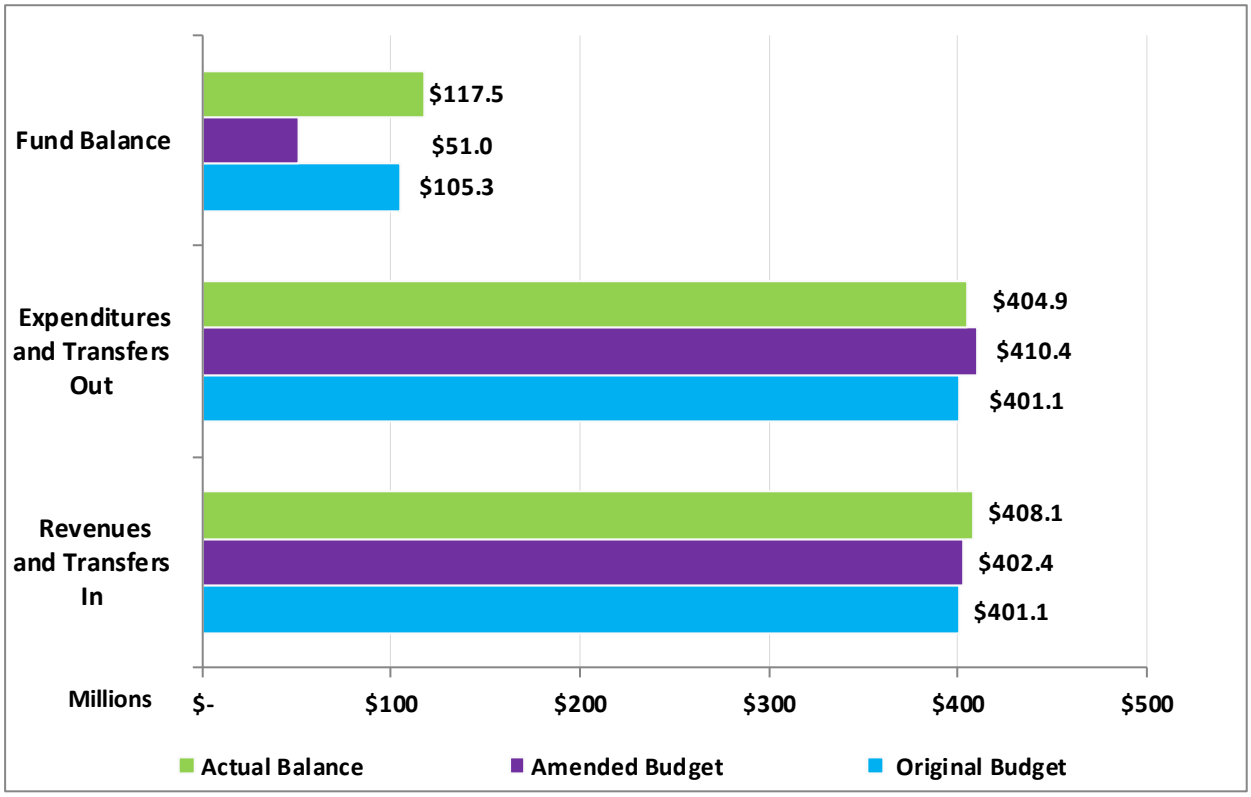
### General Fund Budgetary Highlights

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 FY2022 were higher than the final FY2022 budget by approximately $5.6 million. The majority of FY2022 positive variances or underestimations were accounted for in taxes, intergovernmental revenues, and fines and forfeitures in the amount of $10.7 million. An overestimation of licenses and permits, charges for services, and miscellaneous revenues resulted in a $5.1 million negative variance.

Total expenditures of $344.5 million (including encumbrances of $4.7 million) were $5.5 million lower than the final FY2022 budget. This is primarily due to staff vacancies and operational savings throughout the fiscal year.

**City of Fort Lauderdale**
**FY2022 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 $19.6 million in FY2022, which includes right-to-use lease assets of $4.3 million. Capital asset balances of the business-type activities increased by $3.4 million, of that amount $301,485 is attributed to right-to-use lease assets. Additional information about the City's capital assets can be found in Note 5 to these financial statements.

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

| | Governmental Activities | | Business-type Activities | | Total | | Increase/ (Decrease) | |
|---|---|---|---|---|---|---|---|---|
| | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 | Amount | Percent |
| Land | $ 119,392 | $ 117,292 | $ 52,910 | $ 52,910 | $ 172,302 | $ 170,202 | $ 2,100 | 1.23% |
| Construction in Progress | 36,414 | 62,766 | 107,836 | 86,437 | 144,250 | 149,203 | (4,953) | -3.32% |
| Buildings | 220,508 | 180,165 | 310,952 | 309,199 | 531,460 | 489,364 | 42,096 | 8.60% |
| Improvements | 183,247 | 174,425 | 1,090,371 | 1,073,307 | 1,273,618 | 1,247,732 | 25,886 | 2.07% |
| Machinery, Equipment and Vehicles | 171,881 | 164,101 | 89,082 | 85,445 | 260,963 | 249,546 | 11,417 | 4.58% |
| Infrastructure | 54,924 | 54,632 | 665 | 665 | 55,589 | 55,297 | 292 | 0.53% |
| Right of Use - Leased Assets | 5,829 | - | 394 | - | 6,223 | - | 6,223 | 0.00% |
| | 792,195 | 753,381 | 1,652,210 | 1,607,963 | 2,444,405 | 2,361,344 | 83,061 | 13.7% |
| Less: Accumulated Depreciation and Amortization | (338,101) | (318,861) | (623,562) | (582,714) | (961,663) | (901,575) | (60,088) | 6.66% |
| Capital Assets, net | $ 454,094 | $ 434,520 | $ 1,028,648 | $ 1,025,249 | $1,482,742 | $ 1,459,769 | $ 22,973 | 1.57% |

## Debt Administration

At the end of the current fiscal year, the City of Fort Lauderdale had a total bonded debt outstanding of $827.1 million, which comprises general obligation bonds, special obligation bonds, and water and sewer revenue bonds. Of this amount, $186.1 million is backed by the full faith and credit of the government and $183.6 million is pension related debt for which the City has pledged non-ad valorem revenues. The remainder of the City's long-term obligations is comprised of notes and loans secured by the water and sewer net operating revenues, loans secured by non-ad valorem revenues, a tax increment note issued by the Community Redevelopment Agency (CRA), special assessments bonds and capital lease obligations.

The City's total debt decreased by $19.9 million, or 2.2%, during the current fiscal year. This primarily resulted from the reduction of current debt of $54.9 million through annual debt payments and an increase of $35.0 million from the issuance of Special Assessments Bonds, Tax Increment Revenue Note and the Parking System line of credit. Principal retirements for governmental activities and business type activities totaled $36.6 million and $18.2 million, respectively. More information about the City's long-term debt can be found in Note 7 to these financial statements.

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

| | Governmental Activities | | Business-type Activities | | Total | | Increase/(Decrease) | |
|---|---|---|---|---|---|---|---|---|
| | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 | Amount | Percent |
| General Obligation Bonds | $ 186,080 | $ 190,620 | $ - | $ - | $ 186,080 | $ 190,620 | $ (4,540) | -2.38% |
| Special Obligation Bonds | 183,630 | 207,060 | - | - | 183,630 | 207,060 | (23,430) | -11.32% |
| Special Assessment Bonds | 7,900 | - | - | - | 7,900 | - | 7,900 | 100.00% |
| Revenue Bonds | - | - | 457,420 | 471,590 | 457,420 | 471,590 | (14,170) | -3.00% |
| Notes Payables | 18,485 | 3,910 | - | - | 18,485 | 3,910 | 14,575 | 372.76% |
| Loans Payables | 2,773 | 4,243 | 22,141 | 26,098 | 24,914 | 30,341 | (5,427) | -17.89% |
| Financing Lease Obligations | 2,395 | 3,383 | 880 | 985 | 3,275 | 4,368 | (1,093) | -25.02% |
| Line of Credit | - | - | 6,448 | 130 | 6,448 | 130 | 6,318 | 4860.24% |
| | $ 401,263 | $ 409,216 | $ 486,889 | $ 498,803 | $ 888,152 | $ 908,019 | $ (19,867) | -2.19% |

*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 FY2023 total adopted operating budget for all funds is $985.1 million including balances and transfers. This is approximately $87.3 million more than the FY2022 adopted budget of $897.7 million or a 9.7% increase. The FY2023 adopted General Fund operating budget, including balances and transfers, is $440.3 million. The General Fund budget represents a $39.2 million or 9.8% increase from the FY2022 adopted budget of $401.1 million. The FY2023 Adopted Budget allows the City to fund its General Fund commitments including wages, insurances, and investments in infrastructure. The Adopted Budget invests in the City's priorities and lays the foundation for a financially sustainable future. In FY2023 the operating millage rate of 4.1193 remains unchanged for the sixteenth consecutive year.

The City regularly responds to ever-changing challenges faced by our community. The organization's effectiveness, flexibility, and resiliency are testaments to the City Commission's vision and leadership. It is with a commitment to our neighbors, our businesses, our staff, and the City's future that we strive to do the very best we can with the resources and tools available to us. The FY2023 Adopted Budget demonstrates the City's highest priorities to ensure that we live, work, and play in the best city possible, while remaining financially responsible.

### 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 Finance Department, 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.

Basic Financial Statements

## STATEMENT OF NET POSITION
**September 30, 2022**

| | Primary Government | | | Component Unit |
|---|---|---|---|---|
| | Governmental Activities | Business-type Activities | Total | Sunrise Key |
| **ASSETS** | | | | |
| Cash and Cash Equivalents | $ 398,849,294 | $ 223,874,851 | $ 622,724,145 | $ 169,326 |
| Investments | 33,303,780 | - | 33,303,780 | - |
| Restricted Assets: | | | | |
| Cash and Cash Equivalents | 33,895,593 | 145,664,914 | 179,560,507 | - |
| Investments | 117,616,007 | - | 117,616,007 | - |
| Accounts Receivable (Net) | 15,596,873 | 28,521,979 | 44,118,852 | - |
| Accrued Interest Receivable | 206,696 | 111,418 | 318,114 | - |
| Internal Balances | (10,726,582) | 10,726,582 | - | - |
| Due from Fiduciary Funds | 7,350,369 | - | 7,350,369 | - |
| Due from Other Governments | 17,520,194 | 163 | 17,520,357 | - |
| Lease Receivable | 66,256,957 | 38,591,166 | 104,848,123 | |
| Inventories | 111,462 | 4,738,395 | 4,849,857 | - |
| Property Held for Resale | 6,943,929 | - | 6,943,929 | - |
| Net Pension Asset | 53,062,828 | 30,807,971 | 83,870,799 | - |
| Prepaid Items | - | 568,596 | 568,596 | - |
| Investment in Joint Venture | - | 407,810 | 407,810 | - |
| Deposits | 10,761,687 | 55,270 | 10,816,957 | - |
| Capital Assets Not Being Depreciated | | | | |
| Land | 119,545,177 | 52,909,896 | 172,455,073 | - |
| Construction in Progress | 36,413,585 | 107,835,550 | 144,249,135 | - |
| Capital Assets, Net of Accumulated Depreciation/Amortization: | | | | |
| Buildings | 138,495,743 | 160,166,682 | 298,662,425 | - |
| Improvements | 85,969,666 | 683,250,326 | 769,219,992 | - |
| Infrastructure | 33,532,365 | 590,736 | 34,123,101 | - |
| Machinery, Equipment and Vehicles | 40,137,396 | 23,894,444 | 64,031,840 | - |
| **Total Assets** | 1,204,843,019 | 1,512,716,749 | 2,717,559,768 | 169,326 |
| **DEFERRED OUTFLOWS OF RESOURCES** | | | | |
| Deferred Loss on Refunding Amount | 12,779,312 | 11,793,009 | 24,572,321 | - |
| Deferred Outflows for Pension | 90,136,507 | 12,739,209 | 102,875,716 | - |
| Deferred Outflows for OPEB | 10,393,318 | 3,206,620 | 13,599,938 | - |
| **Total Deferred Outflows of Resources** | 113,309,137 | 27,738,838 | 141,047,975 | - |
| **Total Assets and Deferred Outflows of Resources** | 1,318,152,156 | 1,540,455,587 | 2,858,607,743 | 169,326 |

Continued

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

## STATEMENT OF NET POSITION
**September 30, 2022**

| | Primary Government | | | Component Unit |
|---|---|---|---|---|
| | Governmental Activities | Business-type Activities | Total | Sunrise Key |
| **LIABILITIES** | | | | |
| Accounts Payable | $ 16,732,454 | $ 11,028,401 | $ 27,760,855 | $ 28,430 |
| Accrued Liabilities | 7,257,947 | 1,599,779 | 8,857,726 | - |
| Due to Other Governments | 1,751,914 | - | 1,751,914 | - |
| Deposits | 9,405,889 | 340,994 | 9,746,883 | - |
| Unearned Revenues | 27,260,368 | 4,246,689 | 31,507,057 | - |
| Liabilities Payable from Restricted Assets: | | | | |
| Accounts Payable | - | 1,079,813 | 1,079,813 | - |
| Accrued Interest Payable | 4,139,835 | 1,351,299 | 5,491,134 | - |
| Customer Deposits | - | 10,601,356 | 10,601,356 | - |
| Long-Term Liabilities: | | | | |
| Due Within One Year | 51,513,743 | 20,602,115 | 72,115,858 | - |
| Due in More Than One Year | 575,131,745 | 495,841,935 | 1,070,973,680 | - |
| **Total Liabilities** | 693,193,895 | 546,692,381 | 1,239,886,276 | 28,430 |
| **DEFERRED INFLOWS OF RESOURCES** | | | | |
| Deferred Inflows for Leases | 65,030,300 | 38,282,671 | 103,312,971 | - |
| Deferred Inflows for OPEB | 19,542,188 | 6,029,295 | 25,571,483 | - |
| Deferred Inflows for Pension | 125,598,294 | 30,816,511 | 156,414,805 | - |
| Accumulated Increase in Fair Value of Derivative Instruments | 104,219 | - | 104,219 | - |
| **Total Deferred Inflows of Resources** | 210,275,001 | 75,128,477 | 285,403,478 | - |
| **NET POSITION** | | | | |
| Net Investment in Capital Assets | 389,732,478 | 609,406,334 | 999,138,812 | - |
| Restricted for: | | | | |
| Debt Service | 14,445,465 | 2,714,292 | 17,159,757 | - |
| Capital Improvements | - | 51,269,264 | 51,269,264 | - |
| Inventories | 111,462 | - | 111,462 | - |
| Community Redevelopment | 31,301,070 | - | 31,301,070 | - |
| Transportation | 1,017,530 | - | 1,017,530 | - |
| Public Safety | 4,759,605 | - | 4,759,605 | - |
| Building Code Enforcement | 38,381,910 | - | 38,381,910 | - |
| Renewal and Replacement | - | 15,159,528 | 15,159,528 | - |
| Endowments | | | | |
| Expendable | 9,853,044 | - | 9,853,044 | - |
| Nonexpendable | 17,513,215 | - | 17,513,215 | - |
| Other Purposes | 11,799,020 | - | 11,799,020 | - |
| Unrestricted | (104,231,539) | 240,085,311 | 135,853,772 | 140,896 |
| **Total Net Position** | $ 414,683,260 | $ 918,634,729 | $ 1,333,317,989 | $ 140,896 |

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

## STATEMENT OF ACTIVITIES
**For the Year Ended September 30, 2022**

| | | Program Revenues | | | Net (Expense) Revenue and Changes in Net Position | | | |
|---|---|---|---|---|---|---|---|---|
| | | | | | Primary Government | | | Component Unit |
| Functions/Programs | Expenses | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Governmental Activities | Business-type Activities | Total | Sunrise Key |
| **Primary Government** | | | | | | | | |
| Governmental Activities: | | | | | | | | |
| General Government | $ 52,613,276 | $ 32,037,860 | $ 18,364,588 | $ 32,451 | $ (2,178,377) | $ - | $ (2,178,377) | $ - |
| Public Safety | 247,564,932 | 101,626,756 | 1,378,150 | 79,873 | (144,480,153) | - | (144,480,153) | - |
| Physical Environment | 1,059,524 | 279,614 | 95,622 | - | (684,288) | - | (684,288) | - |
| Transportation | 10,334,232 | 1,381,046 | 1,351,384 | 973,847 | (6,627,955) | - | (6,627,955) | - |
| Economic Environment | 29,663,257 | 1,899,464 | 20,437,923 | 505,289 | (6,820,581) | - | (6,820,581) | - |
| Culture/Recreation | 47,571,894 | 12,205,065 | 230,206 | 993,394 | (34,143,229) | - | (34,143,229) | - |
| Interest on Long-Term Debt | 10,543,022 | - | - | - | (10,543,022) | - | (10,543,022) | - |
| **Total Governmental Activities** | 399,350,137 | 149,429,805 | 41,857,873 | 2,584,854 | (205,477,605) | - | (205,477,605) | - |
| Business-type Activities: | | | | | | | | |
| Water and Sewer | 128,643,534 | 167,721,819 | - | 4,097,255 | - | 43,175,540 | 43,175,540 | - |
| Sanitation | 26,194,249 | 23,229,533 | - | - | - | (2,964,716) | (2,964,716) | - |
| Cemetery | 4,536,342 | 5,571,691 | - | - | - | 1,035,349 | 1,035,349 | - |
| Parking | 18,053,924 | 26,749,754 | - | - | - | 8,695,830 | 8,695,830 | - |
| Airport | 9,611,532 | 11,036,301 | - | 916,294 | - | 2,341,063 | 2,341,063 | - |
| Stormwater | 11,624,391 | 28,082,310 | - | 36,779 | - | 16,494,698 | 16,494,698 | - |
| **Total Business-type Activities** | 198,663,972 | 262,391,408 | - | 5,050,328 | - | 68,777,764 | 68,777,764 | - |
| **Total Primary Government** | $ 598,014,109 | $ 411,821,213 | $ 41,857,873 | $ 7,635,182 | (205,477,605) | 68,777,764 | (136,699,841) | - |
| **Component Unit** | | | | | | | | |
| Sunrise Key | $ 121,862 | $ - | $ - | $ - | - | - | - | (121,862) |
| **Total Component Unit** | $ 121,862 | $ - | $ - | $ - | - | - | - | (121,862) |
| General Revenues: | | | | | | | | |
| Taxes: | | | | | | | | |
| Property Taxes | | | | | 181,741,443 | - | 181,741,443 | 139,158 |
| Utility Service Taxes | | | | | 42,337,880 | - | 42,337,880 | - |
| Franchise Fees | | | | | 29,090,957 | - | 29,090,957 | - |
| Insurance Premium Taxes | | | | | 7,671,702 | - | 7,671,702 | - |
| Grants and Contributions not Restricted to Specific Programs | | | | | 24,302,052 | - | 24,302,052 | - |
| Investment Loss | | | | | (15,363,824) | (9,631,250) | (24,995,074) | 2 |
| Miscellaneous | | | | | 6,990,451 | 361,950 | 7,352,401 | 1,780 |
| Transfers | | | | | (4,698,598) | 4,698,598 | - | - |
| Total General Revenues/Transfers | | | | | 272,072,063 | (4,570,702) | 267,501,361 | 140,940 |
| Change in Net Position | | | | | 66,594,458 | 64,207,062 | 130,801,520 | 19,078 |
| Net Position - Beginning, as restated (Note 18) | | | | | 348,088,802 | 854,427,667 | 1,202,516,469 | 121,818 |
| Net Position - Ending | | | | | $ 414,683,260 | $ 918,634,729 | $ 1,333,317,989 | $ 140,896 |

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

## BALANCE SHEET
## GOVERNMENTAL FUNDS
## September 30, 2022

| | General Fund | Nonmajor Governmental Funds | Total Governmental Funds |
|---|---|---|---|
| **ASSETS** | | | |
| Cash and Cash Equivalents | $ 122,413,138 | $ 240,218,775 | $ 362,631,913 |
| Investments | - | 150,815,568 | 150,815,568 |
| Accounts Receivable (Net) | 14,919,825 | 662,848 | 15,582,673 |
| Accrued Interest Receivable | - | 206,696 | 206,696 |
| Due from Other Governments | 6,186,926 | 11,333,268 | 17,520,194 |
| Due from Other Funds | 267,675 | - | 267,675 |
| Due from Fiduciary Funds | 7,350,369 | - | 7,350,369 |
| Lease Receivable | 66,256,957 | - | 66,256,957 |
| Inventories | - | 6,750 | 6,750 |
| Property Held for Resale | - | 6,943,929 | 6,943,929 |
| Deposits | 159,543 | 10,602,144 | 10,761,687 |
| **Total Assets** | $ 217,554,433 | $ 420,789,978 | $ 638,344,411 |
| **LIABILITIES** | | | |
| Accounts Payable | $ 7,256,226 | $ 7,177,185 | $ 14,433,411 |
| Accrued Liabilities | 6,328,442 | 521,804 | 6,850,246 |
| Due to Other Governments | 1,731,714 | 20,200 | 1,751,914 |
| Due to Other Funds | - | 267,675 | 267,675 |
| Deposits | 8,949,422 | 456,467 | 9,405,889 |
| Unearned Revenues | 2,126,316 | 25,134,052 | 27,260,368 |
| **Total Liabilities** | 26,392,120 | 33,577,383 | 59,969,503 |
| **DEFERRED INFLOWS OF RESOURCES** | | | |
| Unavailable Property Tax Revenues | 3,893,861 | 196,623 | 4,090,484 |
| Unavailable Assessment Revenues | 40,423 | 85,580 | 126,003 |
| Leases (Lessor) | 65,030,300 | - | 65,030,300 |
| Unavailable Grant Revenues | - | 11,670,388 | 11,670,388 |
| **Total Deferred Inflows of Resources** | 68,964,584 | 11,952,591 | 80,917,175 |
| **FUND BALANCES** | | | |
| Nonspendable | - | 17,519,965 | 17,519,965 |
| Restricted | - | 319,633,501 | 319,633,501 |
| Committed | 1,825,738 | - | 1,825,738 |
| Assigned | 4,717,729 | 38,152,847 | 42,870,576 |
| Unassigned | 115,654,262 | (46,309) | 115,607,953 |
| **Total Fund Balances** | 122,197,729 | 375,260,004 | 497,457,733 |
| **Total Liabilities, Deferred Inflows of Resources, and Fund Balances** | $ 217,554,433 | $ 420,789,978 | $ 638,344,411 |

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

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION**
**September 30, 2022**

| | | |
|---|---|---|
| **Total fund balances of governmental funds** | | **$ 497,457,733** |
| 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. | | **421,890,116** |
| Right to use leased assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. | | **4,265,257** |
| Net pension assets are not considered to represent financial assets and, therefore, are not presented in the governmental funds. | | **46,636,725** |
| Other long-term assets are not available to pay for current period expenditures and, therefore are deferred in the funds. | | **23,786,875** |
| 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. | | **38,093,901** |
| Deferred outflows of resources related to pensions are not recognized in the governmental funds and are recorded in the statement of net position. | | **88,401,250** |
| Deferred outflows of resources related to OPEB are not recognized in the governmental funds and are recorded in the statement of net position. | | **9,899,166** |
| Deferred inflows of resources related to pension are not recognized in the governmental funds and are recorded in the statement of net position. | | **(119,220,367)** |
| Deferred inflows of resources related to OPEB are not recognized in the governmental funds and are recorded in the statement of net position. | | **(18,613,050)** |
| Deferred inflows of resources related to Special Assessment revenues are not recognized in the governmental funds and are recorded in the statement of net position. | | **(7,900,000)** |
| 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. | | **12,779,312** |
| Long-term liabilities are not due and payable in the current period and accordingly are not reported as fund liabilities. | | |
| Bonds Payable | $ (377,610,000) | |
| Notes Payable | (21,258,000) | |
| Financing Lease Obligations | (458,386) | |
| Leased Payables | (4,345,276) | |
| Net Pension Liabilities | (131,434,782) | |
| Net OPEB Liabilities | (3,603,849) | |
| Compensated Absences Payable | (30,473,861) | |
| Accrued Interest Payable | (4,139,835) | |
| Unamortized Bond Premiums and Discounts | (9,469,669) | **(582,793,658)** |
| **Total net position of governmental activities** | | **$ 414,683,260** |

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

## STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS
**For the Year Ended September 30, 2022**

| | General Fund | Nonmajor Governmental Funds | Total Governmental Funds |
|---|---|---|---|
| **REVENUES** | | | |
| Taxes | $ 250,090,068 | $ 10,675,074 | $ 260,765,142 |
| Licenses and Permits | 3,274,782 | 28,198,587 | 31,473,369 |
| Intergovernmental Revenues | 27,403,737 | 40,197,562 | 67,601,299 |
| Charges for Services | 25,116,094 | 84,044 | 25,200,138 |
| Fines and Forfeitures | 1,724,225 | 2,574,631 | 4,298,856 |
| Miscellaneous Revenues: | | | |
| Assessments and Other Fees | 49,174,388 | 5,757,092 | 54,931,480 |
| Investment Loss | (5,432,906) | (7,554,854) | (12,987,760) |
| Rents and Concessions | 8,047,042 | 396,015 | 8,443,057 |
| Contributions and Donations | 491,764 | 34,447 | 526,211 |
| Interfund Service Charges | 27,248,640 | - | 27,248,640 |
| Other Miscellaneous | 4,657,396 | 1,781,581 | 6,438,977 |
| **Total Revenues** | 391,795,230 | 82,144,179 | 473,939,409 |
| **EXPENDITURES** | | | |
| Current: | | | |
| General Government | 52,012,507 | 445,605 | 52,458,112 |
| Public Safety | 233,211,564 | 25,266,462 | 258,478,026 |
| Physical Environment | 164,641 | 111,226 | 275,867 |
| Transportation | 8,973,081 | 47,895 | 9,020,976 |
| Economic Environment | 2,939,317 | 27,102,677 | 30,041,994 |
| Culture/Recreation | 39,520,048 | 676,340 | 40,196,388 |
| Debt Service: | | | |
| Principal Retirement | 978,590 | 36,036,037 | 37,014,627 |
| Interest and Fiscal Charges | 22,690 | 10,301,803 | 10,324,493 |
| Bond Issuance Costs | - | 73,624 | 73,624 |
| Capital Outlay | 1,996,207 | 40,653,424 | 42,649,631 |
| **Total Expenditures** | 339,818,645 | 140,715,093 | 480,533,738 |
| **Excess (Deficiency) of Revenues Over (Under) Expenditures** | 51,976,585 | (58,570,914) | (6,594,329) |
| **OTHER FINANCING SOURCES (USES)** | | | |
| Transfers In | 16,264,573 | 61,747,189 | 78,011,762 |
| Transfers (Out) | (60,362,114) | (21,602,005) | (81,964,119) |
| Debt Issuance | - | 28,669,000 | 28,669,000 |
| Premium on Bonds | - | 599,290 | 599,290 |
| **Total Other Financing Sources (Uses)** | (44,097,541) | 69,413,474 | 25,315,933 |
| **Net Change in Fund Balances** | 7,879,044 | 10,842,560 | 18,721,604 |
| **Fund Balances - Beginning** | 114,318,685 | 364,417,444 | 478,736,129 |
| **Fund Balances - Ending** | $ 122,197,729 | $ 375,260,004 | $ 497,457,733 |

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

## RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
**For The Year Ended September 30, 2022**

| | | |
|---|---|---|
| **Net change in fund balances of governmental funds** | | **$ 18,721,604** |
| 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 | $ 34,147,780 | |
| Depreciation Expense | (17,968,459) | **16,179,321** |
| Amortization Expense for Intangible Assets | (1,406,201) | **(1,406,201)** |
| Some revenues reported in the statement of activities are not considered current financial resources and, therefore, are not reported as revenues in governmental funds. | | **1,159,777** |
| The change in the deferred refunding amounts has no effect on the current financial resource and, therefore, is not reported in the governmental funds. | | **(2,011,172)** |
| The issuance of long-term debt (e.g., bonds, 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 | $ 27,970,000 | |
| Notes Payable | 7,663,900 | |
| Financing Lease Obligation | 54,545 | |
| Leases | 1,326,182 | |
| Debt Issuance: | | |
| General Obligation Debt | (28,669,000) | |
| Bond Issuance Premium | (599,290) | |
| Leases | | **7,746,337** |
| 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 | $ 189,696 | |
| Amortization of Bond Discounts and Premiums | 1,678,120 | |
| Change in pension expense | 22,657,715 | |
| Other Post-Employment Benefits | 20,635 | |
| Compensated Absences Payable and Longevity Pay | 820,193 | |
| Leases | (4,289) | **25,362,070** |
| 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. | | **842,722** |
| **Change in net position of governmental activities** | | **$ 66,594,458** |

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

**STATEMENT OF NET POSITION**
**PROPRIETARY FUNDS**
**September 30, 2022**

| | 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 | $ 113,557,792 | $ 110,317,059 | $ 223,874,851 | $ 70,112,974 |
| Investments | - | - | - | 104,219 |
| Restricted Cash and Cash Equivalents | 7,609,760 | 2,991,596 | 10,601,356 | - |
| Accounts Receivable (Net) | 21,435,697 | 7,086,282 | 28,521,979 | 14,200 |
| Accrued Interest Receivable | 111,418 | - | 111,418 | - |
| Due from Other Governments | - | 163 | 163 | - |
| Lease Receivable | - | 1,303,075 | 1,303,075 | - |
| Inventories | 4,738,395 | - | 4,738,395 | 104,712 |
| Net Pension Asset | 20,706,332 | 10,101,639 | 30,807,971 | 6,426,103 |
| Prepaids Items | - | 568,596 | 568,596 | - |
| Deposits | 55,270 | - | 55,270 | - |
| **Total Current Assets** | 168,214,664 | 132,368,410 | 300,583,074 | 76,762,208 |
| Noncurrent Assets: | | | | |
| Lease Receivable | - | 37,288,091 | 37,288,091 | - |
| Restricted Assets: | | | | |
| Cash and Cash Equivalents | 133,089,269 | 1,974,289 | 135,063,558 | - |
| **Total Noncurrent Restricted Assets** | 133,089,269 | 1,974,289 | 135,063,558 | - |
| Investment in Joint Venture | - | 407,810 | 407,810 | - |
| | - | 407,810 | 407,810 | - |
| Capital Assets: | | | | |
| Land | 7,739,200 | 45,170,696 | 52,909,896 | - |
| Construction in Progress | 72,325,408 | 35,510,142 | 107,835,550 | 2,522,869 |
| Buildings | 250,436,544 | 60,514,982 | 310,951,526 | 962,879 |
| Improvements | 979,704,250 | 110,666,615 | 1,090,370,865 | 5,287,142 |
| Infrastructure | - | 665,313 | 665,313 | - |
| Machinery, Equipment and Vehicles | 59,607,915 | 29,474,481 | 89,082,396 | 87,587,667 |
| Less: Accumulated Depreciation | (505,554,669) | (117,914,728) | (623,469,397) | (68,499,540) |
| **Total Capital Assets Being Depreciated (Net)** | 864,258,648 | 164,087,501 | 1,028,346,149 | 27,861,017 |
| Lease Assets Being Amortized: | | | | |
| Right of Use - Leased Assets | 153,853 | 240,396 | 394,249 | 157,461 |
| Less: Accumulated Amortization | (36,201) | (56,563) | (92,764) | (79,919) |
| Total Lease Assets Being Amortized, Net | 117,652 | 183,833 | 301,485 | 77,542 |
| **Total Noncurrent Assets** | 997,465,569 | 203,941,524 | 1,201,407,093 | 27,938,559 |
| **Total Assets** | 1,165,680,233 | 336,309,934 | 1,501,990,167 | 104,700,767 |
| **DEFERRED OUTFLOWS OF RESOURCES** | | | | |
| Deferred Loss on Refunding Amount | 11,793,009 | - | 11,793,009 | - |
| Deferred Outflows on Pension | 7,387,054 | 5,352,155 | 12,739,209 | 1,735,257 |
| Deferred Outflows on OPEB | 2,024,951 | 1,181,669 | 3,206,620 | 494,152 |
| **Total Deferred Outflows of Resources** | 21,205,014 | 6,533,824 | 27,738,838 | 2,229,409 |
| **Total Assets and Deferred Outflows of Resources** | 1,186,885,247 | 342,843,758 | 1,529,729,005 | 106,930,176 |

Continued

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

**STATEMENT OF NET POSITION**
**PROPRIETARY FUNDS**
**September 30, 2022**

| | Business-type Activities - Enterprise Funds | | | Governmental |
|---|---|---|---|---|
| | Water and Sewer | Nonmajor Enterprise Funds | Total Enterprise Funds | Activities - Internal Service Funds |
| **LIABILITIES** | | | | |
| Current Liabilities: | | | | |
| Accounts Payable | $ 7,375,310 | $ 3,653,091 | $ 11,028,401 | $ 2,299,043 |
| Accrued Liabilities | 1,036,375 | 563,368 | 1,599,743 | 407,647 |
| Accrued Interest Payable | - | 36 | 36 | 54 |
| Lease Liability | 35,426 | 55,354 | 90,780 | 61,572 |
| Unearned Revenues | - | 4,246,689 | 4,246,689 | - |
| Financing Lease Obligation | - | 110,272 | 110,272 | 956,408 |
| Compensated Absences Payable | 493,766 | 256,775 | 750,541 | 150,286 |
| Bonds and Notes Payable | 19,600,491 | - | 19,600,491 | - |
| Landfill Post-Closure Costs | - | 50,031 | 50,031 | - |
| Estimated Claims Payable | - | - | - | 12,372,000 |
| Current Liabilities Payable from Restricted Assets: | | | | |
| Accounts Payable | 1,079,813 | - | 1,079,813 | - |
| Accrued Interest Payable | 1,351,299 | - | 1,351,299 | - |
| Customer Deposits | 7,609,760 | 2,991,596 | 10,601,356 | - |
| **Total Current Liabilities** | 38,582,240 | 11,927,212 | 50,509,452 | 16,247,010 |
| Noncurrent Liabilities: | | | | |
| Lease Liability | 84,167 | 131,511 | 215,678 | 16,681 |
| Deposits | 340,994 | - | 340,994 | - |
| Bonds and Notes Payable (Net) | 471,467,057 | 6,448,315 | 477,915,372 | - |
| Financing Lease Obligation | - | 769,589 | 769,589 | 980,032 |
| Estimated Claims Payable | - | - | - | 30,940,000 |
| Net Pension Liabilities | 5,635,274 | 4,744,132 | 10,379,406 | 1,113,004 |
| Net OPEB Liability | 737,195 | 430,193 | 1,167,388 | 179,899 |
| Compensated Absences Payable | 3,154,186 | 1,695,253 | 4,849,439 | 1,221,783 |
| Landfill Post-Closure Costs | - | 545,063 | 545,063 | - |
| **Total Noncurrent Liabilities** | 481,418,873 | 14,764,056 | 496,182,929 | 34,451,399 |
| **Total Liabilities** | 520,001,113 | 26,691,268 | 546,692,381 | 50,698,409 |
| **DEFERRED INFLOWS OF RESOURCES** | | | | |
| Deferred Inflows for Leases | - | 38,282,671 | 38,282,671 | - |
| Derivative Instruments | - | - | - | 104,219 |
| Deferred Inflows OPEB | 3,807,444 | 2,221,851 | 6,029,295 | 929,138 |
| Deferred Inflows on Pension | 20,648,396 | 10,168,115 | 30,816,511 | 6,377,927 |
| **Total Deferred Inflows of Resources** | 24,455,840 | 50,672,637 | 75,128,477 | 7,411,284 |
| **Total Liabilities and Deferred Inflows of Resources** | 544,456,953 | 77,363,905 | 621,820,858 | 58,109,693 |
| **NET POSITION** | | | | |
| Net Investment in Capital Assets | 452,650,041 | 156,756,293 | 609,406,334 | 25,923,866 |
| Restricted for: | | | | |
| Debt Service | 2,714,292 | - | 2,714,292 | - |
| Water Treatment | 4,065,152 | - | 4,065,152 | - |
| Capital Improvements | 45,295,746 | 1,908,366 | 47,204,112 | - |
| Renewal and Replacement | 15,093,605 | 65,923 | 15,159,528 | - |
| Unrestricted | 122,609,458 | 106,749,271 | 229,358,729 | 22,896,617 |
| **Total Net Position** | $ 642,428,294 | $ 265,479,853 | 907,908,147 | $ 48,820,483 |
| Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds. | | | 10,726,582 | |
| Net Position of Business-type Activities | | | $ 918,634,729 | |

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

## STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
## PROPRIETARY FUNDS
## For The Year Ended September 30, 2022

| | Business-type Activities - Enterprise Funds | | | Governmental |
|---|---|---|---|---|
| | Water and Sewer | Nonmajor Enterprise Funds | Total Enterprise Funds | Activities - Internal Service Funds |
| **Operating Revenues:** | | | | |
| Charges for Services | $ 165,372,585 | $ 84,637,262 | $ 250,009,847 | $ 110,185,965 |
| Parking Citations | - | 4,022,187 | 4,022,187 | - |
| Land Leases | - | 4,306,153 | 4,306,153 | - |
| Miscellaneous Revenues | 2,349,234 | 1,703,987 | 4,053,221 | 1,131,794 |
| **Total Operating Revenues** | 167,721,819 | 94,669,589 | 262,391,408 | 111,317,759 |
| **Operating Expenses:** | | | | |
| Personal Services | 28,912,351 | 17,695,199 | 46,607,550 | 11,713,940 |
| Materials, Supplies and Other Expenses | 48,993,697 | 44,757,611 | 93,751,308 | 87,748,113 |
| Depreciation | 34,013,975 | 7,511,826 | 41,525,801 | 7,963,447 |
| **Total Operating Expenses** | 111,920,023 | 69,964,636 | 181,884,659 | 107,425,500 |
| **Operating Income** | 55,801,796 | 24,704,953 | 80,506,749 | 3,892,259 |
| **Nonoperating Revenues (Expenses):** | | | | |
| Interest Loss | (6,066,727) | (3,564,523) | (9,631,250) | (2,411,053) |
| Interest Expense and Fiscal Charges | (17,046,346) | (91,344) | (17,137,690) | (70,884) |
| Leases Amortization and Interest | - | (930) | (930) | (401) |
| Insurance Proceeds | 221,650 | 23,500 | 245,150 | - |
| Gain on Sale of Capital Assets | 60,800 | 56,000 | 116,800 | 538,349 |
| **Total Nonoperating Revenues (Expenses)** | (22,830,623) | (3,577,297) | (26,407,920) | (1,943,989) |
| **Income Before Contributions and Transfers** | 32,971,173 | 21,127,656 | 54,098,829 | 1,948,270 |
| Capital Contributions | 4,097,255 | 953,073 | 5,050,328 | - |
| Transfers In | - | 10,731,946 | 10,731,946 | 645,000 |
| Transfers (Out) | (3,616,924) | (2,416,424) | (6,033,348) | (1,391,241) |
| **Change in Net Position** | 33,451,504 | 30,396,251 | 63,847,755 | 1,202,029 |
| **Net Position - Beginning** | 608,976,790 | 235,083,602 | | 47,618,454 |
| **Net Position - Ending** | $ 642,428,294 | $ 265,479,853 | | $ 48,820,483 |

| | |
|---|---|
| Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds. | 359,307 |
| Change in Net Position of Business-type Activities | $ 64,207,062 |

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

**STATEMENT OF CASH FLOWS**
**PROPRIETARY FUNDS**
**For The Year Ended September 30, 2022**

| | 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 | $ 167,297,713 | $ 97,820,183 | $ 265,117,896 | $ 111,308,707 |
| Payments to Suppliers | (47,679,070) | (28,249,147) | (75,928,217) | (72,193,857) |
| Payments to Employees | (34,691,626) | (20,742,754) | (55,434,380) | (13,636,753) |
| Payments to Other Funds | (14,047,938) | (16,993,713) | (31,041,651) | (8,052,685) |
| **Net Cash Provided by Operating Activities** | 70,879,079 | 31,834,569 | 102,713,648 | 17,425,412 |
| **Cash Flows from Noncapital Financing Activities** | | | | |
| Transfers from Other Funds | - | 10,731,946 | 10,731,946 | 645,000 |
| Transfers (to) Other Funds | (3,616,924) | (2,416,424) | (6,033,348) | (1,391,241) |
| **Net Cash Provided (Used) by Noncapital Financing Activities** | (3,616,924) | 8,315,522 | 4,698,598 | (746,241) |
| **Cash Flows from Capital and Related Financing Activities** | | | | |
| Acquisition/Construction of Capital Assets | (21,619,172) | (17,519,187) | (39,138,359) | (7,015,681) |
| Principal Paid on Capital Debt | (18,127,091) | (104,698) | (18,231,789) | (933,354) |
| Interest Paid on Capital Debt | (17,591,588) | (91,344) | (17,682,932) | (71,097) |
| Proceeds from Sale of Capital Assets | 60,800 | 56,000 | 116,800 | 538,349 |
| Contributions | 4,097,255 | 953,073 | 5,050,328 | - |
| Proceeds from Insurance | 221,650 | 23,500 | 245,150 | - |
| Proceeds from Debt Issuance | - | 6,318,315 | 6,318,315 | - |
| Right to Use - Leased Assets | 1,941 | 2,138 | 4,079 | 577 |
| **Net Cash (Used) by Capital and Related Financing Activities** | (52,956,205) | (10,362,203) | (63,318,408) | (7,481,206) |
| **Cash Flows from Investing Activities** | | | | |
| Purchase of Investments | (6,177,422) | (3,564,523) | (9,741,945) | (2,411,053) |
| **Net Cash Used by Investment Activities** | (6,177,422) | (3,564,523) | (9,741,945) | (2,411,053) |
| **Net Increase in Cash and Cash Equivalents** | 8,128,528 | 26,223,365 | 34,351,893 | 6,786,912 |
| **Cash and Cash Equivalents at Beginning of Year** | 246,128,293 | 89,059,579 | 335,187,872 | 63,326,062 |
| **Cash and Cash Equivalents at End of Year** | $ 254,256,821 | $ 115,282,944 | $ 369,539,765 | $ 70,112,974 |

*Continued*

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

**STATEMENT OF CASH FLOWS - Continued**
**PROPRIETARY FUNDS**
**For The Year Ended September 30, 2022**

| | Business-type Activities - Enterprise Funds | | | Governmental Activities - Internal Service Funds |
|---|---|---|---|---|
| | Water and Sewer | Nonmajor Enterprise Funds | Total Enterprise Funds | |
| **Reconciliation of Operating Income to Net Cash Provided by Operating Activities Activities** | | | | |
| Operating Income | $ 55,801,796 | $ 24,704,953 | $ 80,506,749 | $ 3,892,259 |
| Depreciation | 34,013,975 | 7,511,826 | 41,525,801 | 7,963,447 |
| Equity in Earnings on Unconsolidated Joint Venture | - | 46,266 | 46,266 | - |
| Change in Assets and Liabilities: | | | | |
| (Increase) in Accounts Receivable | (986,161) | (38,941,777) | (39,927,938) | (9,052) |
| Decrease in Due from Other Funds | - | 743,832 | 743,832 | - |
| Decrease in Due from Other Governments | - | 2,504,988 | 2,504,988 | - |
| (Increase) Decrease in Inventories | (407,790) | - | (407,790) | 103 |
| (Increase) in Net Pension Asset | (20,706,332) | (10,101,639) | (30,807,971) | (6,426,103) |
| Decrease in Deposits | 562,055 | 99,401 | 661,456 | - |
| (Increase) Decrease in Deferred Outflows of Resources | (1,272,989) | 1,868,992 | 596,003 | 55,843 |
| Decrease in Derivative Instruments | - | - | - | 784,228 |
| (Decrease) in Accounts Payable | (12,325,521) | (436,382) | (12,761,903) | (2,799,532) |
| Increase in Accrued Liabilities | 169,053 | 51,713 | 220,766 | 49,800 |
| Increase in Unearned Revenues | - | 415,215 | 415,215 | - |
| Increase (Decrease) in Pension Liabilities | (2,921,989) | 435,030 | (2,486,959) | (1,499,854) |
| (Decrease) in OPEB Liability | (4,204,291) | (2,453,433) | (6,657,724) | (1,025,981) |
| Increase (Decrease) in Compensated Absences Payable | 115,952 | (41,179) | 74,773 | (122,521) |
| (Decrease) in Estimated Claims Payable | - | - | - | 10,301,000 |
| (Decrease) in Landfill Post-Closure Costs | - | (48,868) | (48,868) | - |
| Increase in Deferred Inflows of Resources | 23,041,321 | 45,475,631 | 68,516,952 | 6,261,775 |
| **Total Adjustments** | 15,077,283 | 7,129,616 | 22,206,899 | 13,533,153 |
| **Net Cash Provided by Operating Activities** | $ 70,879,079 | $ 31,834,569 | $ 102,713,648 | $ 17,425,412 |

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

## STATEMENT OF FIDUCIARY NET POSITION
## FIDUCIARY FUNDS
## September 30, 2022

| | Pension and OPEB Trusts |
|---|---|
| **ASSETS** | |
| Cash and Cash Equivalents | $ 4,273,817 |
| Investments: | |
| U.S. Treasury Securities | 185,477,865 |
| U.S. Government Agency Obligations | 16,384,589 |
| Corporate Bonds and Other Fixed Income | 119,693,694 |
| Mutual Funds & Other | 16,567,854 |
| Money Market Funds | 19,069,243 |
| Index Funds & Other | 204,699,349 |
| Hedge Fund of Funds | 12,773,685 |
| Common and Preferred Stocks | 373,890,225 |
| Commingled Funds | 371,547,249 |
| Real Estate and Timber | 308,281,245 |
| Private Equity | 96,749,798 |
| Total Investments | 1,725,134,796 |
| Receivables: | |
| Unsettled Trades | 2,478,756 |
| Accrued Interest and Dividends | 3,636,742 |
| Total Receivables: | 6,115,498 |
| Intangible Right to Use Leased Assets, Net of Amortization | 76,334 |
| Prepaid Expense | 4,600 |
| **Total Assets** | 1,735,605,045 |
| **LIABILITIES** | |
| Current Liabilities: | |
| Unsettled Trades | 1,563,607 |
| Accounts Payable and Accrued Liabilities | 1,101,697 |
| Due to Primary Government | 7,350,369 |
| Leases | 55,739 |
| Total Current Liabilities | 10,071,412 |
| Long-Term Liabilities: | |
| Leases | 23,487 |
| **Total Liabilities** | 10,094,899 |
| **Net Position** | |
| Restricted for: | |
| Pension | 1,690,068,403 |
| OPEB Benefits | 35,441,743 |
| **Total Net Position** | $ 1,725,510,146 |

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

## STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
## FIDUCIARY FUNDS
## For the Year Ended September 30, 2022

| | Pension and OPEB Trusts |
|---|---|
| **ADDITIONS** | |
| Contributions: | |
| City | $ 32,269,528 |
| Employee | 10,838,228 |
| State | 7,672,038 |
| **Total Contributions** | 50,779,794 |
| Investment Income (Loss): | |
| Net Decrease in Fair Value of Investments | (245,173,738) |
| Interest and Dividends | 23,741,832 |
| Real Estate Income | 12,062,494 |
| Other | 72,594 |
| **Total Investment Loss** | (209,296,818) |
| Less: Investment Expenses | 12,048,836 |
| **Total Investment Expenses** | 12,048,836 |
| **Net Investment Loss** | (221,345,654) |
| **Total Additions** | (170,565,860) |
| **DEDUCTIONS** | |
| Benefits: | |
| Retirement | 102,752,400 |
| Disability | 1,931,368 |
| Death | 8,162,564 |
| **Total Benefits** | 112,846,332 |
| Refunds | 480,115 |
| Administrative Expense | 1,231,368 |
| **Total Deductions** | 114,557,815 |
| **Change in Net Position** | (285,123,675) |
| **Net Position - Beginning of Year** | 2,010,633,821 |
| **Net Position - End of Year** | $ 1,725,510,146 |

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

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

INDEX

| Note | | Page |
|---|---|---|
| 1. | Summary of Significant Accounting Policies | 35 |
| 2. | Deposits and Investments | 45 |
| 3. | Property Taxes | 60 |
| 4. | Receivables | 60 |
| 5. | Capital Assets | 61 |
| 6. | Risk Management | 63 |
| 7. | Long-Term Debt | 64 |
| 8. | Leases | 70 |
| 9. | Pension Obligations | 74 |
| 10. | Other Post-Employment Benefits | 97 |
| 11. | Deferred Compensation Plan | 103 |
| 12. | Inter-Fund Receivables, Payables and Transfers | 104 |
| 13. | Fund Balances | 105 |
| 14. | Commitments and Contingent Liabilities | 107 |
| 15. | Tax Abatements | 108 |
| 16. | New Accounting Pronouncements | 108 |
| 17. | Subsequent Events | 110 |
| 18. | Restatement of Prior Year Balance | 111 |

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

## 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 186,000 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, the debt is accounted for in the debt service fund , 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 on the City's website.

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

(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 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 $1,100,787 was derived exclusively from operations. The equity interests of the City, the PACA and the DDA totaled $407,810, $824,639, and $300,728 respectively at September 30, 2022. Separate financial statements for the joint venture are available from the City's Finance Department.

(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. All revenues other than program revenues are considered to be general revenues and are shown in the bottom section of the statement of activities. They include all taxes, unrestricted intergovernmental revenues, unrestricted investment earnings and other miscellaneous non-program 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.

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. 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, pension obligations, OPEB obligations, claims and judgments, and leases, 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 inflow of resources 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 funds:

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; 3) operation of a maintenance facility for City vehicles; and 4) project management services.

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

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

The proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water and sewer, nonmajor enterprise funds, and all the internal service funds are charges to customers for sales and services. The Insurance Fund bills the other funds to cover insurance premiums and claims. Operating expenses for the enterprise and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

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

(G) Derivatives and Hedging Activities

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

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

For purposes of performing hedge effectiveness testing, the City can use any or all of the valuation 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, 2022, the City had twenty-one (21) future contracts. The contracts were purchased at various times throughout the past year. 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 a liability at fair value with the accumulated change in fair value reported as a deferred outflow. The deferred inflow and the instrument itself, as of September 30, 2022 are valued at $104,219.

*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, and bank repurchase agreements as cash and cash equivalents. Cash equivalents are short-term highly liquid securities, with maturities when acquired of three months or less. 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, except for Money Market Funds which are reported at amortized cost. 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.

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

(3) Receivables and Payables

Activity between funds that are representative of lending or borrowing arrangements outstanding at the end of the fiscal year of a short-term nature and any other outstanding balances between funds are reported as due to and due from other funds. The long-term portion of any borrowings between funds is reported as advances to and from other funds.

Long-term advances of the governmental funds are recorded by the advancing fund as a receivable and nonspendable fund balance. Any residual outstanding balances between the governmental activities and business-type activities at year-end are reported in the government-wide financial statements as internal balances.

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

(4) Inventories

Inventories in the governmental funds are composed of land held for redevelopment or resale and are stated at lower of cost or market. 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, 2022. These services are recorded as expenditures/expenses when consumed.

(6) Restricted Assets

Certain proceeds of the City's long-term bonds, as well as certain resources set aside for their repayment are classified as restricted assets on the Statement of Net Position. These restrictions are imposed by debt covenants or local agreements. Restrictions for debt service are used to segregate resources accumulated for debt payments. Capital improvements restrictions are for future projects of the City's wastewater system. Renewal and replacement funds are used for resources set aside to meet unexpected contingencies or to fund asset renewals and replacements.

(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.

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

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 |
| Right of Use Assets | 5-20 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.

(8) 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 or for employees hired on or after October 1, 2013, at twenty eight percent (28%) of the unused accrued sick leave hours at the employees' final rate of pay. 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.

(9) 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.

(10) 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.

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

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, 2022, the liability is $595,094 to provide for estimated post closure care costs.

(11) 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.

(12) 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 assets 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, 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.

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

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 assets that applies to a future period(s) and will not be recognized as in inflow of resources (revenue) until that period. The governmental fund balance sheet reports deferred inflows of resources of unavailable revenues. The City reports accumulated decrease in fair value of derivative instruments, certain amounts related to pensions, leases and OPEB that 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.

The City reports deferred inflows related to leases in the government-wide statement of net position and in the general fund and proprietary funds statement of net position. Deferred inflows of resources related to leases are recognized at the commencement date based on the initial measurement of the lease receivable, plus any payments received from the lessee at or before the commencement of the lease term that relate to future periods, at or before the commencement of the lease term. The deferred inflows related to leases are recognized as lease revenue in a systematic and rational manner over the lease term.

Lessee

The City recognizes a lease liability and an intangible right-to-use lease asset (lease asset) for a noncancellable lease in the government-wide and proprietary funds financial statements. At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgements related to leases include how the City determines 1) the discount rate it uses to discount the expected lease payments to present value, 2) lease term, and 3) lease payments.

The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes the noncancelable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option priced that the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the least asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability. Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Lessor

The City recognizes a lease receivable and a deferred inflow of resources in the government-wide, governmental and proprietary fund financial statements. At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgements include how the City determines 1) the discount rate it uses to discount the expected lease receipts to present value, 2) lease term, and 3) lease receipts. If specified, the City uses the interest rate identified in the contract as the discount rate. If no interest rate is specified, the City uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes the noncancelable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the least receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

(13) 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.

(14) Pensions Obligations

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), the Police and Firefighters' Retirement System (PFRS), the Post-Retirement Pay Steps Plan (PPS) and the Florida Retirement System (FRS) and additions to/deductions from GERS, PFRS, PPS and FRS fiduciary net position have been determined on the same basis as they are reported by GERS, PFRS, PPS and FRS. 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.

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

In the governmental activities, business-type activities, and proprietary funds Statement of Net Position, pension liabilities are recognized for the City's proportionate share of each pension plan's net pension liability over the period of service of employees. For purposes of measuring the net pension liability, deferred outflows of resources related to pensions, deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Florida Retirement System Pension Plan (FRS) defined benefit plan and the Health Insurance Subsidy (HIS) defined benefit plan, and additions to and deductions from the FRS and the HIS's fiduciary net position, have been determined on the same basis as they are reported by the FRS and HIS plans.

Changes in the net pension liability during the period are recorded as pension expense, deferred outflows of resources, or deferred inflows of resources, depending on the nature of the change. Those changes in the net pension liability that are recorded as deferred outflows of resources or deferred inflows of resources that arise from changes in actuarial assumptions or other inputs, changes in the proportionate share of the net pension liability, and differences between expected or actual experience, are amortized over the average expected remaining service lives of all employees that are provided with pensions through the pension plans, and recorded as a component of pension expense beginning with the period in which they arose. Differences between projected and actual investment earnings are reported as deferred outflows of resources or deferred inflows of resources and are amortized as a component of pension expense using a systematic and rational method over a five-year period beginning with the period in which a difference arose.

(15) 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. 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 (The 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, OPEB and cemetery funds. The Policy was adopted on September 4, 2001 and subsequently amended on July 9, 2019.

Types of Investments

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 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, registered investment companies (money market mutual funds), and intergovernmental investment pools. As of September 30, 2022, the total cash and investments for the City of Fort Lauderdale's primary government, was $953,204,439.

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

The City participates in five pooled investment funds, one of which behaves as SEC-regulated money market funds under SEC Rule 2a7. Therefore, in accordance with GASB Statement 79, *Certain External Investment Pools and Pool Participants*, which established criteria for an external investment pool for making the selection to qualify to measure its investments at amortized cost, this pool is exempt from the GASB 72, *Fair Value Measurement and Application* hierarchy disclosures and is reported at amortized cost. Detailed information for the pooled investment funds are detailed below by named pool.

*FLCLASS*
The Florida Cooperative Liquid Assets Securities System Trust (FLCLASS) is a common law trust established, created, and authorized by an Interlocal Agreement by and among participating Florida public agencies. FLCLASS is an authorized investment pool under Section 218.415(16)(a), Florida Statutes, and was established for participating Florida agencies on April 1, 2015 under the Interlocal Agreement and commenced operations on July 15, 2015 (inception). FLCLASS is available for investment by any unit of local government within the State of Florida. The purpose of FLCLASS is to enable such units to cooperate in the investment of their available funds. FLCLASS operates like a money market mutual fund with each share valued at $1.00.

The pool is supervised by an appointed Board of Trustees comprised of eligible participants of the program. The Board acts as the liaison between the participants, the custodian, and the program administrator. The fund is an S&P AAAm rated money market product offering a fiscally conservative diversification option for Florida local governments. The objective of the fund is to provide investors with liquidity, stable share price and as high a level of current income as is consistent with preservation of principal and liquidity. The weighted average maturity is 68 days as of September 30, 2022.

*FL PALM*
Florida Public Assets for Liquidity Management Fund (FL PALM) is a common law trust organized under the authority of the Florida Interlocal Cooperation Act of 1969, as amended (Section 163.01 of the Florida Statutes) and Section 218.415 of the Florida Statutes. FL PALM was created on October 22, 2010 by contract among its participating governmental units and is governed by its trustees.

The Trust Agreement for FL PALM permits and provides for the creation of several specialized asset portfolios. The City participates in two of these portfolios known as the FL PALM Portfolio and the FL PALM Term Portfolio. The FL PALM Portfolio seeks to maintain a stable $1.00 net asset value and reports at amortized cost. The FL PALM Term Portfolio seeks to assure the return of principal on the planned maturity date and there is a penalty for early withdrawal. The FL PALM Term Portfolio is reported at net asset value.

FL PALM is a common law trust organized under the laws of The State of Florida and is designed to meet the cash management and short-term investment needs of school districts, political subdivisions of the State or instrumentalities of political subdivisions of the State. FL PALM is directed by a Board of Trustees, which is made up of experienced school board members, superintendents, public agency officials, and an Advisory Committee of senior finance officers from member Districts and public agencies. The fund is an S&P AAAm rated money market product offering a fiscally conservative diversification option for Florida local governments and school districts. The objective of the fund is to provide investors with liquidity, stable share price and as high a level of current income as is consistent with preservation of principal and liquidity. The weighted average maturity is 62 days as of September 30, 2022.

*FMIvT*
The Florida Municipal Investment Trust (FMIvT) was created under the laws of the State of Florida to provide eligible units of local government with an investment vehicle to pool their surplus funds and to reinvest such funds in one or more investment portfolios under the direction and daily supervision of an investment advisor. The Florida League of Cities serves as the administrator, investment manager and secretary-treasurer of the Trust.

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

The City participates in two pooled investment funds administered by the Florida League of Cities which do not meet the criteria required to be exempted from fair value leveling. These funds are the FMIvT 0-2 Year High Quality Government Fund and the FMIvT 1-3 Year High Quality Bond Fund.

DEPOSITS WITH FINANCIAL INSTITUTIONS

The City held deposits in financial institutions in the amount of $83,638,129 as of September 30, 2022. All of the City's deposits are held in qualified public depositories pursuant to State of Florida Statutes, Chapter 280, Florida Security for Public Deposits Act. Any potential losses to public depositors are covered by applicable deposit insurance, sale of securities pledged as collateral and, if necessary, assessments against other qualified public depositories of the same type as the depository in default.

INVESTMENTS

The City's investment holdings are organized into eight portfolios. Three portfolios are governed by the City's Investment Policy (the City's Portfolios): Surplus Funds Pooled Investments (Portfolio 1), Community Redevelopment Agency Portfolio (Portfolio 2), and Capital Improvements Projects Portfolio (Portfolio 3). The remaining five portfolios, the Cemetery Perpetual Care Fund, the OPEB Trust Fund, the Police and Firefighters' Retirement System Fund, the General Employees' Retirement System Fund, and the Post-Retirement Pay Steps Trust Fund are controlled by their respective policies.

City of Fort Lauderdale, Portfolios 1 to 3, totaled $842,273,540 and interest receivable was $1,629,291. Compositions of the portfolios as of September 30, 2022 are:

| Investment type | City Total | Portfolio 1 | Portfolio 2 | Portfolio 3 |
|---|---|---|---|---|
| Cash and Cash Equivalents | | | | |
| Money Market Funds | $ 118,090,461 | $ 8,520,172 | $ 15,470,477 | $ 94,099,812 |
| Commercial Paper | 22,272,035 | - | - | 22,272,035 |
| Total Cash and Cash Equivalents | 140,362,496 | 8,520,172 | 15,470,477 | 116,371,847 |
| Investments | | | | |
| Commingled Equity Funds | 5,911,050 | 4,258 | 5,906,792 | - |
| Investment Pools | 280,027,150 | 234,171,881 | - | 45,855,269 |
| FMIvT 0-2 Year High Quality Government Fund | 5,017,582 | - | - | 5,017,582 |
| FMIvT 1-3 Year High Quality Bond Fund | 128,914 | 128,914 | - | - |
| US Government Obligations | 201,878,402 | 166,879,631 | - | 34,998,771 |
| US Government Agencies | 17,947,562 | 17,220,551 | - | 727,011 |
| US Government Mortgage Backed Securities | 46,183,673 | 46,183,673 | - | - |
| Foreign Bonds | 2,194,039 | 2,194,039 | - | - |
| Municipal Obligations | 19,615,645 | 19,100,645 | - | 515,000 |
| Corporate Obligations | 119,299,395 | 111,069,056 | - | 8,230,339 |
| Other Fixed Income Securities | 3,707,632 | 3,707,632 | - | - |
| Total Investments | 701,911,044 | 600,660,280 | 5,906,792 | 95,343,972 |
| Total Cash and Investments | $ 842,273,540 | $ 609,180,452 | $ 21,377,269 | $ 211,715,819 |

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

The proceeds of several long-term debt issues are a sub-set of the City's investments above. The proceeds from debt issuances may be invested by the City in such investments as are permitted by applicable law or the respective bond resolution. These funds are in the local government investment pools, commercial paper, corporate bonds, municipal bonds, Federal Instrumentalities, and U.S. Government Securities, which complies with each individual debt issue's investment requirements. Interest receivable on Portfolio 3 as of September 30, 2022 was $242,382 of the total balance.

| | |
|---|---|
| 2011A General Obligation Bonds | $ 5,017,582 |
| 2018 Water and Sewer Bonds | 67,857,190 |
| 2020A General Obligation Bonds | 46,541,619 |
| 2020B General Obligation Bonds | 92,299,428 |
| | $ 211,715,819 |

Portfolio No. 4 Cemetery Perpetual Care Fund, $27,292,770

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, exchange-traded funds and other mutual funds and commingled Common Trust Funds investing in permitted instruments, including money market funds. Interest receivable on this portfolio as of September 30, 2022 was $75,063.

| Investment type | Amount | Weighted Average Maturity (WAM) | Credit Rating | Rating Agency | Ratio |
|---|---|---|---|---|---|
| Cash and Cash Equivalents | | | | | |
| Money Market Funds | $ 2,149,876 | | | | 7.88% |
| Total cash and cash equivalents | 2,149,876 | | | | |
| Investments | | | | | |
| Equity Securities | 8,795,030 | | | | 32.22% |
| Mutual Funds | 12,588,800 | | | | 46.13% |
| US Government and Agency Bonds | 468,146 | 3.66 | Aaa | Moody's | 1.72% |
| Corporate Obligations | 3,290,918 | 5.51 | A1 | Moody's | 12.06% |
| Total Investments | 25,142,894 | | | | |
| Total cash and investments | $ 27,292,770 | | | | |

Portfolio No. 5 OPEB Trust Fund, $35,385,918

Investments permitted by this fund's investment policy include cash equivalents, U.S. government guaranteed obligations, Federal Instrumentalities, non-negotiable interest-bearing time certificates of deposit or savings account, mutual funds, equity investments, fixed income investments and repurchase agreements. Interest receivable on this portfolio at September 30, 2022 was $22,358.

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

Portfolio No. 6 Police and Firefighters' Retirement System Fund, $1,018,605,027

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. Interest receivable on this portfolio as of September 30, 2022 was $2,788,596.

Portfolio No. 7 General Employees' Retirement System Fund, $665,932,252

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, timber, commingled funds, collective trusts, private equities, money market funds invested in permitted securities and intergovernmental investment pools. Interest receivable on this portfolio at September 30, 2022 was $822,765.

Portfolio No. 8 Post-Retirement Pay Steps Trust Fund, $5,211,599

Investments permitted by this fund's investment policy include cash equivalents, U.S. government guaranteed obligations, Federal Instrumentalities, non-negotiable interest-bearing time certificates of deposit or savings account, real estate, mutual funds, equity investments, fixed income investments and repurchase agreements. Interest receivable on this portfolio as of September 30, 2022 was $3,023.

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 in an orderly transaction between market participants at the measurement date. 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 to assets in markets that are not active; Level 3 inputs are significant unobservable inputs.

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

**Investment Portfolios (City, Portfolios 1 to 3)**

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 hybrid narrative format for the fair value disclosure of its investment portfolios.

| | | Fair Value Measurements Using | | |
|---|---|---|---|---|
| | 9/30/2022 | 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. Government Obligations | $ 201,878,402 | $ 201,878,402 | $ - | $ - |
| U.S. Government Agencies | 17,947,562 | - | 17,947,562 | - |
| U.S. Mortgage Backed Securities | 46,183,673 | - | 46,183,673 | - |
| Municipal Bonds | 19,615,645 | - | 19,615,645 | - |
| Foreing Bonds | 2,194,039 | - | 2,194,039 | - |
| Other Fixed Income | 3,707,632 | - | 3,707,632 | - |
| Corporate Bonds | 119,299,395 | - | 119,299,395 | - |
| Total Debt Securities | 410,826,348 | 201,878,402 | 208,947,946 | - |
| Bond Funds | | | | |
| FMIvT 0-2 Year High Quality Government Fur | 5,017,582 | - | 5,017,582 | - |
| FMIvT 1-3 Year High Quality Bond Fund | 128,914 | - | 128,914 | - |
| Total Bond Funds | 5,146,496 | - | 5,146,496 | - |
| Total City Investments by Fair Value Level | 415,972,844 | $ 201,878,402 | $ 214,094,442 | $ - |
| **Investments measured at the net asset value (NAV)** | | | | |
| Commingled Domestic Equity Funds [1] | 5,911,050 | | | |
| Total City Investments Measured at NAV | 5,911,050 | | | |
| Investment Pools (exempt) | 280,027,150 | | | |
| Total Investments Measured at Fair Value | $ 701,911,044 | | | |

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.

| | Fair Value | Unfunded Commitments | Redemption Frequency (if Currently Eligible) | Redemption Notice Period |
|---|---|---|---|---|
| Commingled Equity Fund [1] | $ 5,911,050 | $ - | Daily | Daily |
| Investment Pools (exempt) | 280,027,150 | - | Daily | Daily |
| Total Investments Measured at NAV | $ 285,938,200 | | | |

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

**Portfolio No. 4** **Cemetery Perpetual Care Fund**

The following is a summary of the fair value measurements as of September 30, 2022:

| | | Fair Value Measurements Using | | |
|---|---|---|---|---|
| | 9/30/2022 | 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** | | | | |
| Equity Securities | | | | |
| Exchange-traded Funds | $ 8,795,030 | $ 8,795,030 | $ - | $ - |
| Total Equity Securities | 8,795,030 | 8,795,030 | - | - |
| Debt Securities | | | | |
| U.S. Government Obligations | 468,146 | - | 468,146 | - |
| Corporate Bonds and Other Fixed Income | 3,290,918 | - | 3,290,918 | - |
| Total Debt Securities | 3,759,064 | - | 3,759,064 | - |
| Total Cemetery Investments by Fair Value Level | 12,554,094 | $ 8,795,030 | $ 3,759,064 | $ - |
| **Investments Measured at the Net Asset Value (NAV)** | | | | |
| Commingled Funds (1) | 12,588,800 | | | |
| Total Cemetery Investments Measured at NAV | 12,588,800 | | | |
| Money Market Funds (exempt) | 2,149,876 | | | |
| Total Investments Measured at Fair Value | $ 27,292,770 | | | |

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.

| | Fair Value | Unfunded Commitments | Redemption Frequency (if Currently Eligible) | Redemption Notice Period |
|---|---|---|---|---|
| Commingled Equity Fund (1) | $ 12,588,800 | $ - | Daily | Daily |
| Total Investments Measured at NAV | $ 12,588,800 | | | |

(1) Commingled Funds – consists of a variety of index, growth, mid-cap and value index funds and are designed to match the return of their respective benchmark indices. The objective of these funds is to match the returns of the domestic and international stock indices. These funds are valued at the net asset value held at the end of the period based upon the fair value of the underlying investments and are open for withdrawal daily and provide for redemptions daily.

Portfolio No. 5 OPEB Trust Fund

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 Net Asset Value (NAV)** | **9/30/2022** |
|---|---|
| Commingled Equity Fund (1) | 20,944,473 |
| Mutual Funds (2) | 14,441,445 |
| Total OPEB Investments Measured at Fair Value | $ 35,385,918 |

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

(1) Commingled equity fund – consists of three equity index funds considered commingled in nature which are designed to match the return of their respective benchmark indices. The objective of the three funds is to match the returns of the real estate index, international stock index and the domestic stock market index respectively. These funds are valued at the net asset value held at the end of the period based upon the fair value of the underlying investments and are open for withdrawal daily and provide for daily redemptions.

(2) Mutual Funds Corporate Bonds – these mutual funds consist of bond market index funds that track the Bloomberg Barclays U.S. Aggregate Float Adjusted Index; the Short-Term, Intermediate-Term, and Long-Term Bond Index Funds track subsets of that index. The objective is to match the performance of a wide spectrum of public, investment-grade, taxable, fixed income securities. These funds are valued at the net asset value held at the end of the period based upon the fair value of the underlying investments and are open for withdrawal daily and provide for daily redemptions.

Portfolio No. 6 Police and Firefighters' Retirement System Fund

The following is a summary of the fair value measurements as of September 30, 2022:

| | | Fair Value Measurements Using | | |
|---|---|---|---|---|
| | 9/30/2022 | 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 | $ 130,529,099 | $ - | $ 130,529,099 | $ - |
| U.S. Government Obligations | 2,113,848 | - | 2,113,848 | - |
| Corporate Bonds and Other Fixed Income | 115,039,818 | - | 115,039,818 | - |
| Total Debt Securities | 247,682,765 | - | 247,682,765 | - |
| Index Funds and Other | 204,699,349 | 204,699,349 | | |
| Equity Securities | | | | |
| Common Stock | 126,520,989 | 126,520,989 | - | - |
| ADR's | 846,977 | 846,977 | - | - |
| Total Equity Securities | 127,367,966 | 127,367,966 | - | - |
| Total P&F Investments by Fair Value Level | 579,750,080 | $ 332,067,315 | $ 247,682,765 | $ - |
| **Investments measured at the net asset value (NAV)** | | | | |
| Commingled Equity Funds | 180,974,747 | | | |
| Real Estate Funds | 187,990,256 | | | |
| Hedge Fund of Funds | 12,773,685 | | | |
| Private Equity Fund | 1,182,232 | | | |
| Private Debt Fund | 45,139,993 | | | |
| Total P&F Investments Measured at NAV | 428,060,913 | | | |
| Money Market Funds (exempt) | 10,794,034 | | | |
| Total Investments Measured at Fair Value | $ 1,018,605,027 | | | |

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.

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

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

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

The Plan has investments in alternative asset classes including commingled equity funds, real estate funds, hedge funds, private equity funds, and private debt funds which hold a variety of investment vehicles that do not have readily available market quotations. These investments are measured at net asset value based on their proportionate share of the value of the investments as determined by the fund managers and are valued according to methodologies which include pricing models, discounted cash flow models and similar techniques.

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.

| | Fair Value | Unfunded Commitments | Redemption Frequency (if Currently Eligible) | Redemption Notice Period |
|---|---|---|---|---|
| Commingled Equity Fund (1) | $ 180,974,747 | $ - | Daily | 1 |
| Real Estate Funds (2) | 187,990,256 | - | Quarterly | 10 - 90 |
| Hedge Fund of Funds (3) | 12,773,685 | - | Quarterly | 95 |
| Private Equity Funds (4) | 1,182,232 | - | N/A | N/A |
| Private Debt Funds (5) | 45,139,993 | 21,250,000 | N/A | N/A |
| **Total Investments Measured at NAV** | $ 428,060,913 | $ 21,250,000 | | |

(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. The objective of the three funds is to match the returns of the S&P 500 Index, the S&P Small-Cap 600 Index, and the S&P MidCap 400 Index through investments in substantially all the stocks contained in those indexes respectively. These fund are valued at the net asset value held at the end of the period based upon the fair value of the underlying investments, and are open for withdrawal daily and provide for redemptions with 1 day notice.

(2) Real estate funds – Consists of four open-end real estate partnerships and two real estate funds. Two of the open-end real estate partnerships primarily invest in stable institutional quality office, retail, industrial, hotel and multi-family residential properties that are substantially leased and have minimal deferred maintenance. The two real estate funds primarily invest in real estate leased to state government agencies and the U.S. federal government either through the General Services Administration or other federal government agencies. One open-end real estate partnership is a commingled insurance company separate account designed for use as a funding vehicle for tax-qualified pension plans and certain non-profit organizations. Its investments are comprised primarily of real estate investments either directly owned or through partnership interests, and mortgages and other loans on income producing real estate. The open-end real estate partnership primarily invest in subsidiary entities in the acquisition or lease of real estate development sites located in the State of Florida to construct, develop and finance multifamily and mixed-used real estate and make available for lease upon future completion.

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

(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 funds – The Plan invests in three private equity partnership vehicles. The private equity funds are not eligible for redemption. Distributions are received as underlying investments when the funds are liquidated, which on average will occur over a period of 5 to 10 years.

(5) Private debt funds – The Plan invests in three private debt partnership vehicles. One private debt fund is not eligible for redemption. Distributions are received as underlying investments within the fund produce income or principal is returned, which should occur on a quarterly basis over the 6 to 7 year life of the fund. The remaining private debt partnerships invest in private credit and specialty finance assets with short to intermediate- term durations and often contractual cash flows, and are not eligible for redemption.

Portfolio No. 7 General Employees' Retirement System Fund

The following is a summary of the fair value measurements as of September 30, 2022:

| | | Fair Value Measurements Using | | |
|---|---|---|---|---|
| | 9/30/2022 | 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 | $ 54,948,766 | $ 54,948,766 | $ - | $ - |
| U.S. Government obligations | 14,270,741 | - | 14,270,741 | - |
| Corporate Bonds | 4,653,876 | - | 4,653,876 | - |
| Total Debt Securities | 73,873,383 | 54,948,766 | 18,924,617 | - |
| Equity Securities | | | | |
| Common and Preferred Stocks | 246,522,259 | 246,522,259 | - | - |
| Total Equity Securities | 246,522,259 | 246,522,259 | - | - |
| Total GERS Investments by Fair Value Level | 320,395,642 | $ 301,471,025 | $ 18,924,617 | $ - |
| **Investments Measured at the Net Asset Value (NAV)** | | | | |
| Commingled Funds and Collective Trusts | 166,542,839 | | | |
| Real Estate and Timber | 120,290,989 | | | |
| Money Market Funds | 8,275,209 | | | |
| Private Equity | 50,427,573 | | | |
| Total GERS Investments Measured at NAV | 345,536,610 | | | |
| Total Investments Measured at Fair Value | $ 665,932,252 | | | |

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

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

| | Fair Value | Unfunded Commitments | Redemption Frequency (if Currently Eligible) | Redemption Notice Period |
|---|---|---|---|---|
| Commingled Funds and Collective Trusts | $ 166,542,839 | $ - | Daily | 1 - 30 Days |
| Real Estate and Timber | 120,290,989 | - | N/A | N/A |
| Money Market Funds | 8,275,209 | - | Daily | 1 Day |
| Private Equity | 50,427,573 | 22,723,442 | N/A | N/A |
| Total Investments Measured at NAV | $ 345,536,610 | | | |

(1) Commingled collective trusts. 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) Real estate and timber. 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 funds 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.

(3) Collective interest trust (Cash Equivalent STIF). 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.

(4) Private equity. This investment type includes six private equity funds that invest in the existing interests or assets of private equity funds from other participants on the secondary market. The fair values of the investments in this type have been determined using the NAV per share of the investments. Distributions from the funds will be received as the underlying investments of the funds are liquidated. It is expected that the underlying assets of these funds will be liquidated over the next 1 – 11 years.

Portfolio No. 8 Post-Retirement Pay Steps Trust Fund

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.

| | Fair Value | Unfunded Commitments | Redemption Frequency (if Currently Eligible) | Redemption Notice Period |
|---|---|---|---|---|
| Commingled Equity Fund (1) | $ 2,932,468 | $ - | Daily | Daily |
| Mutual Funds (2) | 2,126,410 | - | N/A | N/A |
| Real Estate (3) | 152,721 | - | N/A | N/A |
| Total Investments Measured at NAV | $ 5,211,599 | | | |

(1) Commingled equity fund – consists of three equity index funds considered commingled in nature which are designed to match the return of their respective benchmark indices. The objective of the three funds is to match the returns of the real estate index, internal stock index and the domestic stock market index respectively. These funds are valued at the net asset value held at the end of the period based upon the fair value of the underlying investments and are open for withdrawal daily and provide for redemptions with 1 day notice.

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

(2) Mutual Funds Corporate Bonds – these mutual funds consist of bond market funds that track the Bloomberg Barclays U.S. Aggregate Float Adjusted Index; the Short-Term, Intermediate-Term, and Long-Term Bond Index Funds track subsets of that index. The objective is to match the performance of a wide spectrum of public, investment-grade, taxable, fixed income securities. These funds are valued at the net asset value held at the end of the period based upon the fair value of the underlying investments and are open for withdrawal daily and provide for daily redemptions.

(3) Real estate – this fund seeks to provide a high level of income and moderate long-term capital appreciation by tracking the performance of a benchmark index that measures the performance of publicly traded equity REITs and other real estate-related investments. The fund employs an indexing investment approach designed to track the performance of the MSCI US Investable Market Real Estate 25/50 Index which is made up of stocks of large, mid-size, and small U.S. companies.

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 five and a half (5.50) years or less from the date of purchase. Also, the overall "weighted average maturity" for the portfolio shall be less than three (3) years. The following table illustrates the interest rate risk for debt investments:

| City Combined Pooled Investment Portfolios 1 to 3 | Amount | Percent of Portfolio | Weighted Average Maturity |
|---|---|---|---|
| FMIvT 0-2 Year High Quality Government Fund | $ 5,017,582 | 1.02% | 0.70 |
| FMIvT 1-3 Year High Quality Bond Fund US | 128,914 | 0.03% | 1.50 |
| Treasury Securities | 201,878,402 | 41.20% | 1.96 |
| US Government agencies | 17,947,562 | 3.66% | 1.83 |
| US Government mortgage backed securities | 46,183,673 | 9.43% | 11.67 |
| Foreign Bonds | 2,194,039 | 0.47% | 4.69 |
| Money Market mutual funds | 5,911,050 | 1.26% | Daily |
| Other Fixed Income Securities | 3,707,632 | 0.79% | 3.87 |
| Municipal obligations | 19,615,645 | 4.00% | 1.90 |
| Corporate obligations | 119,299,395 | 24.35% | 2.67 |
| Portfolio Weighted Average Maturity | | | 3.27 |

| Portfolio 4 Cemetery Perpetual Care Fund | Amount | Percent of Portfolio | |
|---|---|---|---|
| U.S. Treasury Securities | $ 468,146 | 1.72% | 3.66 |
| Corporate Obligations | 3,290,918 | 12.06 | 5.51 |

| Portfolio 5 OPEB Trust Fund | Weighted Average Maturity |
|---|---|

The OPEB Trust has $16,567,855 in the Vanguard Total Bond Market Index Fund Admiral Shares with an average effective maturity of 9.0 years.

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

| Portfolio 6<br>Police and Firefighters' Retirement System Fund | Amount | Percent of Portfolio | |
|---|---|---|---|
| Fixed Income Securities | | | |
| U.S. Treasury Securities | $ 130,529,099 | 53.00% | |
| Government Obligations | 2,113,848 | 1.00 | |
| Debt Investment (aggregate) | | | 4.37 |

| Portfolio No. 7<br>General Employees' Retirement System Fund | Amount | Percent of Portfolio | Weighted Average Maturity |
|---|---|---|---|
| Fixed Income Securities (aggregate) | $ 73,873,383 | 8.25% | 4.90 |
| U.S. Treasury Securities | 54,948,766 | 8.20 | 4.47 |
| Government Obligations | 14,270,741 | 2.10 | 5.81 |
| Corporate Obligations | 4,653,876 | 0.70 | 7.09 |

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.

Corporate Obligations

The City investment policy allows investments in 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, 2022, $119,299,395 of the City’s investments were corporate obligations (Surplus, Portfolio 1). These issues met or exceeded the minimum rating requirements at the time of purchase, per the schedule below:

| Moodys Rating | Amount |
|---|---|
| A1 | $ 27,815,149 |
| A2 | 32,278,144 |
| A3 | 15,840,982 |
| AA1 | 1,931,537 |
| AA2 | 10,825,227 |
| AA3 | 2,507,590 |
| AAA | 28,100,766 |
| | $ 119,299,395 |

U.S. Government securities, obligations and agency mortgage-backed securities

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. The City portfolio held $266,009,637 in this type of investment as of September 30, 2022.

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

Municipal Obligations

Municipal Obligations, including both taxable and tax-exempt, issued or guaranteed by any State, territory or possession of the United States, political subdivision, public corporation, authority, agency board, instrumentality or other unit of local government at the time of purchase must have a minimum Moody's rating of A3. As of September 30, 2022, $19,615,645, With the exception of two issues, all met or exceeded the minimum rating requirements at the time of purchase, per the schedule below:

| Standard & Poor's | Moodys Rating | Amount |
|---|---|---|
| | AA1 | $ 5,081,089 |
| | AA2 | 5,497,437 |
| | AA3 | 1,797,120 |
| | AAA | 3,735,955 |
| AA+ | Not rated | 1,615,284 |
| AAA | Not rated | 1,888,760 |
| | | $ 19,615,645 |

Foreign Bonds and other Fixed Income Securites

City policy requires corporates are U.S. dollar denominated corporate notes, bonds or other debt obligations issued or guaranteed by a domestic corporation, financial institution, non-profit, or other entity and must have a minimum Moody's rating of A3. As of September 30,2022, these issues met or exceeded the minimum rating requirement at the time of purchase:

| Moodys Rating | Amount |
|---|---|
| A2 | $ 1,715,280 |
| A2 | 1,992,352 |
| | 3,707,632 |
| | |
| AA3 | $ 2,194,039 |

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. Portfolio 1 (Surplus) held $128,914 in this type of investment.

The City participates in the FMIvT 0-2 Year High Quality Bond Fund. The 0-2 Year Bond fund has a rating of AAAf/S1 by Fitch. Portfolio 3 held $5,017,582 in this type of investment.

The City participates in the FL PALM investment pool held in both Portfolio 1 (Surplus) and Portfolio 3 (Capital Improvements). The FL PALM investment pool has a rating of AAAm by S & P Global Ratings. As of September 30, 2022, the City held $187,917,448 in this type of investment.

The City participates in the FLCLASS investment pool and all is held in Portfolio 1 (Surplus). The FLCLASS portfolio has a rating of AAAm by S & P Global Ratings. As of September 30, 2022, the City held $92,109,704 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. As of September 30, 2022, the bonds in this portfolio were not rated.

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

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, 2022, all of the Plan's investments met this requirement.

| Moodys Rating | Amount |
|---|---|
| AAA | $ 2,511,267 |
| AA+ | 1,571,528 |
| AA | 942,719 |
| AA- | 1,136,410 |
| A+ | 2,622,348 |
| A | 5,601,674 |
| A- | 21,426,665 |
| BBB+ | 28,889,063 |
| BBB | 39,179,950 |
| BBB- | 6,523,393 |
| BB+ | 509,195 |
| Not rated | 4,125,606 |
| | $ 115,039,818 |

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, 2022.

| Type | Fair Value | Rating | Agency |
|---|---|---|---|
| Corporate Bonds | $ 4,653,876 | A | Fitch |
| Mortgage-backed securities | 14,270,741 | AAA | Fitch |
| Money Market Fund Securities | 8,275,209 | A-1 | Standard & Poor's |

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, 2022, the City's investment portfolio was held with a third-party custodian.

Concentration of Credit Risk

GASB 40, requires disclosure of investments in any one issuer that represent five percent or more of total investments, excluding investments issued or explicitly guaranteed by the U.S. government, investments in mutual funds, As of September 30, 2022, there were no investments that represented five percent or more of total investments with one issuer.

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, 2022.

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

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.

## 3. 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, 2021, upon which the fiscal year 2022 levy was based, was approximately $43.7 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 2022 were 4.1193 mills for operations and 0.2613 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, 2022 were approximately 99.0% of the total tax levy.

## 4. RECEIVABLES

Accounts receivable at September 30, 2022 are summarized as follows:

| | Primary Government | | |
|---|---|---|---|
| | Governmental | Business-type | Total |
| Accounts Receivable: | | | |
| Accounts Receivable | $ 68,572,175 | $ 31,789,532 | $ 100,361,707 |
| Property Taxes | 3,893,423 | 263 | 3,893,686 |
| Unbilled Receivables | 335,433 | 4,802,408 | 5,137,841 |
| Assessments Receivable | 186,102 | 238,247 | 424,349 |
| Interest Receivable | 216,285 | 50,976 | 267,261 |
| | 73,203,418 | 36,881,426 | 110,084,844 |
| Less: Allowances for Uncollectibles | (57,606,545) | (8,359,447) | (65,965,992) |
| Accounts receivable, net | $ 15,596,873 | $ 28,521,979 | $ 44,118,852 |

| | Governmental Funds | | | |
|---|---|---|---|---|
| | General Fund | Nonmajor Governmental Funds | Internal Service | Total |
| Accounts Receivable: | | | | |
| Accounts Receivable | $ 11,187,227 | $ 57,340,087 | $ 44,861 | $ 68,572,175 |
| Property Taxes | 3,716,281 | 177,142 | - | 3,893,423 |
| Unbilled Receivables | 335,433 | - | - | 335,433 |
| Assessments Receivable | - | 186,102 | - | 186,102 |
| Interest Receivable | 180,106 | 36,179 | - | 216,285 |
| | 15,419,047 | 57,739,510 | 44,861 | 73,203,418 |
| Less: Allowances for uncollectibles | (499,222) | (57,076,662) | (30,661) | (57,606,545) |
| Accounts receivable, net | $ 14,919,825 | $ 662,848 | $ 14,200 | $ 15,596,873 |

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

The City's enterprise funds provide water, sewer, sanitation, cemetery, 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, 2022 are summarized as follows:

| | Enterprise Funds | | |
|---|---|---|---|
| | Water and Sewer | Nonmajor Enterprise Funds | Total |
| Accounts Receivable: | | | |
| Accounts Receivable | $ 24,026,487 | $ 7,763,045 | $ 31,789,532 |
| Property Taxes | - | 263 | 263 |
| Unbilled Receivables | 3,989,650 | 812,758 | 4,802,408 |
| Assessments Receivable | 81,509 | 156,738 | 238,247 |
| Interest Receivable | - | 50,976 | 50,976 |
| | 28,097,646 | 8,783,780 | 36,881,426 |
| Less: Allowances for uncollectibles | (6,661,949) | (1,697,498) | (8,359,447) |
| Accounts receivable, net | $ 21,435,697 | $ 7,086,282 | $ 28,521,979 |

## 5. CAPITAL ASSETS

Capital Asset activity for governmental and business-type activities for the year ended September 30, 2022 was as follows:

| | Beginning Balance [1] | Additions | Deletions | Ending Balance |
|---|---|---|---|---|
| Governmental activities: | | | | |
| Capital assets not being depreciated | | | | |
| Land | $ 117,292,049 | $ 2,100,000 | - | $ 119,392,049 |
| Construction in progress * | 62,765,573 | 36,062,996 | 62,414,984 | 36,413,585 |
| Total capital assets not being depreciated | 180,057,622 | 38,162,996 | 62,414,984 | 155,805,634 |
| Capital assets being depreciated | | | | |
| Buildings | 180,164,914 | 46,856,174 | 6,512,972 | 220,508,116 |
| Improvements | 174,424,507 | 10,314,922 | 1,492,225 | 183,247,204 |
| Infrastructure | 54,632,282 | 292,215 | - | 54,924,497 |
| Machinery, Equipment and Vehicles | 164,101,288 | 11,635,982 | 3,856,762 | 171,880,508 |
| Total capital assets being depreciated | 573,322,991 | 69,099,293 | 11,861,959 | 630,560,325 |
| Less accumulated depreciation for: | | | | |
| Buildings | 85,882,861 | 4,620,533 | 4,321,353 | 86,182,041 |
| Improvements | 90,497,551 | 6,779,987 | - | 97,277,538 |
| Infrastructure | 19,501,631 | 1,910,504 | - | 21,412,135 |
| Machinery, Equipment and Vehicles | 122,978,992 | 12,620,882 | 3,856,762 | 131,743,112 |
| Total accumulated depreciation | 318,861,035 | 25,931,906 | 8,178,115 | 336,614,826 |
| Total capital assets being depreciated, net | 254,461,956 | 43,167,387 | 3,683,844 | 293,945,499 |
| Lease assets being amortized | | | | |
| Right of Use - Land | 184,769 | - | - | 184,769 |
| Right of Use - Buildings | 5,620,947 | - | - | 5,620,947 |
| Right of Use - Infrastructure | 23,203 | - | - | 23,203 |
| Total lease assets being amortized | 5,828,919 | - | - | 5,828,919 |
| Less lease amortization | | | | |
| Right of Use - Land | - | 31,641 | - | 31,641 |
| Right of Use - Buildings | - | 1,451,279 | - | 1,451,279 |
| Right of Use - Infrastructure | - | 3,200 | - | 3,200 |
| Total amortization | - | 1,486,120 | - | 1,486,120 |
| Total lease assets being amortized, net | 5,828,919 | (1,486,120) | - | 4,342,799 |
| Governmental activities capital and lease assets, net | $ 440,348,497 | $ 79,844,263 | $ 66,098,828 | $ 454,093,932 |

* Construction in progress deletions includes $4.8 million in non-depreciable assets.

[1] Beginning balance increase represents adjustment as a result of the implementation of GASB Statement No. 87, *Leases* .

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

| | Beginning Balance [1] | Additions | Deletions | Ending Balance |
|---|---|---|---|---|
| Business-type activities: | | | | |
| Capital assets not being depreciated | | | | |
| Land | $ 52,909,896 | $ - | $ - | $ 52,909,896 |
| Construction in progress | 86,436,543 | 42,533,966 | 21,134,959 | 107,835,550 |
| Total capital assets not being depreciated | 139,346,439 | 42,533,966 | 21,134,959 | 160,745,446 |
| Capital assets being depreciated | | | | |
| Buildings | 309,199,492 | 1,752,034 | - | 310,951,526 |
| Improvements | 1,073,306,578 | 17,064,287 | - | 1,090,370,865 |
| Infrastructure | 665,313 | - | - | 665,313 |
| Machinery, Equipment and Vehicles | 85,444,801 | 4,728,247 | 1,090,652 | 89,082,396 |
| Total capital assets being depreciated | 1,468,616,184 | 23,544,568 | 1,090,652 | 1,491,070,100 |
| Less accumulated depreciation for: | | | | |
| Buildings | 144,586,561 | 6,499,768 | - | 151,086,329 |
| Improvements | 378,234,409 | 28,886,130 | - | 407,120,539 |
| Infrastructure | 60,571 | 14,006 | - | 74,577 |
| Machinery, Equipment and Vehicles | 59,832,230 | 6,125,897 | 770,175 | 65,187,952 |
| Total accumulated depreciation | 582,713,771 | 41,525,801 | 770,175 | 623,469,397 |
| Total capital assets being depreciated, net | 885,902,413 | (17,981,233) | 320,477 | 867,600,703 |
| Lease assets being amortized | | | | |
| Buildings | 394,249 | - | - | 394,249 |
| Total lease assets being amortized | 394,249 | - | - | 394,249 |
| Less lease amortization | | | | |
| Buildings | - | 92,764 | - | 92,764 |
| Total amortization | - | 92,764 | - | 92,764 |
| Total lease assets being amortized, net | 394,249 | (92,764) | - | 301,485 |
| Business-type activities capital assets, net | $ 1,025,643,101 | $ 24,459,969 | $ 21,455,436 | $ 1,028,647,634 |

[1] Beginning balance increase represents adjustment as a result of the implementation of GASB Statement No. 87, *Leases* .

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

| Governmental Activities | |
|---|---|
| General Government | $ 2,375,519 |
| Public Safety | 4,831,658 |
| Physical Environment | 730,594 |
| Transportation | 1,587,397 |
| Economic Environment | 381,916 |
| Culture and Recreation | 8,061,375 |
| Capital Assets held in the City's internal service funds are charged to general government | 7,963,447 |
| | $ 25,931,906 |

| Business-type activities | |
|---|---|
| Water and Sewer | $ 34,013,975 |
| Sanitation | 958,365 |
| Cemetery | 152,669 |
| Parking System | 1,399,754 |
| Airport | 3,058,398 |
| Stormwater | 1,942,640 |
| | $ 41,525,801 |

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

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"*.

## 6. 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 general employees and $1.5 million for first responder employees with statutory limits.
- Property policy with standard peril deductible of $50,000 per loss, a named windstorm deductible of $5.0 million per loss on each of the utility and non-utility programs, a $25.0 million limit per loss on utility and non-utility, and a flood deductible of either $5,000 or $50,000 per location.
- Active shooter policy with a deductible of $10,000 and limit of $5.0 million per loss.
- Crime and fidelity policy with a deductible of $200,000 and a $1.0 million limit 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 limit per loss.
- Medical benefits stop-loss policy in excess of $350,000 per claim.

Settlements have rarely exceeded the retention on these policies for the past 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, 2022 of $43,312,000 (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, 2021 and 2022 follow:

| | Medical Benefits | Other | Total |
|---|---|---|---|
| Balance September 30, 2020 | $ 1,536,000 | $ 29,076,000 | $ 30,612,000 |
| New Claims and Changes in Estimates | 30,054,554 | 11,692,428 | 41,746,982 |
| Claim Payments | (29,370,554) | (9,977,428) | (39,347,982) |
| Balance September 30, 2021 | 2,220,000 | 30,791,000 | 33,011,000 |
| New Claims and Changes in Estimates | 30,111,343 | 19,433,341 | 49,544,684 |
| Claim Payments | (30,271,343) | (8,972,341) | (39,243,684) |
| Balance September 30, 2022 | $ 2,060,000 | $ 41,252,000 | $ 43,312,000 |

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

## 7. LONG-TERM DEBT

Debt outstanding at September 30, 2022 matures in varying amounts during succeeding fiscal years through 2049. Interest rates on fixed rate debt follow: 2.13% to 5.0% on general obligation bonds, 2.98% on special obligation loans, 0.65% to 3.57% on special obligation bonds, 1.43% to 5.0% on water and sewer revenue bonds, 4.0% to 5.00% on special assessment bonds, and 1.10% to 1.50% 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, 2022, funds available met the debt service requirements for revenue bonds.

### Governmental Activities Debt:

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 designated non-ad valorem tax revenues, consisting of communications services tax, public services tax, guaranteed entitlement, and business tax, and a covenant to budget and appropriate.

Periodically, the City will issue conduit debt to fulfill a public need or purpose. These obligations are not reported as liabilities in the City's financial statements and the City is not obligated in any manner for repayment of the debt. As of September 30, 2022, the City had no conduit debt outstanding.

**Outstanding Bonds and Loans Payable**

| Governmental Activities: | Purpose of Issue | Amount Issued | Amount Outstanding | Remaining Interest Rates (Percent) | Annual Maturity To |
|---|---|---|---|---|---|
| General Obligation (GO) Bonds | | | | | |
| Series 2011A | Improvements | $ 20,000,000 | $ 14,735,000 | 3.000-5.0000 | 2041 |
| Series 2015 | Refunding | 13,200,000 | 11,085,000 | 3.000-4.000 | 2035 |
| Series 2020A | Improvements | 75,755,000 | 72,170,000 | 2.125-5.000 | 2049 |
| Series 2020B | Improvements | 92,290,000 | 88,090,000 | 2.250-5.000 | 2049 |
| Total General Obligation (GO) Bonds | | 201,245,000 | 186,080,000 | | |
| Special Obligation Bonds | | | | | |
| Series 2012 | Pension Funding | 337,755,000 | 20,840,000 | 3.574 | 2023 |
| Series 2020 | Refunding | 167,155,000 | 162,790,000 | 0.650-1.950 | 2032 |
| Total Special Obligation (SO) Bonds | | 504,910,000 | 183,630,000 | | |
| Special Assessment Bonds | | | | | |
| Series 2022 | Improvements | 7,900,000 | 7,900,000 | 4.000-5.000 | 2048 |
| Total Special Assessment Bonds | | 7,900,000 | 7,900,000 | | |
| Other Notes and Bonds | | | | | |
| Tax Increment Note, Series 2021 | Improvements | 20,769,000 | 18,485,000 | 1.110 | 2025 |
| Special Obligation Loan, Series 2011A | Improvements | 7,218,000 | 2,773,000 | 2.980 | 2026 |
| Total Other Notes and Bonds | | 27,987,000 | 21,258,000 | | |
| Total Governmental Activities | | $ 742,042,000 | $ 398,868,000 | | |

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

The annual requirements to pay Governmental Activities principal and interest on the bonds, notes and loans outstanding at September 30, 2022 (in thousands) follow:

| | Governmental Activities | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | Direct Borrowings/Placements | | | | | | | |
| Year Ending | General Obligation Bonds | | Special Obligation Bonds | | Special Assessment Bonds | | Tax Increment Revenue Note | | Special Obligation Loans | | Financing Lease Obligation | | Total | |
| September 30 | Principal | Interest | Principal | Interest | Principal | Interest | Principal | Interest | Principal | Interest | Principal | Interest | Principal | Interest |
| 2023 | $ 4,760 | $ 6,095 | $ 24,175 | $ 2,537 | $ 165 | $ 337 | $ 3,156 | $ 205 | $ 522 | $ 75 | $ 1,014 | $ 57 | $ 33,792 | $ 9,306 |
| 2024 | 4,980 | 5,875 | 22,600 | 2,069 | 175 | 328 | 7,304 | 170 | 538 | 59 | 1,041 | 32 | 36,638 | 8,533 |
| 2025 | 5,210 | 5,644 | 20,085 | 1,888 | 180 | 320 | 8,025 | 89 | 554 | 43 | 63 | 7 | 34,117 | 7,991 |
| 2026 | 5,455 | 5,401 | 18,650 | 1,686 | 190 | 311 | - | 39 | 571 | 26 | 67 | 5 | 24,933 | 7,468 |
| 2027 | 5,705 | 5,154 | 18,305 | 1,460 | 200 | 301 | - | 13 | 588 | 8 | 210 | 8 | 25,008 | 6,944 |
| 2028-2032 | 32,560 | 21,718 | 79,815 | 3,214 | 1,155 | 1,346 | - | - | - | - | - | - | 113,530 | 26,278 |
| 2033-2037 | 36,355 | 15,797 | - | - | 1,450 | 1,056 | - | - | - | - | - | - | 37,805 | 16,853 |
| 2038-2042 | 37,030 | 10,793 | - | - | 1,760 | 742 | - | - | - | - | - | - | 38,790 | 11,535 |
| 2043-2047 | 37,485 | 5,750 | - | - | 2,145 | 360 | - | - | - | - | - | - | 39,630 | 6,110 |
| 2048-2049 | 16,540 | 748 | - | - | 480 | 19 | - | - | - | - | - | - | 17,020 | 767 |
| Total | $ 186,080 | $ 82,975 | $ 183,630 | $ 12,854 | $ 7,900 | $ 5,120 | $ 18,485 | $ 516 | $ 2,773 | $ 211 | $ 2,395 | $ 109 | $ 401,263 | $ 101,785 |

The City's outstanding debt from direct borrowings and direct placements related to governmental activities of $23,653 contain the provision that in the event of default, outstanding amounts become immediately due if the City is unable to make the payment.

Additionally, the Special Obligation Loans and the Tax Increment Revenue Improvement and Refunding Note have the following provisions in the event of default: (1) performance of any covenant, condition, agreement or provision (2) material misrepresentations or warranty contained in the agreement or (3) the dissolution or liquidation of the City, or filing of bankruptcy or any similar act, the Lender may proceed to protect and enforce its rights under the laws of the State of Florida and under the agreement. The Special Obligation Loans contain a subjective acceleration clause that allows the lender to accelerate payment of the entire principal amount to be immediately due and payable, and upon such declaration, the same shall be immediately due and payable, or the agreement to the contrary notwithstanding. The Tax Increment Revenue Improvement and Refunding Note contains a subjective clause that upon occurrence of any event of default, the Note will bear interest at the lesser of (i) 3.11% or (ii) the maximum rate permitted by law and shall continue until such time the event of default has been cured. In the enforcement of any remedy under the agreement, to the extent permitted by law, the lender shall be entitled to sue for, enforce payment and receive any and all amounts due.

On March 2, 2022, the Special Assessment Bonds, Series 2022, were issued in the amount of $7,900,000 to (i) pay the costs of relocating overhead utility lines, appurtenant equipment and related improvements constituting the project in the existing residential community known as the Las Olas Isles Neighborhood within the City, (ii) pay capitalized interest on the Series 2022 Bonds through July 1, 2022, (iii) make a deposit to the Reserve Fund in the amount of the Reserve Fund Requirement for the Series 2022 Bonds, and (v) pay the costs of issuance of the Series 2022 Bonds. The Special Assessment Bonds have the following provisions in the event of default: (1) failure to make payment of the principal or interest when due and payable; or (2) performance of any covenant, condition, agreement or provision; or (3) the dissolution or liquidation of the City, or filing of bankruptcy or any similar act; or (4) the City admits in writing its inability to pay its debt generally as they become due, the Lender may proceed to protect and enforce its rights under the laws of the State of Florida and under the agreement.

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

**Business-type Activities Debt:**

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

In order to take advantage of low interest rates, the City is participating in the State of Florida revolving loan program to finance sewer system capital improvements. Loan agreements three, four and five were still outstanding as of September 30, 2022. 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.

**Outstanding Bonds and Loans Payable**

| Business-type Activities: | Purpose of Issue | Amount Issued | Amount Outstanding | Remaining Interest Rates (Percent) | Annual Maturity To |
|---|---|---|---|---|---|
| Utility System Revenue Bonds | | | | | |
| Series 2014 | Refunding | $ 121,520,000 | $ 105,815,000 | 4.000-5.000 | 2035 |
| Series 2016 | Refunding | 158,930,000 | 117,340,000 | 2.000-5.000 | 2038 |
| Series 2018 | Improvements | 196,035,000 | 196,035,000 | 3.500-4.000 | 2048 |
| Series 2021 | Refunding | 42,145,000 | 38,230,000 | 1.430 | 2031 |
| Total Utility System Revenue Bonds | | 518,630,000 | 457,420,000 | | |
| State Revolving Fund Loans | | | | | |
| Loan 3 - 2005 | Improvements | 17,384,000 | 3,985,281 | 1.095 | 2026 |
| Loan 4 - 2006 | Improvements | 35,606,400 | 14,669,950 | 1.5 | 2027 |
| Loan 5 - 2008 | Improvements | 10,000,000 | 3,486,078 | 1.120 | 2028 |
| Total State Revolving Fund Loans | | 62,990,400 | 22,141,309 | | |
| Total Business-type Activities | | $ 581,620,400 | $ 479,561,309 | | |

The annual requirements to pay business-type activities principal and interest on the bonds, notes and loans outstanding at September 30, 2022 (in thousands) follow:

| | Business-Type Activities | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Direct Borrowings/Placements | | | | | | | | | |
| Year Ending | Water and Sewer Revenue Bonds | | Water and Sewer Refunding Bonds | | State Revolving Fund Loans | | Financing Leases Obligation | | Non-revolving Line of Credit | | Total | |
| September 30 | Principal | Interest | Principal | Interest | Principal | Interest | Principal | Interest | Principal | Interest | Principal | Interest |
| 2023 | $ 10,775 | $ 15,909 | $ 3,975 | $ 532 | $ 4,851 | $ 477 | $ 110 | $ 17 | $ - | $ 3 | $ 18,907 | $ 16,938 |
| 2024 | 11,280 | 15,389 | 4,045 | 475 | 3,334 | 385 | 116 | 15 | - | 3 | 19,579 | 16,267 |
| 2025 | 11,805 | 14,853 | 4,110 | 417 | 4,232 | 291 | 122 | 13 | 6,448 | 2 | 26,717 | 15,576 |
| 2026 | 12,370 | 14,292 | 4,175 | 358 | 4,327 | 196 | 128 | 10 | - | - | 21,000 | 14,856 |
| 2027 | 12,865 | 13,783 | 4,240 | 298 | 3,374 | 103 | 404 | 16 | - | - | 20,883 | 14,200 |
| 2028-2032 | 76,605 | 61,602 | 17,685 | 574 | 2,023 | 26 | - | - | - | - | 96,313 | 62,202 |
| 2033-2037 | 92,505 | 45,384 | - | - | - | - | - | - | - | - | 92,505 | 45,384 |
| 2038-2042 | 76,660 | 30,735 | - | - | - | - | - | - | - | - | 76,660 | 30,735 |
| 2043-2047 | 93,400 | 13,986 | - | - | - | - | - | - | - | - | 93,400 | 13,986 |
| 2048-2052 | 20,925 | 551 | - | - | - | - | - | - | - | - | 20,925 | 551 |
| Total | $ 419,190 | $226,484 | $ 38,230 | $ 2,654 | $ 22,141 | $ 1,478 | $ 880 | $ 71 | $ 6,448 | $ 8 | $ 486,889 | $230,695 |

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

The City's outstanding debt from direct borrowings related to business-type activities totaled $67,698. The State Revolving loan agreements have the following provisions in the event of default: (1) Failure to make any monthly loan deposit when it is due and such failure shall continue for a period of 30 days or failure to make any installment of the semiannual loan payment when it is due and such failure shall continue for a period of 5 days. (2) Except as provided in certain subsections, failure to comply with the provisions of the agreement or failure in the performance or observance of any of the covenants or actions required by the agreement and such failure shall continue for a period of 60 days after written notice thereof to the local borrower by the Department of Environmental Protection ("Department"). (3) Any warranty, representation or other statement by, or on behalf of, the local borrower contained in the agreement or in any document, certificate or information furnished in compliance with, or in reference to, the agreement, which is false or misleading. (4) An order or decree entered, with the acquiescence of the local borrower, appointing a receiver of any part of the Water or Sewer System or gross revenues thereof or if such order or decree, having been entered without the consent or acquiescence of the local borrower, shall not be vacated or discharged or stayed on appeal within 60 days after the entry thereof. (5) Any proceeding instituted, with the acquiescence of the local borrower, for the purpose of effecting a composition between the local borrower and its creditors or for the purpose of adjusting the claims of such creditors, pursuant to any federal or state statute now or hereafter enacted, if the claims of such creditors are payable from gross revenues of the Water or Sewer System. (6) Any bankruptcy, insolvency or other similar proceeding instituted by, or against, the local borrower under federal or state bankruptcy or insolvency law now or hereafter in effect and, if instituted against the local borrower, is not dismissed within 60 days after filing. (7) Failure of the local borrower to give immediate written notice of default to the Department and such failure shall continue for a period of 30 days. Upon any event of default, the Department may enforce the rights of the Corporation and the Department by accelerating the repayment schedule or increasing the financing rate on the unpaid principal of the loan to as much as 1.667 times the Financing Rate for a default.

On February 12, 2020, the City entered into a Non-Revolving Line of Credit Note in the amount of $70,500,000 with PNC Bank N. A. to provide interim financing for Stormwater System improvements. The Line of Credit Note has the following provisions in an event of default in connection: (1) failure to make payment of the principal of or interest when due and payable or (2) performance of any covenant, condition, agreement or provision; or (3) material misrepresentations or warranty contained in the agreement; or (4) the City admits in writing its inability to pay its debt generally as they become due, or files a petition in bankruptcy or makes an assignment for the benefit of its creditors or consents to the appointment of a receiver or trustee for itself or for the whole or any part of its property or a receiver or trustee for such purpose is appointed without the consent of the City; or (5) the dissolution or liquidation of the City, or filing of bankruptcy or any similar act, the Lender may proceed to protect and enforce its rights under the laws of the State of Florida and under the agreement. Upon an event of default, the Non-Revolving Line of Credit Note will bear interest at the default rate of Prime plus 3% or maximum allowable by law, whichever is less. The default rate shall be applied per diem and continue until such time as the event of default has been cured. As of September 30, 2022, the Non-Revolving Line of Credit Note had an undrawn balance of $64,051,685.

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

**Long-term Bonds and Loans Payable Activity:**

Following is a summary of the changes in the City's long-term liabilities for the fiscal year ended September 30, 2022:

| | Beginning Balance * | Additions | Reductions | Ending Balance | Due Within One Year |
|---|---|---|---|---|---|
| **GOVERNMENTAL ACTIVITIES** | | | | | |
| **Bonds Payable:** | | | | | |
| General Obligation Bonds | $ 190,620,000 | $ - | $ (4,540,000) | $ 186,080,000 | $ 4,760,000 |
| Special Obligation Bonds | 207,060,000 | - | (23,430,000) | 183,630,000 | 24,175,000 |
| Special Assessment Bonds | - | 7,900,000 | - | 7,900,000 | 165,000 |
| Unamortized Bond Premiums and Discounts | 10,548,499 | 599,290 | (1,678,120) | 9,469,669 | - |
| Total Bonds Payable | 408,228,499 | 8,499,290 | (29,648,120) | 387,079,669 | 29,100,000 |
| **Direct Borrowings/Placements:** | | | | | |
| Tax Increment Revenue Note | 3,910,000 | 20,769,000 | (6,194,000) | 18,485,000 | 3,156,000 |
| Special Obligation Loans | 4,242,900 | - | (1,469,900) | 2,773,000 | 522,000 |
| Financing Lease Obligations | 3,382,725 | - | (987,899) | 2,394,826 | 1,013,857 |
| Leased Liabilities | 5,828,918 | - | (1,405,389) | 4,423,529 | 1,427,922 |
| Total Direct Borrowings/Placements | 17,364,543 | 20,769,000 | (10,057,188) | 28,076,355 | 6,119,779 |
| **Other Long-term Liabilities:** | | | | | |
| Estimated Claims Payable | 33,011,000 | 49,544,684 | (39,243,684) | 43,312,000 | 12,372,000 |
| Net Pension Liabilities * | 237,691,717 | - | (105,143,931) | 132,547,786 | - |
| Net OPEB Liabilities | 25,362,803 | - | (21,579,055) | 3,783,748 | - |
| Compensated Absences Payable | 32,788,644 | 20,044,867 | (20,987,581) | 31,845,930 | 3,921,964 |
| Total Other Long-term Liabilities | 328,854,164 | 69,589,551 | (186,954,251) | 211,489,464 | 16,293,964 |
| **Total Governmental Activities Long-Term Debt** | **$ 754,447,206** | **$ 98,857,841** | **$ (226,659,559)** | **$ 626,645,488** | **$ 51,513,743** |

* Beginning balance restated due to a prior period adjustment. See Note 18

Internal service funds predominantly serve the governmental funds. Accordingly, their long-term liabilities totaling $37.5 million are included as part of the above totals for governmental activities. Also, for the governmental activities, compensated absences, net pension liabilities and net OPEB liabilities are generally liquidated by the General Fund.

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

| | Beginning Balance | Additions | Reductions | Ending Balance | Due Within One Year |
|---|---|---|---|---|---|
| **BUSINESS-TYPE ACTIVITIES** | | | | | |
| **Bonds Payable:** | | | | | |
| Revenue Bonds | $ 429,445,000 | $ - | $ (10,255,000) | $ 419,190,000 | $ 10,775,000 |
| Unamortized Bond Premiums and Discounts | 13,475,952 | - | (1,969,713) | 11,506,239 | - |
| Total Bonds Payable | 442,920,952 | - | (12,224,713) | 430,696,239 | 10,775,000 |
| **Direct Borrowings/Placements:** | | | | | |
| Revenue Refunding Bonds | 42,145,000 | - | (3,915,000) | 38,230,000 | 3,975,000 |
| State Revolving Fund Loans | 26,098,401 | - | (3,957,092) | 22,141,309 | 4,850,491 |
| Financing Lease Obligations | 984,559 | - | (104,698) | 879,861 | 110,272 |
| Non-Revolving Line of Credit | 130,000 | 6,318,315 | - | 6,448,315 | - |
| Leased Liabilities | 394,249 | - | (87,791) | 306,458 | 90,780 |
| Total Direct Borrowings/Placements | 69,752,209 | 6,318,315 | (8,064,581) | 68,005,943 | 9,026,543 |
| **Other Long-term Liabilities:** | | | | | |
| Landfill Post-Closure Costs | 643,962 | - | (48,868) | 595,094 | 50,031 |
| Net Pension Liabilities | 12,866,365 | - | (2,486,959) | 10,379,406 | - |
| Net OPEB Liabilities | 7,825,112 | - | (6,657,724) | 1,167,388 | - |
| Compensated Absences Payable | 5,525,207 | 4,029,100 | (3,954,327) | 5,599,980 | 750,541 |
| Total Other Long-term Liabilities | 26,860,646 | 4,029,100 | (13,147,878) | 17,741,868 | 800,572 |
| **Total Business-type Activities Long-Term Debt** | **$ 539,533,807** | **$ 10,347,415** | **$ (33,437,172)** | **$ 516,444,050** | **$ 20,602,115** |

## Pledged Revenues

The City issues bonds and loans that are served by a pledge of specific revenues such as non-ad-valorem revenues or designated revenues which includes communications services tax, public services tax, guaranteed entitlement, and business tax, and a covenant to budget and appropriate. Total pledged revenues to repay the principal and interest of those bonds as of September 30, 2022 are as follows:

| Debt Issue | Revenue Pledge Amount | Type of Pledge | Current Year Pricipal and Interest Paid | Outstanding Principal and Interest | Pledge Through |
|---|---|---|---|---|---|
| **Govermental Activities:** | | | | | |
| Special Obligation Loans | $ 213,133,999 | Non-ad Valorem Revenues | $ 1,585,715 | $ 2,984,506 | 2027 |
| Special Obligation Bonds | 48,530,514 | Communications services tax, public services tax, guaranteed entitlement, and business tax revenues | 26,703,352 | 196,483,091 | 2032 |
| **Business-type Activities:** | | | | | |
| Utility System Revenue Bonds | 144,891,213 | Water and sewer net operating revenues | 26,683,744 | 645,674,567 | 2048 |
| State Revolving Fund Loans | 148,988,452 | Water and sewer net operating revenues | 4,522,892 | 23,619,152 | 2028 |

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

**Defeasance of Debt**

The City defeases long-term debt primarily to reduce debt service requirements by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments of the old bonds. The irrevocable trust account assets and liabilities for the defeased bonds are not included in the City's basic financial statements. The City issued taxable special obligation refunding bonds in FY2020 in the amount of $167,155,000. The gross savings of the refunding was approximately $17.8 million, with a net present value savings of approximately $16.4 million. The refinancing reduced the average interest rate from 4.85% to 1.48%. Of the amount issued, $165,708,803 was paid to an escrow agent to advance refund the following bonds:

| Description of Obligation | Year Defeased | Final Payment/ Call Date | Original Issue | Amount Defeased |
|---|---|---|---|---|
| Taxable Special Obligation Bonds, Series 2012 | 2020 | 1/1/2023 | $ 337,755,000 | $ 148,950,000 |
| | | | | $ 148,950,000 |

## 8. LEASES

For the year ended 9/30/2022, the financial statements include the adoption of GASB Statement No. 87, *"Leases"*. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

Leases Payable

The City entered into sixteen (16) leases that include the right to use land, buildings, and infrastructure. The leases expire at various dates through 2027. The interest rate on these leases ranges from 0.2280% to 0.8720%.

Future minimum lease payments under lease agreements for Governmental Activities are as follows:

| | Governmental Activities | | |
|---|---|---|---|
| Fiscal Year | Principal | Interest | Total Payments |
| 2023 | $ 1,427,922 | $ 17,632 | $ 1,445,554 |
| 2024 | 1,301,641 | 11,675 | 1,313,316 |
| 2025 | 1,242,728 | 5,861 | 1,248,589 |
| 2026 | 416,131 | 1,416 | 417,547 |
| 2027 | 31,711 | 262 | 31,973 |
| Later Years | 3,396 | 74 | 3,470 |
| | $ 4,423,529 | $ 36,920 | $ 4,460,449 |

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

Future minimum lease payments under lease agreements for Business-Type Activities are as follows:

| | Business-Type Activities | | |
|---|---|---|---|
| Fiscal Year | Principal | Interest | Total Payments |
| 2023 | $ 90,780 | $ 1,153 | $ 91,933 |
| 2024 | 93,939 | 753 | 94,692 |
| 2025 | 97,194 | 338 | 97,532 |
| 2026 | 24,545 | 18 | 24,563 |
| 2027 | - | - | - |
| Later Years | - | - | - |
| | $ 306,458 | $ 2,262 | $ 308,720 |

Lease arrangements assets are amortized over the life of the associated contract. Lease Assets by Major Classes of Underlying Asset as of September 30, 2022:

| Asset Class | Lease Asset Value | Accumulated Amortization |
|---|---|---|
| Buildings | $ 6,015,196 | $ 1,544,044 |
| Infrastructure | 23,203 | 3,200 |
| Land | 184,769 | 31,641 |
| Total Leases by Asset Class | $ 6,223,168 | $ 1,578,885 |

Leases Receivable

The City entered into fourteen (14) leases that include the right to use land, buildings, and infrastructure. The leases expire at various dates through 2073. The interest rate on these leases ranges from 0.2280% to 1.7220%. The City recognized $2,916,814 in lease revenue during the current fiscal year. As of September 30, 2022, the City's receivable for lease payments and related deferred inflow of resources from leases was $103,312,971.

Principal and Interest expected to Maturity for Governmental Activities are as follows:

| | Governmental Activities | | |
|---|---|---|---|
| Fiscal Year | Principal Payments | Interest Payments | Total Payments |
| 2023 | $ 135,668 | $ 1,280,502 | $ 1,416,170 |
| 2024 | 477,180 | 1,274,269 | 1,751,449 |
| 2025 | 550,771 | 1,264,695 | 1,815,466 |
| 2026 | 551,614 | 1,254,491 | 1,806,105 |
| 2027 | 507,013 | 1,244,307 | 1,751,320 |
| 2028 - 2032 | 3,070,332 | 6,052,935 | 9,123,267 |
| 2033 - 2037 | 4,000,666 | 5,709,267 | 9,709,933 |
| 2038 - 2042 | 4,997,433 | 5,274,500 | 10,271,933 |
| 2043 - 2047 | 6,068,198 | 4,746,935 | 10,815,133 |
| 2048 - 2052 | 7,494,295 | 4,101,691 | 11,595,986 |
| 2053 - 2057 | 9,136,385 | 3,315,900 | 12,452,285 |
| 2058 - 2062 | 11,024,420 | 2,368,737 | 13,393,157 |
| 2063 - 2067 | 13,503,366 | 1,229,107 | 14,732,473 |
| 2068 - 2072 | 4,739,616 | 207,349 | 4,946,965 |
| | $ 66,256,957 | $ 39,324,685 | $ 105,581,642 |

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

Principal and Interest expected to Maturity for Business-Type Activities are as follows:

| | Business-Type Activities | | |
|---|---|---|---|
| Fiscal Year | Principal Payments | Interest Payments | Total Payments |
| 2023 | $ 1,303,074 | $ 603,119 | $ 1,906,193 |
| 2024 | 1,321,994 | 584,199 | 1,906,193 |
| 2025 | 1,341,194 | 564,999 | 1,906,193 |
| 2026 | 1,360,679 | 545,514 | 1,906,193 |
| 2027 | 1,380,452 | 525,741 | 1,906,193 |
| 2028 - 2032 | 7,209,274 | 2,321,690 | 9,530,964 |
| 2033 - 2037 | 4,944,276 | 1,843,352 | 6,787,628 |
| 2038 - 2042 | 3,754,038 | 1,516,934 | 5,270,972 |
| 2043 - 2047 | 3,656,058 | 1,202,081 | 4,858,139 |
| 2048 - 2052 | 3,464,568 | 894,201 | 4,358,769 |
| 2053 - 2057 | 3,125,456 | 620,389 | 3,745,845 |
| 2058 - 2062 | 1,847,489 | 398,167 | 2,245,656 |
| 2063 - 2067 | 1,779,071 | 253,709 | 2,032,780 |
| 2068 - 2072 | 1,934,855 | 97,925 | 2,032,780 |
| 2073 | 168,688 | 709 | 169,397 |
| | $ 38,591,166 | $ 11,972,729 | $ 50,563,895 |

**Regulated Leases**

The City has various aviation leases which are accounted for in the Airport Fund. The cost and carrying amount of the property at inception of the leases were $2,677,713. Minimum future rentals on these leases as of September 30, 2022 follow:

| Fiscal Year Ending in: | Aviation Leases | Land Leases | Total |
|---|---|---|---|
| 2023 | $ 4,556,767 | $ 4,590,146 | $ 9,146,913 |
| 2024 | 4,476,866 | 4,590,146 | 9,067,012 |
| 2025 | 4,155,169 | 4,590,146 | 8,745,315 |
| 2026 | 4,112,251 | 4,590,146 | 8,702,397 |
| 2027 | 4,112,251 | 4,590,146 | 8,702,397 |
| Later Years | 51,203,635 | 118,967,198 | 170,170,833 |
| | $ 72,616,939 | $ 141,917,928 | $ 214,534,867 |

**Financing Purchases**

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, 2022, the City's liability for this lease totaled $1,338,247.

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

In an event of default in connection with (i) failure to make payment of the principal of or interest when due and payable or (ii) performance of any covenant, condition, agreement or provision (iii) material misrepresentations or warranty contained in the agreement or (iv) the dissolution or liquidation of the City, or filing of bankruptcy or any similar act, the Lender may proceed to protect and enforce its rights under the laws of the State of Florida and under the agreement. Upon the occurrence of an event of default, and as long as such event of default is continuing, Lessor may, at its option, exercise any one or more of the following remedies: (i) by written notice to Lessee, declare all amounts then due under the Lease, and all remaining lease payments due during the fiscal year in effect when the default occurs to be immediately due and payable, whereupon the same shall become immediately due and payable; (ii) request by written notice that Lessee promptly deliver the equipment to Lessor or its Assignee; and (iii) exercise any other right, remedy or privilege which may be available under applicable laws, to recover damages for the breach of this Lease or to rescind this Lease as to any or all of the equipment.

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 a financing purchase lease 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, 2022, the City's liability for this lease totaled $1,936,440.

The Motorola lease agreements has the following provisions in the event of default: (i) Lessee fails to make any Lease Payment (or any other payment) as it becomes due in accordance with the terms of the Lease, and any such failure continues for twenty (20) days after the due date thereof; (ii) Lessee fails to perform or observe any other material covenant, condition, or agreement to be performed or observed by it hereunder and such failure is not cured within twenty (20) days after receipt of written notice thereof by Lessor; (iii) the discovery by Lessor that any statement, representation, or warranty made by Lessee in this Lease or in writing ever delivered by Lessee pursuant hereto or in connection herewith is false, misleading or erroneous in any material respect; (iv) proceedings under any bankruptcy, insolvency, reorganization or similar legislation shall be instituted against or by Lessee, or a receiver or similar officer shall be appointed for Lessee or any of its property, and such proceedings or appointments shall not be vacated, or fully stayed, within twenty (20) days after the institution or occurrence thereof; or (v) an attachment, levy or execution is threatened or levied upon or against the Equipment.

The future (minimum) lease obligations and the net present value of capital lease payments as of September 30, 2022 are as follows:

| Year Ending September 30 | Governmental Activities | Business Type Activities | Total |
|---|---|---|---|
| 2023 | $ 1,070,754 | $ 127,675 | $ 1,198,429 |
| 2024 | 1,072,631 | 131,278 | 1,203,909 |
| 2025 | 70,324 | 134,985 | 205,309 |
| 2026 | 72,310 | 138,798 | 211,108 |
| 2027 | 74,354 | 142,721 | 217,075 |
| Later Years | 143,928 | 276,267 | 420,195 |
| Total Lease Payments | 2,504,301 | 951,724 | 3,456,025 |
| Less: Amount of Interest | (109,475) | (71,863) | (181,338) |
| Present Value of Lease Payments | $ 2,394,826 | $ 879,861 | $ 3,274,687 |

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

## 9. PENSION OBLIGATIONS

The City of Fort Lauderdale, sponsors two defined benefit plans – General Employees' Retirement System (GERS) and Police and Firefighters' Retirement System (PFRS). The GERS and the PFRS 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. In addition, the City created a Post-Retirement Pay Steps Plan (PPS) for the Police and Firefighters' Retirement System member retirees.

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"*. GASB 68 enhances accountability and transparency through revised and new note disclosures and required supplementary information (RSI).

**Membership of Pension Plans:**

Membership for the GERS, the PFRS and the PPS plans was as follows as of September 30, 2022:

| | General Employees' Retirement System | Police and Firefighters' Retirement System | Post-Retirement Pay Steps Plan |
|---|---|---|---|
| Inactive Plan Members or Beneficiaries Currently Receiving Benefits | 1,445 | 1,174 | 6 |
| Inactive Plan Members Entitled to but Not Yet Receiving Benefits | 83 | 34 | 86 |
| Active members | 558 | 719 | 918 |
| Total | 2,086 | 1,927 | 1,010 |

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

| | Measurement Date | Net Pension Liability (Asset) | Deferred Outflows of Resources | Deferred Inflows of Resources | Pension Expense (Credit) |
|---|---|---|---|---|---|
| GERS | 9/30/2021 | $ (81,137,664) | $ 9,593,909 | $ 79,861,974 | $ (14,271,393) |
| PFRS | 9/30/2021 | (2,733,135) | 52,724,888 | 73,732,587 | 15,994,799 |
| PPS | 9/30/2021 | 105,950,336 | 8,150,583 | 1,064,202 | 4,444,555 |
| FRS | 6/30/2022 | 25,939,467 | 22,019,885 | - | 7,284,028 |
| HIS | 6/30/2022 | 11,037,389 | 10,386,451 | 1,756,042 | 2,407,453 |
| | | $ 59,056,393 | $ 102,875,716 | $ 156,414,805 | $ 15,859,442 |

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

**A) Defined Benefit Plans - Plan Descriptions and Funding Policies**

1. General Employees' Retirement System (GERS)

The GERS plan 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 GERS was then closed to new entrants.

Benefits are based on the final average earnings and years of service to determine the amount of the monthly retirement benefit. The final average earnings are determined by averaging the highest two (2) years of earnings over the last five (5) years of employment. Earnings include base pay, longevity pay and under certain circumstances assignment pay. Years of service are converted to a service accrual factor equal to three percent (3%) multiplied by the first twenty-five (25) years of service plus two and one half percent (2.5%) multiplied by years of service beyond twenty-five (25) years. Service is credited for each day you are employed. The maximum accrual factor is ninety percent (90%). Years of service are accrued from the pension date of hire until employment terminates. Members who reach the ninety percent (90%) accrual factor maximum, which coincides with thirty-one (31) years of service, are no longer required to contribute to the Plan.

As of September 30, 2022, employee membership data related to the pension plan was as follows:

| | |
|---|---|
| Retirees and beneficiaries currently receiving benefits | 1,445 |
| Inactive, Non retired members | 83 |
| Active Members | 558 |
| Total | 2,086 |

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 23.38% or $8,376,770.

**Net Pension Liability (Asset)**

The City's actuarial valuation date is October 1, 2020 rolled forward to September 30, 2021 and net pension liability was measured as of September 30, 2021. The total pension liability used to calculate the net pension liability was determined as of that date.

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

The components of the net pension liability of the City at September 30, 2021 were as follows:

| | |
|---|---|
| Total Pension Liability | $ 722,016,668 |
| Plan Fiduciary Net Position | (803,154,332) |
| City's Net Pension Liability (Asset) | $ (81,137,664) |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset) | 111.24% |

Actuarial Assumptions: The total pension liability in the September 30, 2020 actuarial valuation updated to September 30, 2021 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 years of service, including inflation |
| Investment Rate of Return | 7.00% |

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, 2020 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. A more recent actuarial experience study dated November 2, 2021 for the period from October 1, 2014 to September 30, 2020 (the 2020 experience study) was completed subsequent to the measurement date September 30, 2021. The actuaries have recommended that several of the assumptions – the salary scale, the retirement rates, and the termination rates – be changed based on the results of the 2020 experience study. Had the recommended assumptions from the 2020 experience study been used, the total pension liability as of the measurement date September 30, 2021 would have decreased by about approximately 1.5% or $11 million. The impact of the 2020 experience study will be implemented at the next measurement date of September 30, 2022.

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, 2021 are summarized in the following table:

| Asset Class | Target Allocation | Long Term Expected Real Rate of Return |
|---|---|---|
| Domestic Equity | 40.0% | 8.3% |
| International Equity | 15.0% | 5.2% |
| Emerging Equity | 12.0% | 9.1% |
| Private Equity | 5.0% | 13.0% |
| Real Estate & Timber | 10.0% | 11.3% |
| Fixed Income | 15.0% | 0.6% |
| Cash | 3.0% | -1.5% |
| Total | 100.00% | |

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

A single discount rate of 7.00% 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 7.00%. 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 (7.00%) was applied to all periods of projected benefit payments to determine the total pension liability.

The discount rate assumption changed from 7.20% to 7.00% since the previous measurement date.

**Changes in the Net Pension Liability (Asset)**

| | Increase (Decrease) | | |
|---|---|---|---|
| | Total Pension Liability | Plan Fiduciary Net Position | Net Pension Liability (Asset) |
| Balances at September 30, 2020 | $ 710,075,790 | $ 678,032,068 | $ 32,043,722 |
| Changes for the year: | | | |
| Service Cost | 8,088,646 | - | 8,088,646 |
| Interest on Total Pension Liability | 50,028,794 | - | 50,028,794 |
| Differences between expected and actual experience on Total Pension Liability | (3,188,205) | - | (3,188,205) |
| Contributions - Employer | | 8,940,886 | (8,940,886) |
| Contributions - Employee | - | 2,272,367 | (2,272,367) |
| Assumption Changes | 3,651,795 | - | 3,651,795 |
| Net Investment Income | - | 161,112,233 | (161,112,233) |
| Benefit Payments | (46,640,152) | (46,640,152) | - |
| Administrative Expense | - | (563,070) | 563,070 |
| Net Changes | 11,940,878 | 125,122,264 | (113,181,386) |
| Balances at September 30, 2021 | $ 722,016,668 | $ 803,154,332 | $ (81,137,664) |

Sensitivity of the net pension asset to changes in the discount rate: The following presents the net pension asset of the City, calculated using the discount rate of 7.00%, as well as what the City's net pension asset would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

| | Current Single Discount | | |
|---|---|---|---|
| | 1% Decrease 6.00% | Rate Assumption 7.00% | 1% Increase 8.00% |
| City's Net Pension Asset | $ (5,129,050) | $ (81,137,664) | $ (145,537,303) |

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

Pension expense and deferred outflows/inflows of resources related to pensions: For the year ended September 30, 2022, the City recognized a pension expense of ($14,271,393). At September 30, 2022, the City reported deferred outflows and deferred inflows of resources related to pension from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Difference Betweeen Expected and Actual Experience | $ - | $ 1,062,735 |
| Changes in Assumptions | 1,217,139 | - |
| Net Difference Between Projected and Actual Earnings on Pension Investments | - | 78,799,239 |
| Employer contribution subsequent to the measurement date | 8,376,770 | - |
| Total | $9,593,909 | $ 79,861,974 |

$8,376,770 reported as deferred outflows of resources resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended September 30, 2023. Other amounts reported as deferred outflows of resources related to pension will be recognized in pension expense as follows:

| Year ending September 30, | Net Deferred Outflows of Resources |
|---|---|
| 2023 | $ (17,563,739) |
| 2024 | (15,621,801) |
| 2025 | (22,539,953) |
| 2026 | (22,919,342) |
| 2027 | - |
| Thereafter | - |
| Total | $ (78,644,835) |

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.

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

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

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

2. Police and Firefighters' Retirement System (PFRS)

The PFRS 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 September 30, 2022:

| | |
|---|---|
| Inactive Plan Members or Beneficiaries Currently Receiving Benefits | 1,174 |
| Inactive Plan Members Entitled to but Not Yet Receiving Benefits | 34 |
| Active Plan Members | 719 |
| Total | 1,927 |

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.

The plan provides for a permissible DROP extension for members who were participating in the DROP with a DROP period of less than ninety-six (96) months. The applicable extension would be for an additional twelve (12) or twenty-four (24) months of DROP participation, such that the total DROP participation would not exceed ninety-six (96) months. Tier 1 members participating in DROP shall contribute 1.75% of salary. This requirement was effective October 1, for firefighters and October 1, 2017 for police officers. It is our understanding that no DROP participants will receive a refund of contributions made while in DROP, regardless of length of participation. Tier 2 members participating in DROP shall contribute 10% of salary for the first five (5) years of DROP participation, and 1.50% of salary for each year thereafter. It is our understanding that no DROP participants will receive a refund of contributions made while in DROP, regardless of length of participation.

Effective October 1, 2017, for all Police Officer members, and October 1, 2018 for all Firefighter members, the member contribution rate was increased to 10% of their pensionable wages. In addition, effective October 1, 2017 for Tier 1 Police Officer members and October 1, 2018 for all Tier 1 Firefighter members, defined as entering the Deferred Retirement Option Program (DROP) on or before April 10, 2010, and current DROP members, are required to contribute 1.75% of their pensionable wages. Tier 2 members, defined as members hired after April 10, 2010, will be required to contribute 10% of their pensionable wages for the first 60 months of the member's 96 month DROP period. Thereafter, DROP Police Officer and Firefighter members will be required to contribute 1.5% of their pensionable wages. In addition, contributions in the amount of $4,750,365 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 26.22% ($20,357,843) and 7.55% ($5,860,328), respectively.

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

Police and Firefighters hired on or before April 1, 2014 will receive a monthly pension benefit equal to 3.38% of the Average Monthly Earnings, defined as the highest two years preceding retirement, for all years of service. Firefighters who were employed before December 11, 1993 will receive an additional 2.0% bonus at retirement. Certain firefighters hired prior to December 11, 1993 may have elected to remain in the old plan. Police hired after April 1, 2014 and Firefighters hired after October 1, 2014 will receive a monthly pension benefit equal to 3.0% of the Average Monthly Earnings, defined as the highest five years preceding retirement, for all years of service to a maximum accrual of 75% of Final Average Monthly Earnings. Early retirement, disability, death and other benefits are also provided.

**Net Pension Liability (Asset)**

The City's actuarial valuation date is October 1, 2020 rolled forward to September 30, 2021 and net pension liability was measured as of September 30, 2021. 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, 2022 were as follows:

| | |
|---|---|
| Total Pension Liability | $ 1,156,458,766 |
| Plan Fiduciary Net Position | (1,159,191,901) |
| City's Net Pension Liability (Asset) | $ (2,733,135) |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset) | 100.24% |

Actuarial Assumptions: The total pension liability was determined by an actuarial valuation as of October 1, 2020 updated to September 30, 2021 using the following actuarial assumptions applied to all measurement periods:

| | |
|---|---|
| Inflation | 2.25% |
| Salary Increases | Service based, expected increase to 2.75% inflationary component. |
| Discount Rate | 7.25% |
| Investment Rate of Return | 7.25% |

Mortality rates are projected generationally with Mortality Improvement Scale MP-2018. This assumption sufficiently accommodates future mortality improvements. The previously described mortality assumption rates were mandated by Chapter 2015-157, Laws of Florida. This law mandates the use of the assumptions used in either of the two most recent valuations of the Florida Retirement System (FRS). The above rates are those outlined in Milliman's July 1, 2020 FRS valuation report for special risk employees, with appropriate adjustments made based on plan demographics, 90% of active Firefighter deaths, and 75% of active Police Officer deaths are assumed to be service-incurred. The most recent actuarial experience study used to review the other significant assumptions was dated June 8, 2020.

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 2022, the inflation rate assumption of the investment advisor was 2.75%. 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.

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

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, 2021 are summarized in the following table:

| Asset Class | Target Allocation | Long Term Expected Real Rate of Return |
|---|---|---|
| Domestic Equity | 30.00% | 4.95% |
| International Equity | 15.00% | 4.70% |
| Domestic Bonds | 20.00% | -0.30% |
| Real Estate | 15.00% | 3.45% |
| Other | 20.00% | 7.00% |
| Total | 100.00% | |

Discount Rate: The discount rate used to measure the total pension liability was 7.25%, a decrease of 0.05 from the prior measurement date. 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.

**Changes in the Net Pension Liability (Asset)**

| | Increase (Decrease) | | |
|---|---|---|---|
| | Total Pension Liability | Plan Fiduciary Net Position | Net Pension Liability |
| Balances at September 30, 2020 | $ 1,105,794,719 | $ 990,657,062 | $ 115,137,657 |
| Changes for the year: | | | |
| Service Cost | 20,638,300 | - | 20,638,300 |
| Interest on Total Pension Liability | 80,217,651 | - | 80,217,651 |
| Share Plan Allocation | 2,066,242 | - | 2,066,242 |
| Assumption Changes | 5,600,685 | - | 5,600,685 |
| Differences between expected and actual experience on Total Pension Liability | (6,295,761) | - | (6,295,761) |
| Contributions - Employer | - | 19,757,218 | (19,757,218) |
| Contributions - State | - | 6,816,607 | (6,816,607) |
| Contributions - Employee | - | 7,807,192 | (7,807,192) |
| Contributions - Buy Back | 3,559,103 | 3,559,103 | - |
| Net Investment Income | - | 186,322,349 | (186,322,349) |
| Benefit Payments | (55,122,173) | (55,122,173) | - |
| Administrative Expense | - | (605,457) | 605,457 |
| Net Changes | 50,664,047 | 168,534,839 | (117,870,792) |
| Balances at September 30, 2021 | $ 1,156,458,766 | $ 1,159,191,901 | $ (2,733,135) |

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

Sensitivity of the net pension liability (asset) to changes in the discount rate: The following presents the net pension liability (asset) of the City, calculated using the discount rate of 7.25%, as well as what the City's net pension liability (asset) would be if it were calculated using a discount rate that is 1% point lower (6.25%) or 1% point higher (8.25%) than the current rate:

| | Current Single Discount | | |
|---|---|---|---|
| | 1% Decrease 6.25% | Rate Assumption 7.25% | 1% Increase 8.25% |
| City's Net Pension Liability (Asset) | $ 120,782,803 | $ (2,733,135) | $ (104,761,188) |

Pension expense and deferred outflows/inflows of resources related to pensions: For the year ended September 30, 2022 the City recognized a pension expense of $15,994,799. At September 30, 2022 the City reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Difference Betweeen Expected and Actual Experience | $ 10,729,078 | $ 5,055,485 |
| Changes in Assumptions | 13,966,265 | - |
| Net Difference Between Projected and Actual Earnings on Pension Investments | - | 68,677,102 |
| Employer contribution subsequent to the measurement date | 28,029,545 | - |
| Total | $ 52,724,888 | $ 73,732,587 |

$26,218,171 reported as deferred outflows of resources resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended September 30, 2023. Other amounts reported as deferred outflows of resources related to pension will be recognized in pension expense as follows:

| Year ending September 30, | Net Deferred Outflows of Resources |
|---|---|
| 2023 | $ (2,419,738) |
| 2024 | (3,779,070) |
| 2025 | (19,907,710) |
| 2026 | (22,930,726) |
| 2027 | - |
| Thereafter | - |
| Total | $ (49,037,244) |

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.

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

**Changes of benefit terms**

For measurement date September 30, 2021, amounts reported as changes of benefit terms resulted from the provisions of Chapter 112.1816, Florida Statutes. The Statutes state that, effective July 1, 2019, a death or disability (under the Plan's definition of total and permanent disability) for a Firefighter due to the diagnosis of cancer or circumstances that arise out of the treatment of cancer will be treated as duty related.

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

3. Florida Retirement System (FRS)

Under Resolution 20-183, the City of Fort Lauderdale joined the Florida Retirement System (FRS) for City employees other than police officers and firefighters, including employees of the GERS and PFRS effective January 1, 2021.

As provided by Chapters 121 and 112, Florida Statutes, the FRS provides two cost sharing, multiple employer defined benefit plans administered by the Florida Department of Management Services, Division of Retirement, including the Pension Plan and the Retiree Health Insurance Subsidy (HIS Plan). Under Section 121.4501, Florida Statutes, the FRS also provides a defined contribution plan (Investment Plan) alternative to the Pension Plan, which is administered by the State Board of Administration (SBA). As a general rule, membership in the FRS is compulsory for all employees working in a regularly established position for a state agency, county government, district school board, state university, community college, or a participating city or special district within the State of Florida. The FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. The Florida Legislature establishes and may amend the contribution requirements and benefit terms of all FRS plans.

**1. Pension Plan**

**Plan Description**

The Pension Plan is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (DROP) for eligible employees. The general classes of membership for the City are as follows:

- Regular Class - Members of the FRS who do not qualify for membership in the other classes.
- Elected Officers' Class (EOC) - Members who hold specified elected offices of local government

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

Employees enrolled in the Pension Plan prior to July 1, 2011, vest after six years of creditable service, and employees enrolled in the Pension Plan on or after July 1, 2011, vest after eight years of creditable service. Regular Class and EOC members initially enrolled in the Pension Plan before July 1, 2011, once vested, are eligible for normal retirement benefits at age 62 or at any age after 30 years of creditable service. Members in these classes initially enrolled in the Pension Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service. Early retirement may be taken any time after vesting within 20 years of normal retirement age, however, there is a 5.0% benefit reduction for each year prior to the normal retirement age.

DROP is available under the Pension Plan when the member first reaches eligibility for normal retirement. The DROP allows a member to retire while continuing employment for up to 60 months. While in the DROP, the member's retirement benefits accumulate in the FRS Trust Fund increased by a cost-of-living adjustment each July, and earn monthly interest equivalent to an annual rate of 1.30% on the preceding months DROP accumulation until DROP participation ends.

**Benefits Provided**

Benefits under the Pension Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement plan and/or class to which the member belonged when the service credit was earned.

The benefits received by retirees and beneficiaries are increased by a cost-of-living adjustment (COLA) each July. If the member was initially enrolled in the Pension Plan before July 1, 2011, and all service credit was accrued before that time, the annual COLA is 3.0% per year. The annual COLA for retirees with an effective retirement date or DROP date beginning on or after August 1, 2011, who were initially enrolled before July 1, 2011, is a proportion of 3.0% determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3.0%. Pension Plan members initially enrolled on or after July 1, 2011, will not have a COLA after retirement.

**Contributions**

Effective July 1, 2011, all enrolled members of the Pension Plan, other than DROP participants, are required to contribute 3.0% of their salary to the Pension Plan. In addition to member contributions, governmental employers are required to make contributions to the Pension Plan based on state-wide contribution rates established by the Florida Legislature. These rates are updated as of July 1 of each year. The employer contribution rates by job class for the periods from July 1, 2021 through June 30, 2022 and from July 1, 2022 through September 30, 2023, respectively, were as follows: Regular 10.82% and 11.91%; Elected Officers' 51.42% and 57.00%; and DROP participants 18.34% and 18.60%. For the fiscal year ending September 30, 2022, contributions to the FRS plan totaled $2,974,853.

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At September 30, 2022, the City reported a liability of $25,939,467 for its proportionate share of the Pension Plan's net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021. The City's proportionate share of the net pension liability was based on the City's FY2022 contributions relative to the FY2022 fiscal year contributions of all participating members. At June 30, 2022 the City's proportionate share was 0.069714690%, an increase from FY2021 proportionate share of 0.032983144%.

Pension expense and deferred outflows/inflows of resources related to pensions: For the year ended September 30, 2022, the City recognized a pension expense of $7,284,028. At September 30, 2022 the City reported deferred outflows of resources related to pension from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Difference Betweeen Expected and Actual Experience | $ 1,231,975 | $ - |
| Changes in Assumptions | 3,194,554 | - |
| Net Difference Between Projected and Actual Earnings on Pension Plan Investments | 1,712,780 | - |
| Changes in Proportion and Differences Between Employer Contribution and Proportionate Share of Contributions | 14,939,674 | - |
| Employer contribution subsequent to the measurement date | 940,902 | - |
| Total | $ 22,019,885 | $ - |

$940,902 reported as deferred outflows of resources resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended September 30, 2023. Other amounts reported as deferred outflows of resources related to pension will be recognized in pension expense as follows:

| Year ending September 30, | Net Deferred Outflows of Resources |
|---|---|
| 2023 | $ 5,097,622 |
| 2024 | 1,923,574 |
| 2025 | (1,721,489) |
| 2026 | 14,978,325 |
| 2027 | 800,951 |
| Thereafter | - |
| Total | $ 21,078,983 |

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

**Actuarial Assumptions**

The total pension liability was determined by an actuarial valuation using the following actuarial assumptions:

| | |
|---|---|
| Inflation | 2.40% |
| Salary Increases | 3.25 including inflation |
| Investment Rate of Return | 6.7% |

Mortality rates were based on the PUB-2010 base table which varies by member category and sex, projected generationally with scale MP-2018.

The long-term expected rate of return assumption of 6.70% consists of two building block components: 1) an inferred real (in excess of inflation) return of 4.20 percent, which is consistent with the 4.38 percent real return from the capital market outlook model developed by the FRS consulting actuary, Milliman; and 2) a long-term average annual inflation assumption of 2.40 percent as adopted in October 2022 by the FRS Actuarial Assumption Conference. In the opinion of the FRS consulting actuary both components and the overall 6.70 percent return assumption were determined to be reasonable and appropriate per Actuarial Standards of Practice. The 6.70 percent reported investment return assumption is the same as the investment return assumption chosen by the 2022 FRS Actuarial Assumption Conference for funding policy purposes. The long-term rate of return assumption changed from 6.80% to 6.70% since the prior measurement date.

For FY2022, the money-weighted rate of return on FRS pension plan investments, net of pension plan investment expense, was -7.20 percent. The money-weighted rate of return considers the changing amounts estimated as invested during a period and weights the amount of pension plan investments by the proportion of time they are available to earn a return during that period. Cash flows are estimated on a monthly basis and are assumed to occur at the beginning of each month. Cash inflows are netted with cash outflows, resulting in a net cash flow in each month. The money-weighted rate of return is calculated net of investment expenses.

The actuarial assumptions that determined the total pension liability as of June 30, 2022 were based on the results of an actuarial experience study for the July 1, 2013 - June 30, 2018 experience observation period.

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

| Asset Class | Target Allocation [1] | Annual Arithmetic Return | Compound Annual (Geometric) Return | Annual Standard Deviation |
|---|---|---|---|---|
| Cash Equivalent | 1.0% | 2.6% | 2.6% | 1.1% |
| Fixed Income | 19.8% | 4.4% | 4.4% | 3.2% |
| Global Equity | 54.0% | 8.8% | 7.3% | 17.8% |
| Real Estate | 10.3% | 7.4% | 6.3% | 15.7% |
| Private Equity | 11.1% | 12.0% | 8.9% | 26.3% |
| Strategic Investments | 3.8% | 6.2% | 5.9% | 7.8% |
| Total | 100.0% | | | |
| Assumed Inflation - Mean | | | 2.4% | 1.3% |

[1] As outlined in the FRS Pension Plan's investment policy available from Funds We Manage on the SBA's website at www.sbafla.com.

### Discount Rate

The discount rate used to measure the total pension liability was 6.70%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions will be made at the statutorily required rates. The Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return. The FRS Actuarial Assumption Conference is responsible for setting the assumptions used in the valuations of the defined benefit pension plans pursuant to Section 216.136(10), Florida Statutes. The 6.70% rate of return assumption used in the June 30, 2022 calculations was determined by the Plan's consulting actuary to be reasonable and appropriate per Actuarial Standard of Practice No. 27 (ASOP 27) for accounting purposes which differs from the rate used for funding purposes which is used to establish the contribution rates for the Pension Plan. The discount rate assumption changed from 6.80% to 6.70% since the prior measurement date.

### Sensitivity of the Proportionate Share of the Net Position Liability to Changes in the Discount Rate

The following represents the City's proportionate share of the net pension liability calculated using the discount rate of 6.70%, as well as what the proportionate shares of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate (dollars in thousands):

| | Current Single Discount | | |
|---|---|---|---|
| | 1% Decrease 5.70% | Rate Assumption 6.70% | 1% Increase 7.70% |
| Proportionate Share of the City's Net Pension Liability | $ 44,860,525 | $ 25,939,467 | $ 10,119,211 |

Payables to the Pension Plan - At September 30, 2022, the City reported payables in the amounts of $254,397 for outstanding contributions to the Pension Plan.

### Pension Plan Fiduciary Net Position

Detailed information regarding the HIS Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Annual Comprehensive Financial Report.

### 2. Health Insurance Subsidy Plan (HIS)

### Plan Description

The HIS Plan is a non-qualified, cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes and may be amended by the Florida Legislature at any time. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement.

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

**Benefits Provided**

For the fiscal year ended September 30, 2022, eligible retirees and beneficiaries received a monthly HIS payment of $5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of $30 and a maximum HIS payment of $150 per month. To be eligible to receive these benefits, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

**Contributions**

The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. The employer contributions are a percentage of gross compensation for all active FRS members. The employer contribution rates for the period from July 1, 2021 through June 30, 2022 and from July 1, 2022 through June 30, 2023 were 1.66%. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or cancelled.

For the fiscal year ending September 30, 2022, contributions to the HIS Plan for the City totaled $630,552.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At September 30, 2022, the City reported a liability of $11,037,389 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022. At June 30, 2022, the City's proportionate share was 0.104208916%, an increase from FY2021 proportionate share of 0.041033247%.

For the fiscal year ended September 30, 2022, the City recognized pension expense of $2,407,453 million. In addition, the City reported deferred outflows of resources and deferred inflows of resources related to the HIS Plan from the following sources (in thousands):

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Difference Betweeen Expected and Actual Experience | $ 335,011 | $ 48,565 |
| Changes in Assumptions | 632,670 | 1,707,47 |
| Net Difference Between Projected and Actual Earnings on Pension Plan Investments | 15,980 | - |
| Changes in Proportion and Differences Between Employer Contribution and Proportionate Share of Contributions | 9,204,691 | - |
| Employer contribution subsequent to the measurement date | 198,099 | - |
| Total | $ 10,386,451 | $ 1,756,042 |

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

$198,099 reported as deferred outflows of resources resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended September 30, 2023. Other amounts reported as deferred outflows of resources related to pension will be recognized in pension expense as follows:

| Year ending September 30, | Net Deferred Outflows of Resources |
|---|---|
| 2023 | $ 2,019,393 |
| 2024 | 1,088,958 |
| 2025 | 497,901 |
| 2026 | 1,102,106 |
| 2027 | 2,558,132 |
| Thereafter | 1,165,820 |
| Total | $ 8,432,310 |

**Actuarial Assumptions** – The total pension liability in the July 1, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|---|---|
| Inflation | 2.40% |
| Salary Increases | 3.25% including inflation |
| Investment Rate of Return | 3.54% |

Mortality rates were based on the Generational PUB-2010 with Projection Scale MP-2018.

The actuarial assumptions used in the July 1, 2022, valuation were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

**Discount Rate**

The discount rate used to measure the total pension liability at June 30, 2022 was 3.54%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the FRS Actuarial Assumption Conference. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index. The change between the two measurement dates is due to the changes in the applicable municipal bond index between the dates. The discount rate assumption changed from 2.16% to 3.54% since the prior measurement date.

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

**Sensitivity of the City's Proportionate Share of the Net Position Liability to Changes in the Discount Rate**

The following represents the City's proportionate share of the net pension liability calculated using the discount rate of 3.54%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (2.54%) or one percentage point higher (4.54%) than the current rate:

| | Current Single Discount | | |
|---|---|---|---|
| | 1% Decrease 2.54% | Rate Assumption 3.54% | 1% Increase 4.54% |
| Proportionate Share of the City's Net Pension Liability | $ 12,627,679 | $ 11,037,389 | $ 9,721,426 |

**Pension Plan Fiduciary Net Position**

Detailed information regarding the HIS Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Annual Comprehensive Financial Report.

**Payables to the Pension Plan**

At September 30, 2022, the City reported a payable in the amount of $7,259 for outstanding contributions required to the HIS Plan.

**3. Investment Plan**

The State Board of Administration (SBA) administers the defined contribution plan officially titled the FRS Investment Plan. The Investment Plan is reported in the SBA's annual financial statements and in the State of Florida Annual Comprehensive Financial Report. As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the defined benefit pension plan. City employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida State Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class as the Pension Plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.04% of payroll and by forfeited benefits of plan members. Effective July 1, 2012, allocations to the investment member's accounts, as established by Section 121.72, Florida Statutes, are based on a percentage of gross compensation, by class, as follows: Regular Class 6.30%, Senior Management Service Class 7.67%, Special Risk Class 14.0%, and Elected Officers' Class 11.34%.

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the Pension Plan is transferred to the Investment Plan, the member must have the years of service required for Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended September 30, 2021, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the City.

After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lumpsum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided; the member may either transfer the account balance to the Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the Pension Plan, or remain in the Investment Plan and rely upon that account balance for retirement income.

The Investment Plan pension expense for the City totaled $175,259 for the fiscal year ended September 30, 2022.

Payables to the Investment Plan - At September 30, 2022, the City reported payables in the amounts of $175,636 for outstanding contributions to the Investment Plan.

Additional audited financial information supporting the Schedules of Employer Allocations and the Schedules of Pension Amounts by Employer is located in the Florida Retirement System Pension Plan and Other State Administered Systems AFR for the fiscal year ended June 30, 2021. The system's AFR and the actuarial valuation reports referenced herein are available online at: http://www.dms.myflorida.com/workforce_operations/retirement/publications.

The system's AFR and actuarial reports may also be obtained by contacting the Division of Retirement at:

Department of Management Services Division of Retirement Research and Education Section
P. O. Box 9000
Tallahassee, FL 32315-9000
850-488-5706 or toll free at 877-377-173

**C) Post-Retirement Pay Steps Plan (PPS)**

The Post-Retirement Pay Steps Plan ("PPS") for the Police and Firefighters' Retirement System ("PFRS") was created to offer post-retirement payments to member retirees who were or are employed by the City as police officers on or after October 1, 2017, and for firefighters on or after October 1, 2018, the year ended September 30, 2018. The PPS Plan Trust is a single-employer defined benefit plan and administered by the City of Fort Lauderdale Commission as the Board of Trustees with a Trust Administrator responsible for the day-to-day administration and is contained within the OPEB Trust as a separate plan. For more information see Note 10.

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

Disclosures for the Plan related to GASB Statement No. 67 have been incorporated as of September 30, 2022.

Plan membership as of September 30, 2022:

| | |
|---|---|
| Inactive Plan Members or Beneficiaries Currently Receiving Benefits | 6 |
| Inactive Plan Members Entitled to but Not Yet Receiving Benefits | 86 |
| Active Plan Members | 918 |
| Total | 1,010 |

The Plan provides for five post-retirement pay steps. The steps shall be payable annually and each step shall take effect every third year until five steps have been achieved. To be eligible for a PPS, the member must have retired (including the end of DROP) and separated from the City for a period of three years. The value of any individual PPS shall be based on the normal retirement benefit of the member, exclusive of any amount paid from the DROP. The initial PPS shall be equal to three percent (3%) of the individual's base retirement benefit and each subsequent PPS shall be three percent (3%) of the preceding step by multiplying the preceding amount by 1.03.

Contribution: Benefit provisions and City contribution requirements are established and may be amended by the City Commission. The PPS may be altered or eliminated for members covered by a collective bargaining agreement through future negotiations and adoption of an ordinance. Contributions totaled $1,164,828.

**Net Pension Liability**

The City's actuarial valuation date is October 1, 2021 rolled forward to September 30, 2022 and net pension liability was measured as of September 30, 2021. Disclosures for the plan as required by GASB Statement No. 67 have been incorporated with a measurement date of September 30, 2022.

The components of the net pension liability of the City were as follows:

| **Measurement Date:** | **9/30/2021** | **9/30/2022** |
|---|---|---|
| Total Pension Liability | $111,182,271 | $ 75,576,792 |
| Plan Fiduciary Net Position | (5,231,935) | (5,209,245) |
| City's Net Pension Liability | $105,950,336 | $ 70,367,547 |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 4.71% | 6.89% |

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

Actuarial Assumptions: The total pension liability was determined by an actuarial valuation using the following actuarial assumptions:

| **Actuarial Valuation Date:** | **October 1, 2020** | **October 1, 2021** |
|---|---|---|
| **Measurement Date:** | **September 30, 2021** | **September 30, 2022** |
| Inflation | 2.25% | 2.25% |
| Salary Increases | Service based | Service based |
| Discount Rate | 7.00% | 5.04% |
| Investment Rate of Return | 7.00% | 7.00% |

Mortality rates were based on the Generational PUB 2010 and Improvement Scale MP-2018. The previously described mortality assumption rates were mandated by Chapter 2015-157, Laws of Florida. This law mandates the use of the assumptions used in either of the two most recent valuations of the Florida Retirement System (FRS). The above rates are those outlined in Milliman's July 1, 2021 FRS valuation report for special risk employees, with appropriate adjustments made based on plan demographics. The most recent actuarial experience study used to review the other significant assumptions was performed for the City of Fort Lauderdale Police and Firefighters' Retirement System dated June 8, 2020.

The long-term expected rate of return on pension plan investments can be 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 2022 the inflation rate assumption of the investment advisor was 2.50%. These ranges are combined to produce the Long-Term Expected Rate of Return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The Plan did not hold investments in any one organization that represents 5 percent or more of the Pension Plan's Fiduciary Net Position.

In FY2022, the annual money-weighted rate of return that expresses investment performance, net of investment expense, adjusted for changes in the amount invested was -19.43%.

Best estimates of geometric real rates of return for each major asset class included in the Pension Plan's target asset allocation as of September 30, 2021, are summarized in the following table:

| **Asset Class** | **Target Allocation** | **Long Term Expected Real Rate of Return** |
|---|---|---|
| Domestic Equity | 40.00% | 5.10% |
| International Equity | 17.00% | 5.00% |
| Fixed Income | 40.00% | 1.70% |
| Real Estate | 3.00% | 4.10% |
| | 100.00% | |

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

Best estimates of geometric real rates of return for each major asset class included in the Pension Plan's target asset allocation as of September 30, 2022, are summarized in the following table:

| Asset Class | Target Allocation | Long Term Expected Real Rate of Return |
|---|---|---|
| Domestic Equity | 40.00% | 5.20% |
| International Equity | 17.00% | 5.00% |
| Fixed Income | 40.00% | 1.50% |
| Real Estate | 3.00% | 4.10% |
| | 100.00% | |

Discount Rate:The projection of cash flows used to determine the Discount Rate assumed that the City shall contribute an amount equal to the average of the last four years' of contributions, indexed with inflation, each year. Based on those assumptions, the Pension Plan's Fiduciary Net Position was projected to provide future benefit payments for 19 years. These payments were discounted using a discount rate of 7.00%. Future benefits payments beyond 19 years were discounted using a high quality municipal bond rate of 4.77%. The high quality municipal bond rate was based on the week closest to, but not later than, the measurement date of the S&P Municipal Bond 20 Year High Grade Rate Index as published by the S&P Dow Jones. The single equivalent discount rate changed from 7.0% to 5.04% from previous measurement date.

**Changes in the Net Pension Liability**

| | Increase (Decrease) | | |
|---|---|---|---|
| | Total Pension Liability | Plan Fiduciary Net Position | Net Pension Liability |
| Balances at September 30, 2020 | $ 104,161,022 | $ 3,275,821 | $ 100,885,201 |
| Changes for the year: | | | |
| Service Cost | 1,349,110 | - | 1,349,110 |
| Interest | 2,745,730 | - | 2,745,730 |
| Differences between expected and actual experience | 2,940,556 | - | 2,940,556 |
| Contributions - Employer | - | 1,291,185 | (1,291,185) |
| Net Investment Income | - | 682,826 | (682,826) |
| Benefit Payments | (14,147) | (14,147) | - |
| Administrative Expense | - | (3,750) | 3,750 |
| Net Changes | 7,021,249 | 1,956,114 | 5,065,135 |
| Balances at September 30, 2021 | $ 111,182,271 | $ 5,231,935 | $ 105,950,336 |

**Sensitivity of the net pension liability to changes in the discount rate**

The following presents the net pension liability of the City as of September 30, 2021 calculated using the discount rate of 5.04%, 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 (4.04%) or 1-percentage-point higher (6.04%) than the current rate:

| | Current Single Discount | | |
|---|---|---|---|
| | 1% Decrease | Rate Assumption | 1% Increase |
| | 4.04% | 5.04% | 6.04% |
| City's Net Pension Liability | $ 116,091,303 | $ 105,950,336 | $ (34,499,655) |

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

The following presents the net pension liability of the City as of September 30, 2022 calculated using the discount rate of 5.04%, 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 (4.04%) or 1-percentage-point higher (6.04%) than the current rate:

| | Current Single Discount | | |
|---|---|---|---|
| | 1% Decrease | Rate Assumption | 1% Increase |
| | 4.04% | 5.04% | 6.04% |
| City's Net Pension Liability | $ 89,118,998 | $ 70,367,547 | $ 56,083,534 |

Pension expense and deferred outflows/inflows of resources related to pensions: For the year ended September 30, 2022, the City recognized a pension expense of $4,444,555. At September 30, 2022 the City reported deferred outflows of resources related to pension from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Difference Betweeen Expected and Actual Experience | $ 6,985,755 | $ - |
| Changes in Assumptions | - | 755,991 |
| Net Difference Between Projected and Actual Earnings on Pension Investments | - | 308,211 |
| Employer contribution subsequent to the measurement date | 1,164,828 | - |
| Total | $ 8,150,583 | $ 1,064,202 |

$1,164,828 reported as deferred outflows of resources resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended September 30, 2023. Other amounts reported as deferred outflows of resources related to pension will be recognized in pension expense as follows:

| Year ending September 30, | Net Deferred Outflows of Resources |
|---|---|
| 2022 | $ 619,840 |
| 2024 | 619,840 |
| 2025 | 610,488 |
| 2026 | 610,405 |
| 2027 | 692,196 |
| Thereafter | 2,768,784 |
| Total | $ 5,921,553 |

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

**Financial Statements**

Statement of Fiduciary Net Position
Post-Retirement Pay Steps Plan
September 30, 2022

| | |
|---|---|
| ASSETS | |
| Investments: | |
| Mutual Funds & Other | $ 2,126,410 |
| Commingled Funds | 3,085,189 |
| Total Investments | 5,211,599 |
| Receivables: | |
| Accrued Interest and Dividends | 3,023 |
| Total Assets | 5,214,622 |
| LIABILITIES | |
| Unsettled Trades | 4,746 |
| Due to Primary Government | 631 |
| Total Liabilities | 5,377 |
| Net Position - Restricted for Pensions | $ 5,209,245 |

Statement of Changes in Fiduciary Plan Net Position
Post-Retirement Pay Steps Plan
For the Year Ended September 30, 2022

| | |
|---|---|
| ADDITIONS | |
| Contributions: | |
| City | $ 1,164,828 |
| Total Contributions | 1,164,828 |
| Investment Loss: | |
| Net Decrease in Fair Value of | (1,236,782) |
| Investments Interest and Dividends | 116,054 |
| Total Investment Loss | (1,120,728) |
| Less: Investment Expenses | 2,587 |
| Total Investment Expenses | 2,587 |
| Net Investment Loss | (1,123,315) |
| Total Additions | 41,513 |
| DEDUCTIONS | |
| Benefits: | |
| Retirement | 60,453 |
| Administrative Expense | 3,750 |
| Total Deductions | 64,203 |
| Change in Net Position | (22,690) |
| Net Position - Beginning of Year | 5,231,935 |
| Net Position - End of Year | $ 5,209,245 |

The PPS Plan does not issue a separate financial report. 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.

**C) Defined Contribution Plans**

The City maintains three separate single-employer defined contribution plans administered by ICMA Retirement Corporation (ICMA-RC). The General Employees Defined Contribution (GEDC) Plan, the General Employees Special Class (GESC) Plan, and the Non-classified Employees Retirement (NCER) Plan which cover all City employees hired on or after October 1, 2007 and before January 1, 2021, except police and fire.

The City's contribution to the GEDC, GESC, and NCER is paid on a biweekly basis based on earnings of participants at the rate of 9%, 20.98%, and 19.89%, respectively that amounted to $4,455,683. Employee contributions are neither required nor permitted under the plans. Employees become fully vested in the plans upon entry. These benefit provisions and all other requirements are established by City ordinance.

All plans closed to new entrants after December 31, 2020. The City's current year payroll for employees covered by the plans was approximately $56,898,586. The total City payroll for the year was approximately $223,071,620.

## 10. 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 employees. 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. Payments totaled $2,396,275 for the year, of which retiree implicit subsidies amounted to $932,222.

Contributions: Benefit provisions and City contribution requirements are established and may be amended by the City Commission. Contributions totaled $1,016,800 for the year ended September 30, 2022.

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, 2022, $35,385,918 was invested in the OPEB Trust fund. The OPEB Trust does not issue a separate financial report.

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

Disclosures for the Plan related to GASB Statement No. 74 have been incorporated as of September 30, 2022.

Plan membership as of September 30, 2022:

| | |
|---|---|
| Active Plan Members | 2,741 |
| Inactive plan members receiving benefit payments | 645 |
| Total | 3,386 |

**Net OPEB Liability**

The City's actuarial valuation date is October 1, 2021 and net OPEB liability was measured as of September 30, 2021. Disclosures for the plan as required by GASB Statement No. 74 have been incorporated with a measurement date of September 30, 2022.

The components of the net OPEB liability of the City were as follows:

| **Measurement Date:** | **9/30/2021** | **9/30/2022** |
|---|---|---|
| Total OPEB Liability | $ 48,006,789 | $ 46,492,109 |
| Plan Fiduciary Net Position | (43,055,653) | (35,441,743) |
| City's Net OPEB Liability | $ 4,951,136 | $ 11,050,366 |
| Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset) | 89.69% | 76.23% |

Actuarial Assumptions: The total OPEB liability was determined by an actuarial valuation using following actuarial assumptions:

| **Actuarial Valuation Date:**<br>**Measurement Date:** | **October 1, 2020**<br>**September 30, 2021** | **October 1, 2021**<br>**September 30, 2022** |
|---|---|---|
| Actuarial Cost Method | Entry Age Normal | Entry Age Normal |
| Inflation | 2.40% | 2.40% |
| Salary Increases | 3.00% | 3.00% |
| Discount Rate | 6.60% | 6.80% |
| Investment Rate of Return | 6.60% | 6.80% |
| Mortality | SOA PUB-2010, with MP-2021 | SOA PUB-2010, with MP-2021 |
| Healthcare Trend Rate | 7.50% | 7.00% |

The following assumptions changed for the measurement date of September 30, 2021 to September 30, 2022:

Discount Rate from 7.0% to 6.80%
Investment Rate of Return from 6.60%
Healthcare Trend from 7.50% to 7.0%

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

The following assumptions changed for the measurement date of September 30, 2020 to September 30, 2021:

Inflation from 4.75% to 2.4%
Discount Rate from 7.0% to 6.60%
Investment Rate of Return from 7.0% to 6.60%
Mortality assumption from RP-2014 mortality with scale MP-2014 to SOA PUB-2010 with scale MP-2021.
Healthcare Trend from 7.20% to 7.5%

**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.

In FY2022, the annual money-weighted rate of return that expresses investment performance, net of investment expense, adjusted for changes in the amount invested was -18.31%.

The target allocation and best estimates of geometric real rates of return for each major asset class are summarized as of September 30, 2021 in the following table:

| Asset Class | Target Allocation | Long-Term Expected Rate of Return |
|---|---|---|
| Domestic Equity | 40.0% | 5.1% |
| International Equity | 17.0% | 5.0% |
| Fixed Income | 40.0% | 1.7% |
| Real Estatee | 3.0% | 4.1% |
| Total | 100.00% | |

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

The target allocation and best estimates of geometric real rates of return for each major asset class are summarized as of September 30, 2022 in the following table:

| Asset Class | Target Allocation | Long Term Expected Real Rate of Return |
|---|---|---|
| Domestic Equity | 40.00% | 5.2% |
| International Equity | 17.00% | 5.0% |
| Fixed Income | 40.00% | 2.1% |
| Real Estate | 3.00% | 4.1% |
| | 100.00% | |

Discount Rate: The discount rate used to measure the total OPEB liability was 6.60% and 6.80% for 2021 and 2022 measurement dates, respectively. 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 for fiscal years 2021 and 2022.

**Changes in Net OPEB Liability - Employer Reporting**

| | Increase (Decrease) | | |
|---|---|---|---|
| | Total OPEB Liability | Plan Fiduciary Net Position | Net OPEB Liability |
| Balances at September 30, 2021 | $ 70,568,020 | $ 37,380,105 | $ 33,187,915 |
| Changes for the year: | | | |
| Service Cost | 1,699,624 | - | 1,699,624 |
| Interest on Total OPEB Liability | 4,978,287 | - | 4,978,287 |
| Differences between expected and actual experience on Total OPEB Liability | (27,995,503) | - | (27,995,503) |
| Contributions - Employer | - | 1,414,300 | (1,414,300) |
| Assumption Changes | 1,094,415 | - | 1,094,415 |
| Net Investment Income | - | 6,608,181 | (6,608,181) |
| Benefit Payments | (2,338,054) | (2,338,054) | - |
| Administrative Expense | - | (8,879) | 8,879 |
| Net Changes | (22,561,231) | 5,675,548 | (28,236,779) |
| Balances at September 30, 2022 | $ 48,006,789 | $ 43,055,653 | $ 4,951,136 |

Sensitivity of the net OPEB liability to changes in the discount rate as of September 30, 2021: The following presents the net OPEB liability of the City, calculated using the discount rate of 6.60%, 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 (5.6%) or 1% point higher (7.6%) than the current rate:

| | Discount Rate | | |
|---|---|---|---|
| | 1% Decrease 5.60% | Rate Assumption 6.60% | 1% Increase 7.60% |
| Net OPEB Liability | $ 8,678,411 | $ 4,951,136 | $ 1,620,587 |

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rate as of September 30, 2021: The following presents the net OPEB liability of the City, calculated using the healthcare discount rate of 7.5%, as it would be if it were calculated using trend rates that are 1% point lower (6.5%) or 1% point higher (8.5%) than the current trend rate:

| | Healthcare Cost | | |
|---|---|---|---|
| | 1% Decrease | Trend Rates | 1% Increase |
| Net OPEB Liability | 6.50% | 7.50% | 8.50% |
| | $ 3,033,648 | $ 4,951,136 | $ 7,177,027 |

Sensitivity of the net OPEB liability to changes in the discount rate as of September 30, 2022: The following presents the net OPEB liability of the City, calculated using the discount rate of 6.80%, 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 (5.8%) or 1% point higher (7.8%) than the current rate:

| | Discount Rate | | |
|---|---|---|---|
| | 1% Decrease | Rate Assumption | 1% Increase |
| | 5.80% | 6.80% | 7.80% |
| Net OPEB Liability | $14,174,818 | $ 11,050,366 | $ 7,500,383 |

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rate as of September 30, 2022: The following presents the net OPEB liability of the City, calculated using the healthcare discount rate of 7.50%, as it would be if it were calculated using trend rates that are 1% point lower (6.50%) or 1% point higher (8.50%) than the current trend rate:

| | Healthcare Cost | | |
|---|---|---|---|
| | 1% Decrease | Trend Rates | 1% Increase |
| Net OPEB Liability | 6.00% | 7.00% | 8.00% |
| | $ 8,901,743 | $ 11,050,366 | $ 12,681,372 |

OPEB expense and deferred outflows/inflows of resources related to OPEB: For the year ended September 30, 2022, the City recognized an OPEB expense of $2,341,741. At September 30, 2022 the City reported deferred outflows of resources related to OPEB from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Difference Betweeen Expected and Actual Experience | $ 10,230,199 | $ (22,396,402) |
| Changes in Assumptions | 999,652 | - |
| Net Difference Between Projected and Actual Earnings on OPEB Investments | - | (3,175,081) |
| Employer contribution subsequent to the measurement date | 2,370,087 | |
| Total | $ 13,599,938 | $ (25,571,483) |

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

$2,370,087 reported as deferred outflows of resources resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended September 30, 2023. Other amounts reported as deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

| Year ending September 30, | Net Deferred Inflows of Resources |
|---|---|
| 2023 | $ (1,818,890) |
| 2024 | (1,729,593) |
| 2025 | (5,014,214) |
| 2026 | (6,083,445) |
| 2027 | 101,503 |
| Thereafter | 203,007 |
| Total | $ (14,341,632) |

**Financial Statements**

Statement of Fiduciary Net Position
Other Post-Employment Benefits Plan
September 30, 2022

| | |
|---|---|
| ASSETS | |
| Cash and Cash Equivalents | $ 65,771 |
| Investments: | |
| Commingled Funds | 20,944,474 |
| Mutual Funds & Other | 14,441,444 |
| Total Investments | 35,385,918 |
| Receivables: | |
| Accrued Interest and Dividends | 22,358 |
| Total Assets | 35,474,047 |
| LIABILITIES | |
| Unsettled Trades | 32,304 |
| Total Liabilities | 32,304 |
| Net Position - Restricted for OPEB Benefits | $ 35,441,743 |

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

Statement of Changes in Fiduciary Plan Net Position
Other Post-Employment Benefits Plan
For the Year Ended September 30, 2022

| | |
|---|---|
| ADDITIONS | |
| Contributions: | |
| City | $ 2,370,087 |
| Total Contributions | 2,370,087 |
| Investment Income (Loss): | |
| Net (Decrease) in Fair Value of Investments | (8,391,795) |
| Interest and Dividends | 831,490 |
| Total Investment Loss | (7,560,305) |
| Less: Investment Expenses | 18,417 |
| Total Investment Expenses | 18,417 |
| Net Investment Loss | (7,578,722) |
| Total Additions | (5,208,635) |
| | |
| DEDUCTIONS | |
| Benefits: | |
| Retirement | 2,396,275 |
| Total Benefits | 2,396,275 |
| Administrative Expense | 9,000 |
| Total Deductions | 2,405,275 |
| Change in Net Position | (7,613,910) |
| Net Position - Beginning of Year | 43,055,653 |
| Net Position - End of Year | $ 35,441,743 |

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.

## 11. DEFERRED COMPENSATION PLAN

The City offers a deferred compensation plan to its employees in addition to the pension plans. Participation is optional. GASB Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32, was issued June 2020. The primary objectives of this Statement are to: (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. Accordingly, the assets and liabilities of the plan are not reported within the City's financial statements.

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

## 12. INTER-FUND RECEIVABLES, PAYABLES AND TRANSFERS

Individual inter-fund receivable and payable balances at September 30, 2022 follow:

| | Due From Other Funds | Due To Other Funds |
|---|---|---|
| Governmental Funds | | |
| General Fund | $ 7,618,044 | $ - |
| Nonmajor Governmental Funds | | |
| Intergovernmental Revenue Fund | - | 214,671 |
| General Obligation Construction 2005 and 2011A Fund | - | 51,430 |
| Perpetual Care Trust Fund | - | 1,574 |
| | 7,618,044 | 267,675 |
| Fiduciary Funds | | |
| General Employees' Pension Fund | - | 3,263,138 |
| Police and Firefighters' Pension Fund | - | 4,086,600 |
| Post-Retirement Pay Steps Plan | - | 631 |
| | - | 7,350,369 |
| | $ 7,618,044 | $ 7,618,044 |

The payables of $214,671 in the Intergovernmental Revenue Fund represents short-term borrowings that will be repaid using grant receipts. The $51,430 due to the General Fund for operational cost. The Perpetual Care Trust Fund payables of $1,574 payable to the General Fund for operational costs of the City's cemeteries that will be repaid by the Cemetery Trust. The payables to the General Fund from the pension and PPS trust funds totaling $7,350,369 were for operating expenses of the funds paid by the City.

The composition of inter-fund transfers for the year ended September 30, 2022 was as follows:

| | Transfers In | | | | |
|---|---|---|---|---|---|
| | | | | Enterprise Funds | |
| Transfers Out | General Fund | Nonmajor Governmental Funds | Internal Service Funds | Nonmajor Enterprise Funds | Total |
| Governmental Funds | | | | | |
| General Fund | $ - | $ 49,917,287 | $ 377,000 | $ 10,067,827 | $ 60,362,114 |
| | - | 49,917,287 | 377,000 | 10,067,827 | 60,362,114 |
| Nonmajor Governmental Funds | | | | | |
| Special Revenue Funds | 16,264,573 | 4,925,464 | - | - | 21,190,037 |
| Capital Projects Funds | - | - | 3,000 | - | 3,000 |
| Permanent Fund | - | - | - | 408,968 | 408,968 |
| Internal Service Funds | - | 1,391,241 | - | - | 1,391,241 |
| | 16,264,573 | 6,316,705 | 3,000 | 408,968 | 22,993,246 |
| Enterprise Funds | | | | | |
| Water and Sewer Fund | - | 3,512,924 | 104,000 | - | 3,616,924 |
| Nonmajor Enterprise Funds | - | 2,000,273 | 161,000 | 255,151 | 2,416,424 |
| | - | 5,513,197 | 265,000 | 255,151 | 6,033,348 |
| | $ 16,264,573 | $ 61,747,189 | $ 645,000 | $ 10,731,946 | $ 89,388,708 |

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

The City transfers funds from the General Fund into: the special revenue fund for 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 $8,725,092 in private collectors fees to the Sanitation fund and $1,342,735 to the Airport fund to pay for the seventh installment towards the purchase of 64 acres of land based on an agreement with the Federal Aviation Administration to remove restrictive covenants. General Fund was reimbursed $16,166,993 from the American Rescue Plan Fund for expenses related to the pandemic. Transfers into Debt Service Funds are to cover debt service payments.

## 13. FUND BALANCES

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

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

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

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

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

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

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

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

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.

The details of individual governmental fund balances by category at September 30, 2022 follow:

| | General Fund | Nonmajor Governmental Funds | Total Fund Balances |
|---|---|---|---|
| Nonspendable | | | |
| Inventories | $ - | $ 6,750 | $ 6,750 |
| Endowments | - | 17,513,215 | 17,513,215 |
| Total Nonspendable | - | 17,519,965 | 17,519,965 |
| Restricted For | | | |
| Debt Service | - | 18,585,300 | 18,585,300 |
| Grants and Special Programs | - | 2,712,001 | 2,712,001 |
| Community Redevelopment | - | 144,268,453 | 144,268,453 |
| Building Code Enforcement | - | 38,381,910 | 38,381,910 |
| Law Enforcement | - | 4,759,605 | 4,759,605 |
| Capital Projects | - | 98,137,571 | 98,137,571 |
| Beach Improvements | - | 868,221 | 868,221 |
| Transportation | - | 1,017,530 | 1,017,530 |
| Endowments | - | 9,853,044 | 9,853,044 |
| Other Purposes | - | 1,049,866 | 1,049,866 |
| Total Restricted | - | 319,633,501 | 319,633,501 |
| Committed To | | | |
| Grants and Special Programs | 1,825,738 | - | 1,825,738 |
| Total Committed | 1,825,738 | - | 1,825,738 |
| Assigned To | | | |
| Law Enforcement | - | 1,130,106 | 1,130,106 |
| Capital Projects | - | 36,656,919 | 36,656,919 |
| Transportation | - | 365,822 | 365,822 |
| Subsequent Year's Expenditures | 4,717,729 | - | 4,717,729 |
| Total Assigned | 4,717,729 | 38,152,847 | 42,870,576 |
| Unassigned | 115,654,262 | (46,309) | 115,607,953 |
| Total Fund Balances | $ 122,197,729 | $ 375,260,004 | $ 497,457,733 |

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

## 14. 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, 2022:

| | |
|---|---|
| **Governmental Funds** | |
| General Fund | $ 4,717,729 |
| Nonmajor Governmental Funds | |
| Special Revenue Funds | |
| Community Redevelopment Agency Fund | 25,164,939 |
| Beach Business Improvement District Fund | 23,300 |
| Building Fund | 619,369 |
| Nuisance Abatement Fund | 5,201 |
| Total Special Revenue Funds | 25,812,809 |
| Capital Projects Funds | |
| General Capital Projects Fund | 6,739,225 |
| Gas Tax Fund | 175,573 |
| General Obligation Construction 2011A Fund | 533,502 |
| General Obligation Construction 2020A Fund | 6,738,854 |
| General Obligation Construction 2020B Fund | 3,276 |
| Community Redevelopment Agency Projects Fund | 1,388,749 |
| Park Impact Fee Projects Fund | 892,329 |
| Total Capital Projects Funds | 16,471,508 |
| Internal Service Funds | |
| City Insurance | 94,091 |
| Central Services | 935,573 |
| Vehivle Rental | 12,322,383 |
| Total Internal Service Funds | 13,352,047 |
| **Enterprise Funds** | |
| Water and Sewer | 9,649,999 |
| Nonmajor Enterprise Funds | |
| Sanitation Fund | 2,375,485 |
| Cemetery Fund | 37,598 |
| Parking System Fund | 294,612 |
| Airport Fund | 381,995 |
| Stormwater Fund | 1,771,485 |
| Total Nonmajor Enterprise Funds | 4,861,175 |
| Total Commitments and Contingent Liabilities | $ 74,865,267 |

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

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

## 15. 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 have been paid. On February 18, 2020, the PTR award was amended. The modification prescribed that it would run for a maximum of five (4 ) 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 – 95% of real property Ad Valorem taxes returned to the CRA as tax increment revenue
- Year 3 – 95% of real property Ad Valorem taxes returned to the CRA as tax increment revenue
- Year 4 – 95% 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 FY2022.

## 16. NEW ACCOUNTING PRONOUNCEMENTS

Implemented

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, 2022.

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

In January 2020, GASB issued Statement No. 92, *"Omnibus 2020"*. The objectives of this Statement are to provide enhanced comparability in accounting and financial reporting and improve the consistency of authoritative literature for the application of certain GASB Statements as follows:

- Statement No. 87, "*Leases",* and Implementation Guide No. 2019-3, *Leases,* for interim financial reports
- Reporting of intra-entity transfers of assets between a primary government employer and a component unit defined benefit pension plan or defined benefit other post-employment benefit (OPEB) plan

In March 2020, GASB issued Statement No. 93, *"Replacement of Interbank Offered Rates"*. The objectives of this Statement are to address accounting and financial reporting implications that result from the replacement of an interbank offered rate (IBOR). The removal of the London Interbank Offered Rate (LIBOR) as an effective interest rate is effective for the City's financial year September 30, 2021. All other provisions of this Statement are effective for the City's financial year September 30, 2022.

Not Yet Implemented

In August 2018, GASB issued Statement No. 91 *"Conduit Debt Obligations"*. The primary objectives of this Statement is to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The provisions of this Statement are effective for financial statements for the City's financial year ending September 30, 2023.

In March 2020, GASB issued Statement No. 94, *"Public-Private and Public-Public Partnerships and Availability Payment Arrangements"*. The primary objective of this Statement is to provide financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs) and provides guidance for accounting and financial reporting for availability payment arrangements (APA's). The provisions of this Statement are effective for the City's financial year September 30, 2023.

In May 2020, GASB issued Statement No. 96, "*Subscription-Based Information Technology Arrangements".* This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended. The provisions of this Statement are effective for the City's financial year September 30, 2023.

In April 2022, GASB issued Statement No. 99, *"Omnibus 2022"*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees.

**NOTES TO THE FINANCIAL STATEMENTS**
**September 30, 2022**

The requirements of this Statement that are effective as follows:

- The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance.
- The requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.
- The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

In June 2022, GASB issued Statement No. 100, *"Accounting Changes and Error Corrections – An Amendment of GASB Statement No. 62"*. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. This Statement also addresses corrections of errors in previously issued financial statements. The provisions of this Statement are effective for the City's financial year September 30, 2024.

In June 2022, GASB issued Statement No. 101, *"Compensated Absences"*. This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. The provisions of this Statement are effective for the City's financial year September 30, 2025.

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

## 17. SUBSEQUENT EVENTS

On Wednesday, April 12, 2023, the City of Fort Lauderdale experienced a natural tropical event with no advance notice creating flash flooding in multiple areas of the City. The severe flooding caused roughly 26 inches of rain across the Fort Lauderdale Metropolitan Area in a short period of time. The City drainage system is designed to handle 3" of rain within a 24-hour period; however, several neighborhoods in the City experienced rainfall levels at or above 11".

In response to the event, it became apparent throughout the day this would not be a routine or uneventful rainstorm. City leadership immediately took proactive steps to mitigate the damage. By day's end, the City activated its Emergency Operations Center (EOC) and Emergency management staff began executing emergency operation plans to ensure the safety of lives and property. Additionally, the City issued a Proclamation of a "Local State of Emergency".

As a result of the excessive rainfall, several areas of the Fort Lauderdale community experienced significant wind and flood related damages. In addition to the community damage, the City Government experienced significant to catastrophic damage to the City Hall building, located at 100 N. Andrews Ave, causing the displacement of three hundred City staff members.

On April 27, 2023, President Biden approved the request to declare a major disaster in Florida. As a result, federal aid will be made available to residents and city governments affected by the flood in Broward County.

Although the full financial impact of the storm on the City is not fully known currently, it is substantially mitigated by the various required and supplemental flood and property insurance policies ($25M) that the City carries on its assets. This is also augmented by the President's Declaration of Emergency authorizing FEMA reimbursement for expenses not covered by insurance.

In the short to mid-term timeframe, the City Government took lessons learned during the COVID 19 Pandemic and creatively reallocated floor space it currently owns and or lease, while simultaneously instituting a work from home/hybrid program to provide temporary workspace for the approximate three hundred staff members displaced from City Hall.

Currently, City leadership is assessing the long-term options for permanent office spaces and a new City Hall facility, as well as placing new emphasis on accelerating the City's Stormwater Master Plan initiatives.

On May 23, 2023, the City entered into a Non-Revolving Line of Credit in the amount of $45,500,000 with Regions Capital Advantage, Inc. The City will use the line of credit to provide interim financing for construction of a new Police and Public Safety headquarters building and parking garage. There is no principal due and payable on the loan during the draw period, which is the two-year period which terminates on May 23,2025. The draw period interest rate is a variable rate per annum equal to seventy-nine percent (79%) of One-Month Term SOFR, plus thirty-four basis points (0.0034) and is due and payable semi-annually commencing on July 1, 2023. The term period commences on May 24, 2025. The term period interest rate is fixed per annum equal to 79% of the prevailing Term Period Rate Index, plus sixty basis points (0.0060). issue provides for semi-annual principal and interest payments with interest ranging from 4.0% to 5.0% and final maturity on July 1, 2048.

## 18. RESTATEMENT OF PRIOR YEAR BALANCE – CHANGE IN ACCOUNTING PRINCIPLE

The October 1, 2021 beginning net position of the Governmental Activities was restated resulting in a decrease of the City's net position of $66.3 million.

The implementation of GASB Statement No. 87, "*Leases",* resulted in a $5.7 million decreased in the net position.

The Post-Retirement Pay Steps Plan's discount rate was lowered from 7.0% to 2.91%, this adjustment resulted in a restatement of the beginning balance of $66.3 million.

| | Governmental Activities | | | |
|---|---|---|---|---|
| **Statement of Net Position** | Right-to-use Asset | Lease Liability | Net Pension Liability | Net Position |
| Balances September 30, 2021, as previously reported | $ - | $ - | $ 171,413,378 | $ 414,367,141 |
| Change to implement GASB No. 87 | 5,828,918 | 5,828,918 | - | - |
| Correction of an error in discount rate | - | - | 66,278,339 | (66,278,339) |
| Balances October 1, 2021, as restated | $ 5,828,918 | $ 5,828,918 | $ 237,691,717 | $ 348,088,802 |

## NOTES TO THE FINANCIAL STATEMENTS
## September 30, 2022

| | Business-type Activities | |
|---|---|---|
| **Statement of Net Position** | Right-to-use Asset | Lease Liability |
| Balances September 30, 2021, as previously reported | $ - | $ - |
| Change to implement GASB No. 87 | 394,249 | 394,249 |
| Balances October 1, 2021, as restated | $ 394,249 | $ 394,249 |

| | Nonmajor Enterprise Funds | |
|---|---|---|
| **Balance Sheet** | Right-to-use Asset | Lease Liability |
| Balances September 30, 2021, as previously reported | $ - | $ - |
| Change to implement GASB No. 87 | 240,396 | 240,396 |
| Balances October 1, 2021, as restated | $ 240,396 | $ 240,396 |

| | Water and Sewer Fund | |
|---|---|---|
| **Balance Sheet** | Right-to-use Asset | Lease Liability |
| Balances September 30, 2021, as previously reported | $ - | $ - |
| Change to implement GASB No. 87 | 153,853 | 153,853 |
| Balances October 1, 2021, as restated | $ 153,853 | $ 153,853 |

| | Internal Service Funds | |
|---|---|---|
| **Balance Sheet** | Right-to-use Asset | Lease Liability |
| Balances September 30, 2021, as previously reported | $ - | $ - |
| Change to implement GASB No. 87 | 157,461 | 157,461 |
| Balances October 1, 2021, as restated | $ 157,461 | $ 157,461 |

# Required Supplementary Information

(Unaudited)

## CITY OF FORT LAUDERDALE, FLORIDA

*REQUIRED SUPPLEMENTARY INFORMATION*

### SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (Budgetary Basis) - GENERAL FUND
### For the Year Ended September 30, 2022

| | Budgeted Amounts | | Actual | Variance Positive |
|---|---|---|---|---|
| | Original | Final | Amounts | (Negative) |
| **REVENUES** | | | | |
| **Taxes:** | | | | |
| Ad Valorem | $ 173,235,541 | $ 173,235,541 | $ 170,989,529 | $ (2,246,012) |
| Utility Service | 39,291,470 | 39,400,535 | 42,337,880 | 2,937,345 |
| Franchise Fees | 23,605,400 | 23,605,400 | 29,090,957 | 5,485,557 |
| Insurance Premium | 6,609,700 | 6,609,700 | 7,671,702 | 1,062,002 |
| **Total Taxes** | 242,742,111 | 242,851,176 | 250,090,068 | 7,238,892 |
| **Licenses and Permits:** | | | | |
| Business Tax Receipts | 3,215,000 | 3,215,000 | 2,783,754 | (431,246) |
| Other Licenses and Permits | 400,000 | 400,000 | 491,028 | 91,028 |
| **Total Licenses and Permits** | 3,615,000 | 3,615,000 | 3,274,782 | (340,218) |
| **Intergovernmental Revenues:** | | | | |
| Federal | | | | |
| FEMA | - | - | 177,934 | 177,934 |
| State | | | | |
| State Revenue Sharing | 6,558,224 | 6,558,224 | 7,786,590 | 1,228,366 |
| Half Cent Sales Tax | 13,229,067 | 13,229,067 | 15,596,072 | 2,367,005 |
| State Other | 711,180 | 711,180 | 925,289 | 214,109 |
| Local | | | | |
| County Shared Gas Tax | 3,386,408 | 3,386,408 | 2,670,155 | (716,253) |
| County Business Tax Receipts | 190,000 | 190,000 | 247,697 | 57,697 |
| **Total Intergovernmental Revenues** | 24,074,879 | 24,074,879 | 27,403,737 | 3,328,858 |
| **Charges for Services:** | | | | |
| General Government Charges | 4,533,460 | 4,629,460 | 5,394,843 | 765,383 |
| Public Safety Charges | | | | |
| Police Service Fees | 654,500 | 654,500 | 720,407 | 65,907 |
| Alarm Fees | 576,300 | 576,300 | 503,130 | (73,170) |
| Fire Fees | 2,687,750 | 2,687,750 | 2,672,770 | (14,980) |
| EMS Transport Fees | 12,592,105 | 12,592,105 | 10,880,729 | (1,711,376) |
| Culture/Recreation Charges | | | | |
| Stadium | 61,000 | 61,000 | 69,313 | 8,313 |
| Swimming Pools | 503,450 | 503,450 | 395,313 | (108,137) |
| Tennis Courts | 694,000 | 694,000 | 951,118 | 257,118 |
| Parks | 269,000 | 269,000 | 252,692 | (16,308) |
| Docks | 1,657,290 | 1,657,290 | 1,916,576 | 259,286 |
| Program Fees | 872,863 | 872,863 | 853,927 | (18,936) |
| Miscellaneous | 404,658 | 404,658 | 505,276 | 100,618 |
| **Total Charges for Services** | 25,506,376 | 25,602,376 | 25,116,094 | (486,282) |
| **Fines and Forfeitures:** | | | | |
| Court Fines and Forfeitures | 1,010,000 | 1,010,000 | 520,939 | (489,061) |
| Code Enforcement Fines | 523,500 | 523,500 | 1,183,314 | 659,814 |
| Other Fines and Forfeitures | 12,500 | 12,500 | 19,972 | 7,472 |
| **Total Fines and Forfeitures** | 1,546,000 | 1,546,000 | 1,724,225 | 178,225 |
| **Miscellaneous Revenue:** | | | | |
| Assessments and Other Fees | 48,799,861 | 48,965,216 | 49,174,388 | 209,172 |
| Investment Income (Loss) | 2,371,277 | 2,371,277 | (5,432,906) | (7,804,183) |
| Rents and Concession | 4,278,525 | 4,345,025 | 8,047,042 | 3,702,017 |
| Contributions and Donations | 454,211 | 465,254 | 491,764 | 26,510 |
| Interfund Service Charges | 27,601,483 | 27,728,627 | 27,248,640 | (479,987) |
| Other Miscellaneous | 3,928,620 | 4,608,615 | 4,657,396 | 48,781 |
| **Total Miscellaneous Revenue** | 87,433,977 | 88,484,014 | 84,186,324 | (4,297,690) |
| **Total Revenues** | 384,918,343 | 386,173,445 | 391,795,230 | 5,621,785 |

Continued

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (Budgetary Basis) - GENERAL FUND**
**For the Year Ended September 30, 2022**

| | Budgeted Amounts | | Actual | Variance Positive |
|---|---|---|---|---|
| | Original | Final | Amounts | (Negative) |
| **EXPENDITURES** | | | | |
| **General Government:** | | | | |
| City Attorney | $ 6,438,436 | $ 6,438,436 | $ 5,599,446 | $ 838,990 |
| City Auditor | 1,643,673 | 1,643,673 | 1,565,241 | 78,432 |
| City Clerk | 1,625,726 | 1,625,726 | 1,489,934 | 135,792 |
| City Commission | 2,164,997 | 2,164,997 | 2,120,936 | 44,061 |
| City Manager | 6,359,510 | 6,892,059 | 5,586,936 | 1,305,123 |
| Budget | 2,697,234 | 2,697,234 | 2,525,722 | 171,512 |
| Finance | 6,748,290 | 6,748,290 | 6,435,277 | 313,013 |
| Human Resources | 4,553,049 | 4,553,049 | 4,257,448 | 295,601 |
| Parks and Recreation | 8,117,220 | 8,470,483 | 8,238,010 | 232,473 |
| Public Works | 2,761,194 | 2,909,429 | 2,275,317 | 634,112 |
| Sustainable Development | 9,150,243 | 9,314,182 | 8,969,983 | 344,199 |
| Transportation and Mobility | - | - | 82,266 | (82,266) |
| Other General Government | 4,345,688 | 5,214,430 | 5,769,848 | (555,418) |
| **Total General Government** | 56,605,260 | 58,671,988 | 54,916,364 | 3,755,624 |
| **Public Safety:** | | | | |
| Code Enforcement | 4,944,051 | 4,944,051 | 4,694,003 | 250,048 |
| Fire-Rescue | 96,991,129 | 98,589,661 | 96,975,640 | 1,614,021 |
| Police | 131,463,493 | 133,449,629 | 133,109,351 | 340,278 |
| **Total Public Safety** | 233,398,673 | 236,983,341 | 234,778,994 | 2,204,347 |
| **Physical Environment:** | | | | |
| Public Works | - | - | 611,399 | (611,399) |
| **Total Physical Environment** | - | - | 611,399 | (611,399) |
| **Transportation:** | | | | |
| Parks and Recreation | 3,058,430 | 3,058,430 | 3,270,731 | (212,301) |
| Public Works | 2,122,689 | 2,122,689 | 2,048,388 | 74,301 |
| Transportation and Mobility | 4,394,988 | 4,764,988 | 4,791,345 | (26,357) |
| **Total Transportation** | 9,576,107 | 9,946,107 | 10,110,464 | (164,357) |
| **Economic Environment:** | | | | |
| Community Redevelopment Agency | 1,506,624 | 1,506,624 | 1,332,882 | 173,742 |
| Sustainable Development | - | - | 3,072 | (3,072) |
| Housing Grant Operations | 2,218,565 | 1,934,564 | 1,683,743 | 250,821 |
| Parks and Recreation | - | - | 6,704 | (6,704) |
| **Total Economic Environment** | 3,725,189 | 3,441,188 | 3,026,401 | 414,787 |
| **Culture/Recreation:** | | | | |
| Parks and Recreation | 40,470,738 | 40,636,093 | 40,091,472 | 544,621 |
| **Total Culture/Recreation** | 40,470,738 | 40,636,093 | 40,091,472 | 544,621 |
| **Debt Service** | | | | |
| Principal Retirement | 54,545 | 54,545 | 978,590 | (924,045) |
| Interest and Fiscal Charges | 310,146 | 310,146 | 22,690 | 287,456 |
| **Total Debt Service** | 364,691 | 364,691 | 1,001,280 | (636,589) |
| **Total Expenditures** | 344,140,658 | 350,043,408 | 344,536,374 | 5,507,034 |
| **Excess of Revenues Over Expenditures** | 40,777,685 | 36,130,037 | 47,258,856 | 11,128,819 |

Continued

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (Budgetary Basis) - GENERAL FUND**
**For the Year Ended September 30, 2022**

| | Budgeted Amounts | | Actual | Variance Positive |
|---|---|---|---|---|
| | Original | Final | Amounts | (Negative) |
| **Transfers In:** | | | | |
| CRA Business Incentives Fund | $ - | $ 97,580 | $ 97,580 | $ - |
| American Rescue Plan | 16,166,993 | 16,166,993 | 16,166,993 | - |
| **Total Transfers In** | 16,166,993 | 16,264,573 | 16,264,573 | - |
| **Transfers Out:** | | | | |
| Community Redevelopment Agency Projects | (7,156,997) | (7,254,577) | (7,239,505) | 15,072 |
| Miscellaneous Grants Fund | (350,000) | (435,016) | (436,013) | (997) |
| Special Obligation Bonds Fund | (18,933,606) | (18,933,606) | (18,933,606) | - |
| Special Obligation Loans Fund | (1,586,715) | (1,586,715) | (1,586,715) | - |
| General Capital Projects Fund | (20,074,625) | (21,621,448) | (21,621,448) | - |
| School Crossing Guards | - | (100,000) | (100,000) | - |
| Sanitation Fund | (7,500,000) | (8,725,092) | (8,725,092) | - |
| Airport Fund | (1,342,735) | (1,342,735) | (1,342,735) | - |
| Project Management Fund | - | (377,000) | (377,000) | - |
| **Total Transfers Out** | (56,944,678) | (60,376,189) | (60,362,114) | 14,075 |
| **Total Other Financing Sources (Uses)** | (40,777,685) | (44,111,616) | (44,097,541) | 14,075 |
| **Net Change in Fund Balances** | - | (7,981,579) | 3,161,315 | 11,142,894 |
| **Fund Balance - Beginning of Year** | 101,103,512 | 54,804,655 | 110,122,191 | 55,317,536 |
| **Encumbrances at September 30, 2021** | 4,196,494 | 4,196,494 | 4,196,494 | - |
| **Fund Balance - End of Year** | $ 105,300,006 | $ 51,019,570 | $ 117,480,000 | $ 66,460,430 |

| | |
|---|---|
| Statement of revenues, expenditures and changes in fund balance – page 25 | $ 122,197,729 |
| Basis of accounting adjustments encumbrances as of September 30, 2022 | (4,717,729) |
| Statement of revenues, expenditures and changes in fund balance – budget and actual | $ 117,480,000 |

## NOTES TO REQUIRED SUPPLEMENTARY INFORMATION:

### Budgetary Data

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

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, American Rescue Plan Act, Affordable Housing Trust, 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, 2022 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.

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

| For measurement date ending September 30, | 2021 | 2020 | 2019 |
|---|---|---|---|
| Total Pension Liability | | | |
| Service Cost | $ 8,088,646 | $ 8,383,056 | $ 8,740,748 |
| Interest | 50,028,794 | 49,407,430 | 49,004,369 |
| Differences between Actual and Expected Experience | (3,188,205) | (938,592) | (6,046,993) |
| Assumption Changes | 3,651,795 | 6,861,164 | 6,715,780 |
| Benefit Payments, Including Refunds of Employee Contributions | (46,640,152) | (44,136,652) | (42,789,940) |
| Net Change in Total Pension Liability | 11,940,878 | 19,576,406 | 15,623,964 |
| Total Pension Liability - Beginning | 710,075,790 | 690,499,384 | 674,875,420 |
| Total Pension Liability - Ending (a) | $ 722,016,668 | $ 710,075,790 | $ 690,499,384 |
| | | | |
| Plan Fiduciary Net Position | | | |
| Contributions - Employer | $ 8,940,886 | $ 8,164,058 | $ 8,824,651 |
| Contributions - Employee | 2,272,367 | 2,454,925 | 2,592,025 |
| Net Investment Income (Loss) | 161,112,233 | 45,186,966 | 14,518,545 |
| Benefit Payments, Including Refunds of Member Contributions | (46,640,152) | (44,136,652) | (42,789,940) |
| Administrative Expense | (563,070) | (514,569) | (544,417) |
| Net Change in Plan Fiduciary Net Position | 125,122,264 | 11,154,728 | (17,399,136) |
| Plan Fiduciary Net Position - Beginning | 678,032,068 | 666,877,340 | 684,276,476 |
| Plan Fiduciary Net Position - Ending (b) | $ 803,154,332 | $ 678,032,068 | $ 666,877,340 |
| | | | |
| City's Net Pension Liability (Asset) - Ending (a) - (b) | $ (81,137,664) | $ 32,043,722 | $ 23,622,044 |
| | | | |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 111.24% | 95.49% | 96.58% |
| | | | |
| Covered Payroll | $ 39,391,278 | $ 42,611,331 | $ 42,975,708 |
| | | | |
| City's Net Pension Liability (Asset) as a Percentage of Covered Payroll | -205.98% | 75.20% | 54.97% |

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 the fiscal year 2018. The discount rate assumption changed from 7.4% to 7.3% in the measurement period 2019. The discount rate assumption changed from 7.3% to 7.2% in the measurement period 2020. The discount rate assumption changed from 7.2% to 7.0% in the measurement period 2021.

| 2018 | 2017 | 2016 | 2015 | 2014 |
|---|---|---|---|---|
| $ 9,080,935 | $ 9,607,674 | $ 9,940,115 | $ 9,917,828 | $ 10,774,138 |
| 48,592,554 | 46,437,709 | 45,329,190 | 44,655,792 | 43,346,733 |
| (7,758,188) | (1,676,483) | (657,609) | (6,253,927) | - |
| 6,581,878 | 14,797,404 | 3,054,924 | 5,940,974 | - |
| (40,883,076) | (38,933,543) | (38,169,155) | (37,095,194) | (36,240,606) |
| 15,614,103 | 30,232,761 | 19,497,465 | 17,165,473 | 17,880,265 |
| 659,261,317 | 629,028,556 | 609,531,091 | 592,365,618 | 574,485,353 |
| $ 674,875,420 | $ 659,261,317 | $ 629,028,556 | $ 609,531,091 | $ 592,365,618 |
| | | | | |
| $ 10,459,835 | $ 14,650,881 | $ 14,393,012 | $ 15,501,180 | $ 15,061,353 |
| 2,741,096 | 2,978,329 | 3,152,504 | 3,200,689 | 3,264,583 |
| 58,237,325 | 88,659,514 | 56,764,958 | (22,561,456) | 59,588,725 |
| (40,883,076) | (38,933,543) | (38,169,155) | (37,095,194) | (36,240,606) |
| (472,181) | (445,475) | (551,683) | (398,274) | (469,862) |
| 30,082,999 | 66,909,706 | 35,589,636 | (41,353,055) | 41,204,193 |
| 654,193,477 | 587,283,771 | 551,694,135 | 593,047,190 | 551,842,997 |
| $ 684,276,476 | $ 654,193,477 | $ 587,283,771 | $ 551,694,135 | $ 593,047,190 |
| | | | | |
| $ (9,401,056) | $ 5,067,840 | $ 41,744,785 | $ 57,836,956 | $ (681,572) |
| | | | | |
| 101.39% | 99.23% | 93.36% | 90.51% | 100.12% |
| | | | | |
| $ 45,140,076 | $ 47,494,154 | $ 53,951,321 | $ 57,804,651 | $ 59,303,500 |
| | | | | |
| -20.83% | 10.67% | 77.37% | 100.06% | 1.15% |

## CITY OF FORT LAUDERDALE, FLORIDA

*REQUIRED SUPPLEMENTARY INFORMATION*

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

| Fiscal Year Ended | Actuarially Determined Contribution | Actual Contribution | Contribution Deficiency (Excess) | Covered Payroll | Contributions as a Percentage of Covered Payroll |
|---|---|---|---|---|---|
| 9/30/2022 | $ 8,376,770 | $ 8,376,770 | $ - | $ 35,820,891 | 23.39% |
| 9/30/2021 | 8,940,886 | 8,940,886 | - | 39,391,278 | 22.70% |
| 9/30/2020 | 8,164,058 | 8,164,058 | - | 42,611,331 | 19.16% |
| 9/30/2019 | 8,824,651 | 8,824,651 | - | 42,975,708 | 20.53% |
| 9/30/2018 | 10,459,835 | 10,459,835 | - | 45,140,076 | 23.17% |
| 9/30/2017 | 14,650,881 | 14,650,881 | - | 47,494,154 | 30.85% |
| 9/30/2016 | 14,393,012 | 14,393,012 | - | 53,951,321 | 26.68% |
| 9/30/2015 | 15,501,180 | 15,501,180 | - | 57,804,651 | 26.82% |
| 9/30/2014 | 15,061,353 | 15,061,353 | - | 59,303,500 | 25.40% |

**Notes to Schedule:**

Valuation Date: 9/30/2020

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: | 22 Years |
| Asset Valuation Method: | 5-year smoothed market |
| Inflation: | 2.50% |
| Salary Increases: | 4.00% to 9.50% depending on years of service, including inflation |
| Investment Rate of Return: | 7.00% |
| Retirement Age: | Experience-based table of rates that are specific to the type of eligibility condition. |
| Mortality: | Mortality rates are the same as used by the Florida Retirement System (FRS) for Regular Class (non-Teacher) members in their July 1, 2020 actuarial valuation. These rates were taken from the PUB-2010 Headcount-Weighted Mortality Tables and adjusted to reflect FRS' experience. Mortality improvements to all future years after 2010 are generationally projected using Scale MP-2018. Adjustments to the published mortality tables were developed in a statewide experience study conducted for the FRS covering the period 2013 through 2018. F.S. 112.63(1)(f) requires the mortality assumption to be the same as used in either of the two most recently published actuarial valuation reports of the Florida Retirement System. For more information regarding these rates, refer to the July 1, 2020 actuarial valuation report of the FRS Pension Plan. |

*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

## CITY OF FORT LAUDERDALE, FLORIDA

*REQUIRED SUPPLEMENTARY INFORMATION*

### SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS - POLICE AND FIREFIGHTERS' RETIREMENT SYSTEM LAST NINE FISCAL YEARS *

| For measurement date ending September 30, | 2021 | 2020 | 2019 |
|---|---|---|---|
| Total Pension Liability | | | |
| Service Cost | $ 20,638,300 | $ 21,592,065 | $ 21,371,855 |
| Interest | 80,217,651 | 74,756,410 | 71,544,868 |
| Change in Excess State Money | - | - | - |
| Share Plan Allocation | 2,066,242 | 1,623,882 | 1,524,328 |
| Changes of Benefit Terms | - | - | 65,590 |
| Differences between Expected and Actual Experience | (6,295,761) | 19,851,718 | 2,008,045 |
| Assumption Changes | 5,600,685 | 13,599,982 | 5,019,222 |
| Contributions - Buy Back | 3,559,103 | 144,879 | 2,890,088 |
| Contributions - Transfer from General Plan | - | - | - |
| Benefit Payments, Including Refunds of Employee Contributions | (55,122,173) | (56,485,116) | (51,350,440) |
| Net Change in Total Pension Liability | 50,664,047 | 75,083,820 | 53,073,556 |
| Total Pension Liability - Beginning | 1,105,794,719 | 1,030,710,899 | 977,637,343 |
| Total Pension Liability - Ending (a) | $ 1,156,458,766 | $ 1,105,794,719 | $ 1,030,710,899 |
| Plan Fiduciary Net Position | | | |
| Contributions - Employer | $ 19,757,218 | $ 17,923,079 | $ 18,108,528 |
| Contributions - State | 4,750,365 | 4,985,818 | 6,743,190 |
| Contributions - State Share Plan | 2,066,242 | 1,623,882 | - |
| Contributions - Employee | 7,807,192 | 7,734,465 | 7,975,985 |
| Contributions - Buy Back | 3,559,103 | 144,879 | 2,890,088 |
| Contributions - Transfer from General Plan | - | - | - |
| Net Investment Income | 186,322,349 | 53,343,183 | 36,802,989 |
| Benefit Payments, Including Refunds of Member Contributions | (55,122,173) | (56,485,116) | (51,350,440) |
| Administrative Expense | (605,457) | (672,122) | (638,919) |
| Other | - | - | - |
| Net Change in Plan Fiduciary Net Position | 168,534,839 | 28,598,068 | 20,531,421 |
| Plan Fiduciary Net Position - Beginning | 990,657,062 | 962,058,994 | 941,527,573 |
| Plan Fiduciary Net Position - Ending (b) | $ 1,159,191,901 | $ 990,657,062 | $ 962,058,994 |
| City's Net Pension Liability - Ending (a) - (b) | $ (2,733,135) | $ 115,137,657 | $ 68,651,905 |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 100.24% | 89.59% | 93.34% |
| Covered Payroll | $ 72,304,621 | $ 73,016,330 | $ 76,177,179 |
| City's Net Pension Liability as a Percentage of Covered Payroll | -3.78% | 157.69% | 90.12% |

*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*

| 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
|---|---|---|---|---|---|
| $ 20,478,769 | $ 20,106,284 | $ 19,199,538 | $ 18,531,300 | $ 18,025,712 | $ 16,768,104 |
| 68,505,318 | 65,765,964 | 62,181,617 | 60,367,031 | 57,797,227 | 55,119,489 |
| - | - | - | - | (1,223,158) | - |
| 1,599,747 | 1,653,054 | 1,732,185 | 1,826,197 | 2,561,814 | - |
| 6,411 | - | - | 1,097,988 | - | - |
| (1,668,323) | (2,762,831) | (5,100,657) | (7,319,054) | - | - |
| 4,790,360 | 10,692,637 | 16,504,779 | (2,194,981) | - | - |
| 2,371,335 | 24,749 | 73,763 | 43,865 | - | - |
| - | - | - | 26,692 | - | - |
| (47,417,274) | (46,564,184) | (48,849,184) | (46,660,430) | (44,137,555) | (31,351,671) |
| 48,666,343 | 48,915,673 | 45,742,041 | 25,718,608 | 33,024,040 | 40,535,922 |
| 928,971,000 | 880,055,327 | 834,313,286 | 808,594,678 | 775,570,638 | 735,034,716 |
| $ 977,637,343 | $ 928,971,000 | $ 880,055,327 | $ 834,313,286 | $ 808,594,678 | $ 775,570,638 |
| | | | | | |
| $ 19,328,568 | $ 17,325,393 | $ 13,867,934 | $ 15,599,916 | $ 14,498,457 | $ 11,219,401 |
| 6,380,918 | 5,932,067 | 5,860,782 | 5,799,229 | 5,875,363 | 6,053,952 |
| - | - | - | - | - | - |
| 6,838,045 | 5,901,142 | 5,732,925 | 5,584,263 | 5,581,044 | 4,113,451 |
| 2,371,335 | 24,749 | 73,763 | 43,865 | - | - |
| - | - | - | 26,692 | - | - |
| 61,903,958 | 96,510,340 | 63,676,001 | 5,969,880 | 59,358,824 | 69,488,348 |
| (47,417,274) | (46,564,184) | (48,849,184) | (46,660,430) | (44,137,555) | (31,351,671) |
| (648,453) | (619,575) | (651,146) | (692,348) | (647,397) | (507,376) |
| - | - | - | - | 4,000,034 | - |
| 48,757,097 | 78,509,932 | 39,711,075 | (14,328,933) | 44,528,770 | 59,016,105 |
| 892,770,476 | 814,260,544 | 774,549,469 | 788,878,402 | 744,349,632 | 685,333,527 |
| $ 941,527,573 | $ 892,770,476 | $ 814,260,544 | $ 774,549,469 | $ 788,878,402 | $ 744,349,632 |
| $ 36,109,770 | $ 36,200,524 | $ 65,794,783 | $ 59,763,817 | $ 19,716,276 | $ 31,221,006 |
| 96.31% | 96.10% | 92.52% | 92.84% | 97.56% | 95.97% |
| $ 72,960,842 | $ 71,050,792 | $ 69,470,181 | $ 68,064,001 | $ 67,279,327 | $ 65,886,733 |
| 49.49% | 50.95% | 94.71% | 87.81% | 29.31% | 47.39% |

**Notes to Schedule of Changes in Net Pension Liability and Related Ratios:**

Change in Assumptions:

For measurement date 09/30/2021, amounts reported as changes of assumptions resulted from lowering the investment rate of return assumption from 7.30% to 7.25% per year compounded annually, net of investment related expenses.

For measurement date 9/30/2020, as mandated by Chapter 2015-157, Laws of Florida. The following assumption changes were made as of June 8, 2020 experience study performed for the City; the assumed salary increase rates were changed, resulting in increased rates prior to completion of seven years of service and decreased rates from seven to ten years of service; The assumed retirement rates were changed, resulting in generally lower rates prior to 25 years of service, and 100% upon reaching 25 years of service; The assumed withdrawal rates were changed, generally resulting in more withdrawals for Police Officers and less withdrawals for Firefighters; The assumed disability rates were changed by reducing the rates by 50% for Police Officers and 20% for Firefighters; and The inflation rate assumption was lowered from 2.75% to 2.25% per year.

For measurement date 09/30/2019, amounts reported as changes of assumptions resulted from lowering the investment return assumption from 7.35% to 7.30% per year, net of investment related expenses.

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 09/30/2016, as a result of Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the assumptions used by the Florida Retirement System for special risk employees. The inflation assumption rate was lowered from 3.00% to 2.30%, matching the long-term inflation assumption utilized by Plan's investment consultant.

For measurement date 09/30/2015, amounts reported as assumption changes were resulted from an actuarial experience study dated July 10, 2015 the Board approved numerous changes to the actuarial assumptions and methods in conjunction with the 10/01/20105 Valuation. The below assumptions/methods have been changed, and the specifics of the approved assumptions are displayed in the actuarial assumptions and methods section of the 10/01/2015 Valuation.

1) Asset Valuation Method (with a "Fresh Start")
2) Retirement Rates
3) Withdrawal Rates
4) Disability Rates (Police only)

## CITY OF FORT LAUDERDALE, FLORIDA

*REQUIRED SUPPLEMENTARY INFORMATION*

### SCHEDULE OF CONTRIBUTIONS - POLICE AND FIREFIGHTERS' 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 |
|---|---|---|---|---|---|
| 9/30/2022 | $ 25,373,586 | $ 26,218,171 | $ (844,585) | $ 77,635,705 | 33.77% |
| 9/30/2021 | 24,507,583 | 24,507,583 | - | 72,304,621 | 33.89% |
| 9/30/2020 | 22,766,889 | 22,908,897 | (142,008) | 73,016,330 | 31.38% |
| 9/30/2019 | 22,535,977 | 23,327,391 | (791,414) | 76,177,179 | 30.62% |
| 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: 10/1/2020

Actuarially determined contribution rates are caluculated as of October 1, two years prior to the end of the fiscal year in which contributions are reported. Methods and assumptions used to determine contribution rates can be found in the October 1, 2020 Actuarial Valuation for the City of Fort Lauderdale Police and Firefighters' Retirement System prepared by Foster & Foster Actuaries and Consultants.

Funding Method: Entry Age Normal Actuarial Cost Method

Amortization Method: Level Percentage of Pay, Closed

Remaining Amortization Period: 19 Years

Mortality: RP-2000 Table projected by Scale BB

Disability Rates: RP-2000 Disable, no projection scale

Interest Rate: 7.30% per year compounded annually, net of investment related expenses.

Inflation Rate: 2.75%

Retirement Rates:

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

No members are expected to take early retirement.

Salary Increases:

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

Cost of Living: None

Payroll Increase: 2.0% per year.

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

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

*Note: The covered payroll figures are in compliance with GASB 82, "Pension Issues—an amendment of GASB Statements No. 67, No. 68, and No. 73".

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

## SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS - POST-RETIREMENT PAY STEPS PLAN LAST FOUR FISCAL YEARS *

| For measurement date ending September 30, | 2022 | 2021 | 2020 | 2019 |
|---|---|---|---|---|
| Total Pension Liability | | | | |
| Service Cost | $ 5,169,637 | $ 1,349,110 | $ 1,239,321 | $ - |
| Interest | 3,384,970 | 2,745,730 | 2,191,795 | - |
| Changes of Benefit Terms | - | - | - | 30,072,033 |
| Differences between Actual and Expected Experience | 3,424,012 | 2,940,556 | 5,303,528 | - |
| Assumption Changes | (47,523,945) | - | (923,994) | - |
| Benefit Payments, Including Refunds of Employee Contributions | (60,453) | (14,147) | - | - |
| Net Change in Total Pension Liability | (35,605,779) | 7,021,249 | 7,810,650 | 30,072,033 |
| Total Pension Liability - Beginning | 44,903,932 | 37,882,683 | 30,072,033 | - |
| Prior Period Adjustment | 66,278,339 | - | - | - |
| Total Pension Liability - Ending (a) | $ 75,576,492 | $ 44,903,932 | $ 37,882,683 | $ 30,072,033 |
| | | | | |
| Plan Fiduciary Net Position | | | | |
| Contributions - Employer | $ 1,164,828 | $ 1,291,185 | $ 1,659,046 | $ 1,457,703 |
| Net Investment Income | (1,123,315) | 682,826 | 159,812 | 4,260 |
| Benefit Payments, Including Refunds of Member Contributions | (60,453) | (14,147) | - | - |
| Administrative Expense | (3,750) | (3,750) | (5,000) | - |
| Net Change in Plan Fiduciary Net Position | (22,690) | 1,956,114 | 1,813,858 | 1,461,963 |
| Plan Fiduciary Net Position - Beginning | 5,231,935 | 3,275,821 | 1,461,963 | - |
| Plan Fiduciary Net Position - Ending (b) | $ 5,209,245 | $ 5,231,935 | $ 3,275,821 | $ 1,461,963 |
| | | | | |
| City's Net Pension Liability - Ending (a) - (b) | $ 70,367,247 | $ 39,671,997 | $ 34,606,862 | $ 28,610,070 |
| | | | | |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 6.89% | 11.65% | 8.65% | 4.86% |
| | | | | |
| Covered Payroll | $ 77,635,705 | $ 72,304,621 | $ 73,016,330 | $ 76,177,179 |
| | | | | |
| City's Net Pension Liability as a Percentage of Covered Payroll | 90.64% | 54.87% | 47.40% | 37.56% |

Notes to Schedule:
Plan became effective as of December 4, 2018.
Prior Period Adjustment: The 2021 GASB results were restated due to a change in discount rate. The discount rate was lowered from 7.0% to 2.91%.
Changes in Assumptions: For purposes of determining the GASB discount rate at the 09/3012022 measurement date, a depletion date projection as of that date have been performed. The results of this projection showed a single discount rate of 5.04%. The discount rate was increased from 2.91% to 5.04%.
*Note: This is a 10-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of information is available.

## CITY OF FORT LAUDERDALE, FLORIDA

*REQUIRED SUPPLEMENTARY INFORMATION*

### SCHEDULE OF CONTRIBUTIONS - POST-RETIREMENT PAY STEPS PLAN LAST FOUR FISCAL YEARS *

| Fiscal Year Ended | Contractually Required Contribution | Contributions in Relation to the Contractually Required Contribution | Contribution Deficiency (Excess) | Covered Payroll | Contributions as a percentage of Covered Payroll |
|---|---|---|---|---|---|
| 9/30/2022 | $ 1,164,828 | $ 1,164,828 | $ - | $ 77,635,705 | 1.50% |
| 9/30/2021 | 1,291,185 | 1,291,185 | - | 72,304,621 | 1.79% |
| 9/30/2020 | 1,659,046 | 1,659,046 | - | 73,016,330 | 2.27% |
| 9/30/2019 | 1,457,703 | 1,457,703 | - | 76,177,179 | 1.91% |

**Notes to Schedule:**

Valuation Date: 10/1/2021

Methods and assumptions used to determine contribution rates:

Mortality: PubS.H-2010 Combined Healthy Participant Mortality Table for males and females. All rates are projected generationally with Mortality Improvement Scale MP-2018. The mortality assumption rates were mandated by Chapter 2015-157, Laws of Florida. This law mandates the useof the assumptions used in either of the two most recent valuations of the Florida Retirement System (FRS). The above rates are those outline in Milliman's July 1, 2021 FRS valuation report for special risk employees, with appropriate adjustments made based on plan demographics.

Amortization Method: Entry age normal actuarial cost method

Asset Valuation Method: 5-year smoothed market

Inflation: 2.25%

Salary Increases: 0.5% to 3.0% Expected increase in annual salary in addition to 2.75% inflationary component

Investment Rate of Return: 7.00% per year compounded annually, net of investment related expenses

Retirement Age: Experience-based table of rates that are specific to the type of eligibility condition

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

## SCHEDULE OF INVESTMENT RETURNS - POST-RETIREMENT PAY STEPS PLAN LAST FOUR FISCAL YEARS *

| | 2022 | 2021 | 2020 | 2019 |
|---|---|---|---|---|
| Annual Money-weighted Rate of Return, net of Investment Expense | -19.43% | 17.45% | 6.98% | 0.58% |

*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

## SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY - FLORIDA RETIREMENT SYSTEM LAST TWO FISCAL YEARS *

| | FRS | FRS |
|---|---|---|
| | **2022** | **2021** |
| Proportion of the Net Pension Liability | 0.069714690% | 0.032983144% |
| Proportionate Share of the Net Pension Liability | $ 25,939,467 | $ 2,491,502 |
| Covered Payroll [1] | 24,520,747 | 23,995,015 |
| Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll | 105.79% | 10.38% |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 82.89% | 96.40% |

| | HIS | HIS |
|---|---|---|
| | **2022** | **2021** |
| Proportion of the Net Pension Liability | 0.104208916% | 0.041033247% |
| Proportionate Share of the Net Pension Liability | $ 11,037,389 | $ 5,033,345 |
| Covered Payroll [1] | 24,520,747 | 23,995,015 |
| Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll | 45.01% | 20.98% |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 4.81% | 3.56% |

[1] FY2021 covered payroll includes only 9 months. The City started FRS in January 2021

Note: The information in this schedule is not required to be presented retroactively. Therefore, years will be added to this schedule in future fiscal years until ten years of information are available

The amounts presented for each fiscal year were determined as of the June 30 year end that occurred within the fiscal year.

## CITY OF FORT LAUDERDALE, FLORIDA

*REQUIRED SUPPLEMENTARY INFORMATION*

### SCHEDULE OF CONTRIBUTIONS - FLORIDA RETIREMENT SYSTEM LAST TWO FISCAL YEARS *

| | FRS | | | | |
|---|---|---|---|---|---|
| Fiscal Year Ended | Contractually Required Contribution | Contributions in Relation to the Contractually Required Contribution | Contribution Deficiency (Excess) | City's Covered-employee Payroll | Contributions as a percentage of Covered-employee Payroll |
| 9/30/2022 | $ 2,974,853 | $ 2,974,853 | $ - | $ 24,520,747 | 12.13% |
| 9/30/2021 | 1,256,515 | 1,256,515 | - | 23,995,015 | 5.24% |

| | HIS | | | | |
|---|---|---|---|---|---|
| Fiscal Year Ended | Contractually Required Contribution | Contributions in Relation to the Contractually Required Contribution | Contribution Deficiency (Excess) | City's Covered-employee Payroll | Contributions as a percentage of Covered-employee Payroll |
| 9/30/2022 | $ 630,552 | $ 630,552 | $ - | $ 24,520,747 | 2.57% |
| 9/30/2021 | 241,194 | 241,194 | - | 23,995,015 | 1.01% |

**Notes to Schedule:**

Valuation Date: 6/30/2022

Methods and assumptions used to determine contribution rates:

| | |
|---|---|
| Mortality: | RP-2000 Combined Healthy Participant Mortality Table for males and females using Scale BB. The above assumption rates were mandated by Chapter 2015-157, Laws of Florida. This law mandates the use of the assumptions used in either of the two most recent valuations of the Florida Retirement System (FRS). The above rates are those outlined in Milliman's July 1, 2018 FRS valuation report for special risk employees. |
| Amortization Method: | Entry age normal actuarial cost method |
| Asset Valuation Method: | 5-year smoothed market |
| Inflation: | 2.40% |
| Salary Increases: | 0.5% to 3.0% Expected increase in annual salary in addition to 2.75% inflationary component |
| Investment Rate of Return: | 6.7% per year compounded annually, net of investment related expenses |
| Retirement Age: | Experience-based table of rates that are specific to the type of eligibility condition |

*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 amounts presented for each fiscal year were determined as of 6/30.

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

| **Measurement Date** | **2022** | **2021** | **2020** | **2019** |
|---|---|---|---|---|
| Total OPEB Liability | | | | |
| Service Cost | $ 1,230,738 | $ 1,699,624 | $ 1,650,121 | $ 1,542,169 |
| Interest | 3,171,863 | 4,978,287 | 4,755,648 | 4,812,017 |
| Differences between Actual and Expected Experience | (2,849,146) | (27,995,503) | - | 22,045,568 |
| Assumption Changes | (671,860) | 1,094,415 | - | 287,437 |
| Benefit Payments | (2,396,275) | (2,338,054) | (7,551,151) | (6,767,763) |
| Net Change in Total OPEB Liability | (1,514,680) | (22,561,231) | (1,145,382) | 21,919,428 |
| Total OPEB Liability - Beginning | 48,006,789 | 70,568,020 | 71,713,402 | 49,793,974 |
| Total OPEB Liability - Ending (a) | $ 46,492,109 | $ 48,006,789 | $ 70,568,020 | $ 71,713,402 |
| Plan Fiduciary Net Position | | | | |
| Contributions - Employer | $ 2,370,087 | $ 1,414,300 | $ 7,973,939 | $ 13,059,613 |
| Net Investment Income | (7,569,305) | 6,608,181 | 3,069,821 | 923,536 |
| Benefit Payments | (2,396,275) | (2,338,054) | (7,551,151) | (6,767,763) |
| Administrative Expense | (18,417) | (8,879) | - | - |
| Net Change in Plan Fiduciary Net Position | (7,613,910) | 5,675,548 | 3,492,609 | 7,215,386 |
| Plan Fiduciary Net Position - Beginning | 43,055,653 | 37,380,105 | 33,887,496 | 26,672,110 |
| Plan Fiduciary Net Position - Ending (b) | $ 35,441,743 | $ 43,055,653 | $ 37,380,105 | $ 33,887,496 |
| City's Net OPEB Liability - Ending (a) - (b) | $ 11,050,366 | $ 4,951,136 | $ 33,187,915 | $ 37,825,906 |
| Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability | 76.23% | 89.69% | 52.97% | 47.25% |
| Covered-employee Payroll | $ 184,449,424 | $ 184,449,424 | $ 226,944,253 | $ 225,412,527 |
| City's Net OPEB Liability as a Percentage of Covered-employee Payroll | 5.99% | 2.68% | 14.62% | 16.78% |

Notes to the Schedule:
Benefit Changes: None
Changes in Assumption: Trend rates were advanced and the current year rate was adjusted to reflect actual experience. Mortality assumption changed from SOA RP-2014 Total Dataset Mortality with Scale MP-2014 to SOA RP-2014 Total Dataset Mortality with Scale MP-2018. Healthcare cost trend rates changed from 8.0% in FY2018 to 4.75% in FY 2019. No changes in assumptions in 2020.

*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.

| 2018 | 2017 | 2016 |
|---|---|---|
| $ 1,547,033 | $ 1,351,238 | $ 3,543,840 |
| 3,159,142 | 3,191,049 | 3,969,420 |
| 1,116,534 | - | (171,753) |
| - | - | (16,910,330) |
| (2,318,660) | (2,487,539) | (2,902,000) |
| 3,504,049 | 2,054,748 | (12,470,823) |
| 46,289,925 | 44,235,177 | 56,706,000 |
| $ 49,793,974 | $ 46,289,925 | $ 44,235,177 |
| | | |
| $ 11,607,707 | $ 4,742,839 | $ 3,902,000 |
| 1,554,482 | 766,491 | 1,140 |
| (2,318,660) | (2,487,539) | (2,902,000) |
| - | - | - |
| 10,843,529 | 3,021,791 | 1,001,140 |
| 15,828,581 | 12,806,790 | 11,805,650 |
| $ 26,672,110 | $ 15,828,581 | $ 12,806,790 |
| $ 23,121,864 | $ 30,461,344 | $ 31,428,387 |
| | | |
| 53.56% | 34.19% | 28.95% |
| | | |
| $ 206,456,122 | $ 194,804,022 | $ 194,804,022 |
| | | |
| 11.20% | 15.64% | 16.13% |

## CITY OF FORT LAUDERDALE, FLORIDA

*REQUIRED SUPPLEMENTARY INFORMATION*

### SCHEDULE OF CONTRIBUTIONS - OTHER POST-EMPLOYMENT BENEFITS LAST SEVEN FISCAL YEARS *

| Fiscal Year Ended | Actuarially Determined Contribution | Contributions in Relation to the Actuarially Determined Contribution | Contribution Deficiency (Excess) | Covered-employee Payroll | Contributions as a percentage of Covered- Payroll |
|---|---|---|---|---|---|
| 9/30/2022 | $ 2,396,275 | $ 2,370,087 | $ 26,188 | $ 184,449,424 | 1.28% |
| 9/30/2021 | 4,493,094 | 1,414,300 | 3,078,794 | 184,449,424 | 0.77% |
| 9/30/2020 | 4,698,375 | 2,933,866 | 1,764,509 | 226,944,253 | 1.29% |
| 9/30/2019 | 3,405,477 | 8,349,264 | (4,943,787) | 225,412,427 | 3.70% |
| 9/30/2018 | 3,668,737 | 11,607,707 | (7,938,970) | 206,456,122 | 5.62% |
| 9/30/2017 | 4,542,287 | 4,742,839 | (200,552) | 194,804,022 | 2.43% |
| 9/30/2016 | 6,627,000 | 3,902,000 | 2,725,000 | 194,804,022 | 2.00% |

Notes to Schedule

| | |
|---|---|
| Valuation date: | October 1, 2021 |
| 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: | Fair value of assets |
| Inflation: | 2.40% |
| Healthcare cost trend rates: | 7.5% in year 1, decreasing to an ultimate rate of 4.5% |
| Salary increases: | 3.00% |
| Investment rate of return: | 6.80% |
| Retirement age: | Ranges from age 55 or 20 years |
| Mortality: | SOA Pub-2010 using Scale MP-2021 |
| Changes in Assumption: | Trend rates were advanced and the current year rate was adjusted to reflect actual experience. Mortality assumption changed SOA RP-2014 Total Dataset Mortality with Scale MP-2018 to SOA Pub-2010 with MP-2021. |

*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 EIGHT FISCAL YEARS *

| Fiscal Year Ended | Annual Money-weighted Rate of Return, Net of Investment Expense |
|---|---|
| 9/30/2022 | -18.31% |
| 9/30/2021 | 17.08% |
| 9/30/2020 | 3.72% |
| 9/30/2019 | 7.47% |
| 9/30/2018 | 8.14% |
| 9/30/2017 | 5.09% |
| 9/30/2016 | 0.01% |
| 9/30/2015 | 0.04% |

*Note: This is a 10-year schedule. However, the information in this schedule is not required to be presented retroactively

Years will be added to this schedule in future fiscal years until 10 years of information is available.

CITY OF FORT LAUDERDALE

# 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.

**Community Redevelopment Agency Fund – Business Incentive Debt -** to account for programs including small business development.

**American Rescue Plan Act** - to account for revenues from the Federal government to provide an infusion of resources to help address the cascading economic impact of the pandemic on local governments.

**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.

**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.

**Special Assessment Bonds Fund** – to finance the cost of undergrounding overhead utilities for benefiting neighborhoods.

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

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

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

**Tax Increment Revenue Notes Fund** – 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 2011A Fund** – 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 Fund** – to account for the construction of, or improvements to, parks facilities financed by impact fees.

**General Obligation Construction 2020A Fund –** to account for the construction of Parks and Recreation Projects financed by General Obligation Bonds.

**General Obligation Construction 2020B Fund –** to account for the construction of public safety facilities financed by General Obligation Bonds.

**Special Assessment Construction 2020 Fund –** to account for the undergrounding overhead utilities for benefiting neighborhoods.

**Transportation Surtax Fund –** to account for transportation improvement projects**.**

## 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.

**COMBINING BALANCE SHEET**
**ALL NONMAJOR GOVERNMENTAL FUNDS**
**September 30, 2022**

| | Special Revenue Funds | | | | | |
|---|---|---|---|---|---|---|
| | Law Enforcement Confiscated Property | Community Redevelopment Agency | Community Redevelopment Agency - Business Incentive Debt | American Rescue Plan Act | State Housing Initiative Partnership | Intergovern-mental Revenue |
| **ASSETS** | | | | | | |
| Cash and Cash Equivalents | $ 5,895,922 | $ 24,843,799 | $ 20,000,000 | $ 21,967,682 | $ 3,067,279 | $ 2,771,981 |
| Investments | - | 3,624,313 | - | - | - | - |
| Accounts Receivable (Net) | - | 2,356 | - | - | - | 258,543 |
| Accrued Interest Receivable | - | 36,848 | - | - | - | - |
| Due from Other Governments | - | - | - | - | - | 11,249,935 |
| Inventories | - | - | - | - | - | - |
| Property Held for Resale | - | 5,369,590 | - | - | 16,667 | 1,557,672 |
| Deposits | - | - | - | - | - | - |
| **Total Assets** | $ 5,895,922 | $ 33,876,906 | $ 20,000,000 | $ 21,967,682 | $ 3,083,946 | $ 15,838,131 |
| **LIABILITIES AND FUND BALANCES** | | | | | | |
| Liabilities: | | | | | | |
| Accounts Payable | $ - | $ 1,242,455 | $ - | $ - | $ - | $ 1,115,274 |
| Accrued Liabilities | 2,137 | - | - | - | - | 32,498 |
| Due to Other Governments | - | - | - | - | - | - |
| Due to Other Funds | - | - | - | - | - | 214,671 |
| Deposits | 4,074 | - | - | - | - | 10,875 |
| Unearned Revenue | - | - | - | 21,966,773 | 3,067,279 | 100,000 |
| **Total Liabilities** | 6,211 | 1,242,455 | - | 21,966,773 | 3,067,279 | 1,473,318 |
| **Deferred Inflows** | | | | | | |
| Unavailable Property Tax Revenues | - | - | - | - | - | - |
| Unavailable Assessment Revenues | - | - | - | - | - | - |
| Unavailable Grant Revenues | - | - | - | - | - | 11,670,388 |
| **Total Deferred Inflows** | - | - | - | - | - | 11,670,388 |
| Fund Balances: | | | | | | |
| Nonspendable | - | - | - | - | - | - |
| Restricted | 4,759,605 | 32,634,451 | 20,000,000 | 909 | 16,667 | 2,694,425 |
| Committed | - | - | - | - | - | - |
| Assigned | 1,130,106 | - | - | - | - | - |
| Unassigned | - | - | - | - | - | - |
| **Total Fund Balances** | 5,889,711 | 32,634,451 | 20,000,000 | 909 | 16,667 | 2,694,425 |
| **Total Liabilities, Deferred Inflows, and Fund Balances** | $ 5,895,922 | $ 33,876,906 | $ 20,000,000 | $ 21,967,682 | $ 3,083,946 | $ 15,838,131 |

Continued

## CITY OF FORT LAUDERDALE, FLORIDA

*COMBINING FINANCIAL STATEMENT*

| Special Revenue Funds | | | | | Debt Service Funds | |
|---|---|---|---|---|---|---|
| Beach Business Improvement District | Building | School Crossing Guards | Nuisance Abatement | Affordable Housing Trust | Special Assessment Bonds | General Obligation Bonds |
| $ 821,912 | $ 39,329,537 | $ 209,037 | $ 322,531 | $ 598,703 | $ 525,719 | $ 1,742,498 |
| - | - | - | - | - | - | - |
| - | - | - | 30,861 | - | - | 177,142 |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| $ 821,912 | $ 39,329,537 | 209,037 | $ 353,392 | $ 598,703 | $ 525,719 | $ 1,919,640 |
| $ - | $ 92,218 | $ 80,405 | $ - | $ - | $ - | $ - |
| - | 484,786 | - | - | - | - | - |
| - | - | - | - | - | - | 20,200 |
| - | - | - | - | - | - | - |
| - | 370,623 | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | 947,627 | 80,405 | - | - | - | 20,200 |
| - | - | - | - | - | - | 196,623 |
| - | - | - | 30,861 | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | 30,861 | - | - | 196,623 |
| - | - | - | - | - | - | - |
| 868,221 | 38,381,910 | 128,632 | 322,531 | 598,703 | 525,719 | 1,702,817 |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| (46,309) | - | - | - | - | - | - |
| 821,912 | 38,381,910 | 128,632 | 322,531 | 598,703 | 525,719 | 1,702,817 |
| $ 821,912 | $ 39,329,537 | $ 209,037 | $ 353,392 | $ 598,703 | $ 525,719 | $ 1,919,640 |

**COMBINING BALANCE SHEET**
**ALL NONMAJOR GOVERNMENTAL FUNDS - Continued**
**September 30, 2022**

| | Debt Service Funds | | | Capital Projects Funds | | |
|---|---|---|---|---|---|---|
| | Special Obligation Bonds | Special Obligation Loans | Tax Increment Revenue Note | General Capital Projects | General Obligation Construction 2011A | Community Redevelopment Agency Projects |
| **ASSETS** | | | | | | |
| Cash and Cash Equivalents | $ 16,252,232 | $ 29,881 | $ 74,651 | $ 37,032,603 | $ - | $ 16,348,301 |
| Investments | - | - | - | - | 5,017,582 | 2,282,478 |
| Accounts Receivable (Net) | - | - | - | 157,767 | - | - |
| Accrued Interest Receivable | - | - | - | - | - | - |
| Due from Other Governments | - | - | - | - | - | - |
| Inventories | - | - | - | 6,750 | - | - |
| Property Held for Resale | - | - | - | - | - | - |
| Deposits | - | - | - | - | - | - |
| **Total Assets** | $ 16,252,232 | $ 29,881 | $ 74,651 | $ 37,197,120 | $ 5,017,582 | $ 18,630,779 |
| **LIABILITIES AND FUND BALANCES** | | | | | | |
| Liabilities: | | | | | | |
| Accounts Payable | $ - | $ - | $ - | $ 407,837 | $ 124,168 | $ 1,479,160 |
| Accrued Liabilities | - | - | - | - | - | - |
| Due to Other Governments | - | - | - | - | - | - |
| Due to Other Funds | - | - | - | - | 51,430 | - |
| Deposits | - | - | - | 70,895 | - | - |
| Unearned Revenue | - | - | - | - | - | - |
| **Total Liabilities** | - | - | - | 478,732 | 175,598 | 1,479,160 |
| **Deferred Inflows** | | | | | | |
| Unavailable Property Tax Revenues | - | - | - | - | - | - |
| Unavailable Assessment Revenues | - | - | - | 54,719 | - | - |
| Unavailable Grant Revenues | - | - | - | - | - | - |
| **Total Deferred Inflows** | - | - | - | 54,719 | - | - |
| Fund Balances: | | | | | | |
| Nonspendable | - | - | - | 6,750 | - | - |
| Restricted | 16,252,232 | 29,881 | 74,651 | - | 4,841,984 | 17,151,619 |
| Committed | - | - | - | - | - | - |
| Assigned | - | - | - | 36,656,919 | - | - |
| Unassigned | - | - | - | - | - | - |
| **Total Fund Balances** | 16,252,232 | 29,881 | 74,651 | 36,663,669 | 4,841,984 | 17,151,619 |
| **Total Liabilities, Deferred Inflows, and Fund Balances** | $ 16,252,232 | $ 29,881 | $ 74,651 | $ 37,197,120 | $ 5,017,582 | $ 18,630,779 |

## CITY OF FORT LAUDERDALE, FLORIDA

*COMBINING FINANCIAL STATEMENT*

| Capital Projects Funds | | | | | | Permanent | |
|---|---|---|---|---|---|---|---|
| Gas Tax | Parks Impact Fee Projects | General Obligation Construction 2020A | General Obligation Construction 2020B | Special Assessment Construction 2020 | Transportation Surtax | Perpetual Care | Total Nonmajor Governmental Funds |
| $ 1,359,722 | $ 12,584,958 | $ 8,233,308 | $ 18,382,527 | $ 7,279,758 | $ 544,234 | $ - | $ 240,218,775 |
| - | - | 38,324,384 | 74,274,041 | - | - | 27,292,770 | 150,815,568 |
| - | - | 36,179 | - | - | - | - | 662,848 |
| - | - | - | 94,785 | - | - | 75,063 | 206,696 |
| 83,333 | - | - | - | - | - | - | 11,333,268 |
| - | - | - | - | - | - | - | 6,750 |
| - | - | - | - | - | - | - | 6,943,929 |
| - | 1,509,322 | 9,092,822 | - | - | - | - | 10,602,144 |
| $ 1,443,055 | $ 14,094,280 | $ 55,686,693 | $ 92,751,353 | $ 7,279,758 | $ 544,234 | $ 27,367,833 | $ 420,789,978 |
| | | | | | | | |
| $ 59,703 | $ 410,760 | $ 1,194,342 | $ - | $ 970,863 | $ - | $ - | $ 7,177,185 |
| - | - | 2,383 | - | - | - | - | 521,804 |
| - | - | - | - | - | - | - | 20,200 |
| - | - | - | - | - | - | 1,574 | 267,675 |
| - | - | - | - | - | - | - | 456,467 |
| - | - | - | - | - | - | - | 25,134,052 |
| 59,703 | 410,760 | 1,196,725 | - | 970,863 | - | 1,574 | 33,577,383 |
| | | | | | | | |
| - | - | - | - | - | - | - | 196,623 |
| - | - | - | - | - | - | - | 85,580 |
| - | - | - | - | - | - | - | 11,670,388 |
| - | - | - | - | - | - | - | 11,952,591 |
| | | | | | | | |
| - | - | - | - | - | - | 17,513,215 | 17,519,965 |
| 1,017,530 | 13,683,520 | 54,489,968 | 92,751,353 | 6,308,895 | 544,234 | 9,853,044 | 319,633,501 |
| - | - | - | - | | - | - | - |
| 365,822 | - | - | - | - | - | - | 38,152,847 |
| - | - | - | - | - | - | - | (46,309) |
| 1,383,352 | 13,683,520 | 54,489,968 | 92,751,353 | 6,308,895 | 544,234 | 27,366,259 | 375,260,004 |
| | | | | | | | |
| $ 1,443,055 | $ 14,094,280 | $ 55,686,693 | $ 92,751,353 | $ 7,279,758 | $ 544,234 | $ 27,367,833 | $ 420,789,978 |

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**
**ALL NONMAJOR GOVERNMENTAL FUNDS**
**For the Year Ended September 30, 2022**

| | Special Revenue Funds | | | | |
|---|---|---|---|---|---|
| | Law Enforcement Confiscated Property | Community Redevelopment Agency | Community Redevelopment Agency - Business Incentive Debt | American Rescue Plan Act | State Housing Initiative Partnership |
| **REVENUES** | | | | | |
| Taxes | $ - | $ - | $ - | $ - | $ - |
| Licenses and Permits | - | - | - | - | - |
| Intergovernmental Revenues | - | 11,404,105 | - | 16,166,993 | 508,271 |
| Charges for Services | - | - | - | - | - |
| Fines and Forfeitures | 1,369,597 | - | - | - | - |
| Miscellaneous Revenues: | | | | | |
| Assessments and Other Fees | - | - | - | - | - |
| Investment Income (Loss) | - | 187,033 | - | 904 | - |
| Rents and Concessions | - | - | - | - | - |
| Contributions and Donations | - | - | - | - | - |
| Other Miscellaneous | 135 | 62,673 | - | - | - |
| **Total Revenues** | 1,369,732 | 11,653,811 | - | 16,167,897 | 508,271 |
| **EXPENDITURES** | | | | | |
| Current: | | | | | |
| General Government | - | - | - | - | - |
| Public Safety | 303,176 | - | - | - | - |
| Physical Environment | - | - | - | - | - |
| Transportation | - | - | - | - | - |
| Economic Environment | - | 15,021,684 | - | - | 508,271 |
| Culture/Recreation | - | - | - | - | - |
| Debt Service: | | | | | |
| Principal Retirement | - | 109,733 | - | - | - |
| Interest and Fiscal Charges | - | 1,697 | - | - | - |
| Bond Issuance Cost | - | - | - | - | - |
| Capital Outlay | 674,002 | 5,980 | - | - | - |
| **Total Expenditures** | 977,178 | 15,139,094 | - | - | 508,271 |
| **Excess (Deficiency) of Revenues Over (Under) Expenditures** | 392,554 | (3,485,283) | - | 16,167,897 | - |
| **OTHER FINANCING SOURCES (USES)** | | | | | |
| Transfers In | - | 7,889,041 | - | - | - |
| Transfers (Out) | - | (3,803,107) | - | (16,166,993) | - |
| Debt Proceeds | - | - | 20,000,000 | - | - |
| Loss on Conveyance of Property | - | (936,446) | - | - | - |
| Premium on Bonds | - | - | - | - | - |
| **Total Other Financing Sources (Uses)** | - | 3,149,488 | 20,000,000 | (16,166,993) | - |
| Net Change in Fund Balances | 392,554 | (335,795) | 20,000,000 | 904 | - |
| **Fund Balances - Beginning** | 5,497,157 | 32,970,246 | - | 5 | 16,667 |
| **Fund Balances - Ending** | $ 5,889,711 | $ 32,634,451 | $ 20,000,000 | $ 909 | $ 16,667 |

Continued

| Special Revenue Funds | | | | | | Debt Service Funds | |
|---|---|---|---|---|---|---|---|
| Intergovern-mental Revenue | Beach Business Improvement District | Building | School Crossing Guards | Nuisance Abatement | Affordable Housing Trust | Special Assessment Bonds | General Obligation Bonds |
| $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 10,675,074 |
| - | - | 28,198,587 | - | - | - | - | - |
| 10,630,438 | - | - | - | - | - | - | - |
| - | - | 38,647 | - | 45,397 | - | - | - |
| - | - | 252,682 | 952,352 | - | - | - | - |
| - | 974,683 | - | - | 34,268 | - | 278,860 | - |
| (35,063) | - | (1,462,238) | (5,749) | 7 | - | 22 | - |
| 160,000 | - | 236,015 | - | - | - | - | - |
| 1,996 | - | - | - | - | - | - | - |
| 222,890 | - | 569,746 | - | 22,269 | 293,135 | - | - |
| 10,980,261 | 974,683 | 27,833,439 | 946,603 | 101,941 | 293,135 | 278,882 | 10,675,074 |
| 50,000 | - | - | - | 32,340 | - | - | - |
| 698,978 | - | 23,093,783 | 1,150,794 | - | - | - | - |
| 32,252 | - | - | - | - | - | - | - |
| 47,895 | - | - | - | - | - | - | - |
| 8,777,895 | 1,407,574 | - | - | - | - | - | - |
| 90,229 | - | - | - | - | - | - | - |
| - | - | 292,404 | - | - | - | - | 4,540,000 |
| - | - | 3,836 | - | - | - | 339,896 | 6,316,792 |
| - | - | - | - | - | - | - | - |
| 1,696,546 | - | 276,663 | - | - | - | - | - |
| 11,393,795 | 1,407,574 | 23,666,686 | 1,150,794 | 32,340 | - | 339,896 | 10,856,792 |
| (413,534) | (432,891) | 4,166,753 | (204,191) | 69,601 | 293,135 | (61,014) | (181,718) |
| 436,013 | - | - | 100,000 | - | - | - | - |
| (772,890) | - | (447,047) | - | - | - | - | - |
| - | - | - | - | - | - | 228,614 | - |
| (450,807) | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| (787,684) | - | (447,047) | 100,000 | - | - | 228,614 | - |
| (1,201,218) | (432,891) | 3,719,706 | (104,191) | 69,601 | 293,135 | 167,600 | (181,718) |
| 3,895,643 | 1,254,803 | 34,662,204 | 232,823 | 252,930 | 305,568 | 358,119 | 1,884,535 |
| $ 2,694,425 | $ 821,912 | $ 38,381,910 | $ 128,632 | $ 322,531 | $ 598,703 | $ 525,719 | $ 1,702,817 |

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**
**ALL NONMAJOR GOVERNMENTAL FUNDS - Continued**
**For the Year Ended September 30, 2022**

| | Debt Service Funds | | | Capital Projects Funds | | |
|---|---|---|---|---|---|---|
| | Special Obligation Bonds | Special Obligation Loans | Tax Increment Revenue Note | General Capital Projects | General Obligation Construction 2011A | Community Redevelopment Agency Projects |
| **REVENUES** | | | | | | |
| Taxes | $ - | $ - | $ - | $ - | $ - | $ - |
| Licenses and Permits | - | - | - | - | - | - |
| Intergovernmental Revenues | - | - | - | - | - | - |
| Charges for Services | - | - | - | - | - | - |
| Fines and Forfeitures | - | - | - | - | - | - |
| Miscellaneous Revenues: | | | | | | |
| Assessments and Other Fees | - | - | - | 99,050 | - | - |
| Investment Income (Loss) | (400,991) | - | - | (1,312,620) | (33,078) | 13,761 |
| Rents and Concessions | - | - | - | - | - | - |
| Contributions and Donations | - | - | - | 32,451 | - | - |
| Other Miscellaneous | - | - | - | 410 | - | 207,836 |
| **Total Revenues** | (400,991) | - | - | (1,180,709) | (33,078) | 221,597 |
| **EXPENDITURES** | | | | | | |
| Current: | | | | | | |
| General Government | - | - | - | 347,156 | 143 | 14,911 |
| Public Safety | - | - | - | - | - | - |
| Physical Environment | - | - | - | - | - | - |
| Transportation | - | - | - | - | - | - |
| Economic Environment | - | - | - | - | - | - |
| Culture/Recreation | - | - | - | - | - | - |
| Debt Service: | | | | | | |
| Principal Retirement | 23,430,000 | 1,469,900 | 6,194,000 | - | - | - |
| Interest and Fiscal Charges | 3,280,802 | 116,236 | 242,544 | - | - | - |
| Bond Issuance Cost | - | - | 73,624 | - | - | - |
| Capital Outlay | - | - | - | 10,516,903 | 158,042 | 4,964,327 |
| **Total Expenditures** | 26,710,802 | 1,586,136 | 6,510,168 | 10,864,059 | 158,185 | 4,979,238 |
| **Excess (Deficiency) of Revenues Over (Under) Expenditures** | (27,111,793) | (1,586,136) | (6,510,168) | (12,044,768) | (191,263) | (4,757,641) |
| **OTHER FINANCING SOURCES (USES)** | | | | | | |
| Transfers In | 26,310,865 | 1,586,715 | 3,302,434 | 21,621,448 | - | 500,673 |
| Transfers (Out) | - | - | - | - | - | (3,000) |
| Debt Proceeds | - | - | 769,000 | - | - | - |
| Loss on Conveyance of Property | - | - | - | - | - | - |
| Premium on Bonds | - | - | - | - | - | - |
| **Total Other Financing Sources (Uses)** | 26,310,865 | 1,586,715 | 4,071,434 | 21,621,448 | - | 497,673 |
| Net Change in Fund Balances | (800,928) | 579 | (2,438,734) | 9,576,680 | (191,263) | (4,259,968) |
| **Fund Balances - Beginning** | 17,053,160 | 29,302 | 2,513,385 | 27,086,989 | 5,033,247 | 21,411,587 |
| **Fund Balances - Ending** | $ 16,252,232 | $ 29,881 | $ 74,651 | $ 36,663,669 | $ 4,841,984 | $ 17,151,619 |

## CITY OF FORT LAUDERDALE, FLORIDA

*COMBINING FINANCIAL STATEMENT*

| Capital Projects Funds | | | | | | Permanent | |
|---|---|---|---|---|---|---|---|
| Gas Tax | Parks Impact Fee Projects | General Obligation Construction 2020A | General Obligation Construction 2020B | Special Assessment Construction 2020 | Transportation Surtax | Perpetual Care | Total Nonmajor Governmental Funds |
| $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 10,675,074 |
| - | - | - | - | - | - | - | 28,198,587 |
| 943,521 | - | - | - | - | 544,234 | - | 40,197,562 |
| - | - | - | - | - | - | - | 84,044 |
| - | - | - | - | - | - | - | 2,574,631 |
| - | 4,370,231 | - | - | - | - | - | 5,757,092 |
| - | - | 195,809 | 205,144 | 74 | - | (4,907,869) | (7,554,854) |
| - | - | - | - | - | - | - | 396,015 |
| - | - | - | - | - | - | - | 34,447 |
| - | - | - | - | - | - | 402,487 | 1,781,581 |
| 943,521 | 4,370,231 | 195,809 | 205,144 | 74 | 544,234 | (4,505,382) | 82,144,179 |
| 235 | 797 | - | - | 23 | - | - | 445,605 |
| - | - | - | 19,731 | - | - | - | 25,266,462 |
| - | - | - | - | - | - | 78,974 | 111,226 |
| - | - | - | - | - | - | - | 47,895 |
| - | - | - | - | - | - | - | 25,715,424 |
| - | - | 586,111 | - | - | - | - | 676,340 |
| - | - | - | - | - | - | - | 36,036,037 |
| - | - | - | - | - | - | - | 10,301,803 |
| - | - | - | - | - | - | - | 73,624 |
| 1,310,669 | 3,564,778 | 10,822,594 | 4,709,675 | 1,953,245 | - | - | 40,653,424 |
| 1,310,904 | 3,565,575 | 11,408,705 | 4,729,406 | 1,953,268 | - | 78,974 | 139,327,840 |
| (367,383) | 804,656 | (11,212,896) | (4,524,262) | (1,953,194) | 544,234 | (4,584,356) | (57,183,661) |
| - | - | - | - | - | - | - | 61,747,189 |
| - | - | - | - | - | - | (408,968) | (21,602,005) |
| - | - | - | - | 7,671,386 | - | - | 28,669,000 |
| - | - | - | - | - | - | - | (1,387,253) |
| - | - | - | - | 599,290 | - | - | 599,290 |
| - | - | - | - | 8,270,676 | - | (408,968) | 68,026,221 |
| (367,383) | 804,656 | (11,212,896) | (4,524,262) | 6,317,482 | 544,234 | (4,993,324) | 10,842,560 |
| 1,750,735 | 12,878,864 | 65,702,864 | 97,275,615 | (8,587) | - | 32,359,583 | 364,417,444 |
| $ 1,383,352 | $ 13,683,520 | $ 54,489,968 | $ 92,751,353 | $ 6,308,895 | $ 544,234 | $ 27,366,259 | $ 375,260,004 |

## Nonmajor Enterprise Funds and Internal Service Funds

### Nonmajor 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.

**Cemetery System Fund** - to account for the operations of the cemetery system.

**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.

**Projects Management Fund** - to account for funding for project management services and to allocate cost to projects.

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

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

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

**COMBINING STATEMENT OF NET POSITION**
**NONMAJOR ENTERPRISE FUNDS**
**September 30, 2022**

| | Sanitation | Cemetery System | Parking System | Airport | Stormwater | Total Nonmajor Enterprise Funds |
|---|---|---|---|---|---|---|
| **ASSETS** | | | | | | |
| Current Assets: | | | | | | |
| Cash and Cash Equivalents | $ 10,018,819 | $ 8,670,244 | $ 20,486,176 | $ 23,878,726 | $ 47,263,094 | $ 110,317,059 |
| Restricted Cash and Cash Equivalents | 990,181 | 930,549 | 32,083 | 1,038,783 | - | 2,991,596 |
| Accounts Receivable - (Net) | 2,872,924 | 3,467,507 | - | 303,844 | 442,007 | 7,086,282 |
| Due from Other Governments | - | - | - | - | 163 | 163 |
| Leases Receivable | - | - | - | 1,303,075 | - | 1,303,075 |
| Net Pension Asset | 4,178,590 | - | 2,953,411 | 1,200,837 | 1,768,801 | 10,101,639 |
| Prepaid Items | - | - | - | 568,596 | - | 568,596 |
| **Total Current Assets** | 18,060,514 | 13,068,300 | 23,471,670 | 28,293,861 | 49,474,065 | 132,368,410 |
| Noncurrent Assets: | | | | | | |
| Leases Receivable | - | - | - | 37,288,091 | - | 37,288,091 |
| Restricted Assets: | | | | | | |
| Cash and Cash Equivalents | - | - | 65,923 | 1,908,366 | - | 1,974,289 |
| **Total Restricted Assets** | - | - | 65,923 | 1,908,366 | - | 1,974,289 |
| Investment in Joint Venture | - | - | 407,810 | - | - | 407,810 |
| Capital Assets: | | | | | | |
| Land | 1,006,568 | - | 35,434,344 | 2,677,713 | 6,052,071 | 45,170,696 |
| Construction in Progress | - | 151,330 | 2,102,716 | 12,168,389 | 21,087,707 | 35,510,142 |
| Building | 685,014 | - | 47,834,412 | 11,995,556 | - | 60,514,982 |
| Improvements | 2,219,136 | - | 8,804,800 | 73,960,126 | 25,682,553 | 110,666,615 |
| Infrastructure | - | - | 665,313 | - | - | 665,313 |
| Machinery, Equipment and Vehicles | 7,877,407 | 946,279 | 9,810,144 | 4,135,105 | 6,705,546 | 29,474,481 |
| Less: Accumulated Depreciation | (8,435,425) | (484,412) | (35,996,469) | (55,693,471) | (17,304,951) | (117,914,728) |
| Total Capital Assets Being Depreciated, Net | 3,352,700 | 613,197 | 68,655,260 | 49,243,418 | 42,222,926 | 164,087,501 |
| Lease Assets Being Amortized | | | | | | |
| Right of Use - Leased Assets | - | - | - | - | 240,396 | 240,396 |
| Less: Accumulated Amortization | - | - | - | - | (56,563) | (56,563) |
| Total Lease Assets Being Amortized, Net | - | - | - | - | 183,833 | 183,833 |
| **Total Noncurrent Assets** | 3,352,700 | 613,197 | 69,128,993 | 88,439,875 | 42,406,759 | 203,941,524 |
| **Total Assets** | 21,413,214 | 13,681,497 | 92,600,663 | 116,733,736 | 91,880,824 | 336,309,934 |
| **DEFERRED OUTFLOWS OF RESOURCES** | | | | | | |
| Deferred Outflows for Pensions | 1,984,771 | 560,629 | 1,408,898 | 475,774 | 922,083 | 5,352,155 |
| Deferred Outflows for OPEB | 526,380 | - | 392,099 | 107,424 | 155,766 | 1,181,669 |
| **Total Deferred Outflows of Resources** | 2,511,151 | 560,629 | 1,800,997 | 583,198 | 1,077,849 | 6,533,824 |
| **Total Assets and Deferred Outflows of Resources** | 23,924,365 | 14,242,126 | 94,401,660 | 117,316,934 | 92,958,673 | 342,843,758 |

**COMBINING STATEMENT OF NET POSITION**
**NONMAJOR ENTERPRISE FUNDS**
**September 30, 2022**

| | Sanitation | Cemetery System | Parking System | Airport | Stormwater | Total Nonmajor Enterprise Funds |
|---|---|---|---|---|---|---|
| **LIABILITIES** | | | | | | |
| Current Liabilities: | | | | | | |
| Accounts Payable | $ 1,297,781 | $ 4,186 | $ 272,575 | $ 282,937 | $ 1,795,612 | $ 3,653,091 |
| Accrued Liabilities | 188,074 | 64,726 | 170,453 | 50,143 | 89,972 | 563,368 |
| Accrued Interest Payable | - | - | - | - | 36 | 36 |
| Lease Liability | - | - | - | - | 55,354 | 55,354 |
| Unearned Revenues | - | 4,079,420 | 16,875 | - | 150,394 | 4,246,689 |
| Financing Lease Obligations | - | - | 110,272 | - | - | 110,272 |
| Compensated Absences Payable | 110,632 | 24,260 | 46,680 | 28,288 | 46,915 | 256,775 |
| Landfill Post-Closure Costs | 50,031 | - | - | - | - | 50,031 |
| Current Liabilities Payable from Restricted Assets: | | | | | | |
| Customer Deposits | 990,181 | 930,549 | 32,083 | 1,038,783 | - | 2,991,596 |
| **Total Current Liabilities** | 2,636,699 | 5,103,141 | 648,938 | 1,400,151 | 2,138,283 | 11,927,212 |
| Noncurrent Liabilities: | | | | | | |
| Lease Liability | - | - | - | - | 131,511 | 131,511 |
| Bonds Payable - (Net) | - | - | - | - | 6,448,315 | 6,448,315 |
| Financing Lease Obligations | - | - | 769,589 | - | - | 769,589 |
| Net Pension Liabilities | 1,700,935 | 639,700 | 1,209,144 | 380,862 | 813,491 | 4,744,132 |
| Net OPEB Liability | 191,632 | - | 142,746 | 39,108 | 56,707 | 430,193 |
| Compensated Absences Payable | 625,628 | 197,509 | 359,391 | 204,002 | 308,723 | 1,695,253 |
| Landfill Post-Closure Costs | 545,063 | - | - | - | - | 545,063 |
| **Total Noncurrent Liabilities** | 3,063,258 | 837,209 | 2,480,870 | 623,972 | 7,758,747 | 14,764,056 |
| **Total Liabilities** | 5,699,957 | 5,940,350 | 3,129,808 | 2,024,123 | 9,897,030 | 26,691,268 |
| **DEFERRED INFLOWS OF RESOURCES** | | | | | | |
| Deferred Inflows for Pensions | 4,193,670 | 30,379 | 2,964,398 | 1,200,044 | 1,779,624 | 10,168,115 |
| Deferred Inflows for OPEB | 989,733 | - | 737,251 | 201,987 | 292,880 | 2,221,851 |
| Deferred Inflows for Leases | - | - | - | 38,282,671 | - | 38,282,671 |
| **Total Deferred Inflows of Resources** | 5,183,403 | 30,379 | 3,701,649 | 39,684,702 | 2,072,504 | 50,672,637 |
| **Total Liabilities and Deferred Inflows of Resources** | 10,883,360 | 5,970,729 | 6,831,457 | 41,708,825 | 11,969,534 | 77,363,905 |
| **NET POSITION** | | | | | | |
| Net Investment in Capital Assets | 3,352,700 | 613,197 | 67,775,399 | 49,243,418 | 35,771,579 | 156,756,293 |
| Restricted: | | | | | | |
| Capital Improvements | - | - | - | 1,908,366 | - | 1,908,366 |
| Renewal and Replacement | - | - | 65,923 | - | - | 65,923 |
| Unrestricted | 9,688,305 | 7,658,200 | 19,728,881 | 24,456,325 | 45,217,560 | 106,749,271 |
| **Total Net Position (Deficit)** | $ 13,041,005 | $ 8,271,397 | $ 87,570,203 | $ 75,608,109 | $ 80,989,139 | $ 265,479,853 |

**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**
**NONMAJOR ENTERPRISE FUNDS**
**For The Year Ended September 30, 2022**

| | Sanitation | Cemetery System | Parking System | Airport | Stormwater | Total Nonmajor Enterprise Funds |
|---|---|---|---|---|---|---|
| **Operating Revenues:** | | | | | | |
| Charges for Services | $ 22,606,822 | $ 5,452,744 | $ 22,554,819 | $ 6,528,853 | $ 27,494,024 | $ 84,637,262 |
| Parking Citations | - | - | 4,022,187 | - | - | 4,022,187 |
| Land Leases | - | - | - | 4,306,153 | - | 4,306,153 |
| Miscellaneous Income | 622,711 | 118,947 | 172,748 | 201,295 | 588,286 | 1,703,987 |
| **Total Operating Revenues** | 23,229,533 | 5,571,691 | 26,749,754 | 11,036,301 | 28,082,310 | 94,669,589 |
| **Operating Expenses:** | | | | | | |
| Personal Services | 5,988,030 | 2,287,335 | 4,996,942 | 1,454,544 | 2,968,348 | 17,695,199 |
| Materials, Supplies and Other Expenses | 19,242,156 | 2,076,332 | 11,745,760 | 5,145,454 | 6,547,909 | 44,757,611 |
| Depreciation | 958,365 | 152,669 | 1,399,754 | 3,058,398 | 1,942,640 | 7,511,826 |
| **Total Operating Expenses** | 26,188,551 | 4,516,336 | 18,142,456 | 9,658,396 | 11,458,897 | 69,964,636 |
| **Operating Income (Loss)** | (2,959,018) | 1,055,355 | 8,607,298 | 1,377,905 | 16,623,413 | 24,704,953 |
| **Nonoperating Revenues:** | | | | | | |
| Interest Loss | (250,307) | (263,603) | (709,427) | (364,193) | (1,976,993) | (3,564,523) |
| Lease Interest | - | - | - | - | (930) | (930) |
| Interest Expense and Fiscal Charges | - | - | (19,475) | - | (71,869) | (91,344) |
| Insurance Proceeds | 23,500 | - | - | - | - | 23,500 |
| Gain on Sale of Capital Assets | - | 9,000 | 19,500 | - | 27,500 | 56,000 |
| **Total Nonoperating Revenues (Expenses)** | (226,807) | (254,603) | (709,402) | (364,193) | (2,022,292) | (3,577,297) |
| **Income (Loss) Before Contributions and Transfers** | (3,185,825) | 800,752 | 7,897,896 | 1,013,712 | 14,601,121 | 21,127,656 |
| Capital Contributions | - | - | - | 916,294 | 36,779 | 953,073 |
| Transfers In | 8,980,243 | 408,968 | - | 1,342,735 | - | 10,731,946 |
| Transfers (Out) | (849,888) | (100,291) | (431,804) | (202,645) | (831,796) | (2,416,424) |
| **Change in Net Position** | 4,944,530 | 1,109,429 | 7,466,092 | 3,070,096 | 13,806,104 | 30,396,251 |
| **Net Position - Beginning** | 8,096,475 | 7,161,968 | 80,104,111 | 72,538,013 | 67,183,035 | 235,083,602 |
| **Net Position - Ending** | $ 13,041,005 | $ 8,271,397 | $ 87,570,203 | $ 75,608,109 | $ 80,989,139 | $ 265,479,853 |

**COMBINING STATEMENT OF CASH FLOWS**
**NONMAJOR ENTERPRISE FUNDS**
**For The Year Ended September 30, 2022**

| | Sanitation | Cemetery System | Parking System | Airport | Stormwater | Total Nonmajor Enterprise Funds |
|---|---|---|---|---|---|---|
| **Cash Flows from Operating Activities** | | | | | | |
| Receipts from Customers and Users | $ 23,192,376 | $ 6,493,147 | $ 26,799,830 | $ 12,489,684 | $ 28,845,146 | $ 97,820,183 |
| Payments to Suppliers | (15,438,375) | (1,715,147) | (4,692,380) | (3,377,571) | (3,025,674) | (28,249,147) |
| Payments to Employees | (7,138,388) | (2,324,981) | (5,900,349) | (1,817,278) | (3,561,758) | (20,742,754) |
| Payments to Other Funds | (3,650,652) | (517,949) | (7,123,177) | (3,133,854) | (2,568,081) | (16,993,713) |
| **Net Cash Provided (Used) by Operating Activities** | (3,035,039) | 1,935,070 | 9,083,924 | 4,160,981 | 19,689,633 | 31,834,569 |
| **Cash Flows from Noncapital Financing Activities** | | | | | | |
| Transfers from Other Funds | 8,980,243 | 408,968 | - | 1,342,735 | - | 10,731,946 |
| Transfers (to) Other Funds | (849,888) | (100,291) | (431,804) | (202,645) | (831,796) | (2,416,424) |
| **Net Cash Provided (Used) by Noncapital Financing Activities** | 8,130,355 | 308,677 | (431,804) | 1,140,090 | (831,796) | 8,315,522 |
| **Cash Flows from Capital and Related Financing Activities** | | | | | | |
| Acquisition/Construction of Capital Assets | (207,384) | (232,509) | (2,890,084) | (3,942,037) | (10,247,173) | (17,519,187) |
| Principal Paid on Capital Debt | - | - | (104,698) | - | - | (104,698) |
| Interest Paid on Capital Debt | - | - | (19,475) | - | (71,869) | (91,344) |
| Contributions | - | - | - | 916,294 | 36,779 | 953,073 |
| Proceeds from Insurance | 23,500 | - | - | - | - | 23,500 |
| Proceeds from Sale of Capital Assets | - | 9,000 | 19,500 | - | 27,500 | 56,000 |
| Proceeds from Debt Issuance | - | - | - | - | 6,318,315 | 6,318,315 |
| Right to Use - Leases | - | - | - | - | 2,138 | 2,138 |
| **Net Cash (Used) by Capital and Related Financing Activities** | (183,884) | (223,509) | (2,994,757) | (3,025,743) | (3,934,310) | (10,362,203) |
| **Cash Flows from Investing Activities** | | | | | | |
| Purchase of Investments | (250,307) | (263,603) | (709,427) | (364,193) | (1,976,993) | (3,564,523) |
| **Net Cash Used by Investing Activities** | (250,307) | (263,603) | (709,427) | (364,193) | (1,976,993) | (3,564,523) |
| **Net Increase in Cash and Cash Equivalents** | 4,661,125 | 1,756,635 | 4,947,936 | 1,911,135 | 12,946,534 | 26,223,365 |
| **Cash and Cash Equivalents at Beginning of Year** | 6,347,875 | 7,844,158 | 15,636,246 | 24,914,740 | 34,316,560 | 89,059,579 |
| **Cash and Cash Equivalents at End of Year** | $ 11,009,000 | $ 9,600,793 | $ 20,584,182 | $ 26,825,875 | $ 47,263,094 | $ 115,282,944 |

**COMBINING STATEMENT OF CASH FLOWS**
**NONMAJOR ENTERPRISE FUNDS**
**For The Year Ended September 30, 2022**

| | Sanitation | Cemetery System | Parking System | Airport | Stormwater | Total Nonmajor Enterprise Funds |
|---|---|---|---|---|---|---|
| **Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities** | | | | | | |
| Operating Income (Loss) | $ (2,959,018) | $ 1,055,355 | $ 8,607,298 | $ 1,377,905 | $ 16,623,413 | $ 24,704,953 |
| Depreciation | 958,365 | 152,669 | 1,399,754 | 3,058,398 | 1,942,640 | 7,511,826 |
| Equity in Earnings on Unconsolidated Joint Venture | - | - | 46,266 | - | - | 46,266 |
| Change in Assets and Liabilities: | | | | | | |
| Decrease (Increase) in Accounts Receivable | (31,334) | (410,271) | 3,810 | (38,741,522) | 237,540 | (38,941,777) |
| Decrease in Due from Other Funds | - | 743,832 | - | - | - | 743,832 |
| Decrease in Due from Other Governments | - | - | - | 1,912,235 | 592,753 | 2,504,988 |
| (Increase) in Net Pension Asset | (4,178,590) | - | (2,953,411) | (1,200,837) | (1,768,801) | (10,101,639) |
| Decrease (Increase) in Deferred Outflows of Resources | 3,577,500 | (508,413) | (483,718) | (340,347) | (376,030) | 1,868,992 |
| Increase (Decrease) in Accounts Payable | 201,997 | (156,764) | (69,797) | (1,365,972) | 954,154 | (436,382) |
| (Decrease) Increase in Accrued Liabilities | 25,053 | 2,697 | 25,735 | 743 | (2,515) | 51,713 |
| (Decrease) Increase in Unearned Revenues | - | 482,672 | - | - | (67,457) | 415,215 |
| Increase (Decrease) in Deposits | (5,823) | 105,224 | - | - | - | 99,401 |
| Increase (Decrease) in Net Pension Liabilities | (63,926) | 596,597 | (38,719) | (119,047) | 60,125 | 435,030 |
| (Decrease) in Net OPEB Liability | (1,092,892) | - | (814,094) | (223,040) | (323,407) | (2,453,433) |
| Increase (Decrease) in Compensated Absences Payable | 76,658 | (8,532) | (43,801) | (9,120) | (56,384) | (41,179) |
| (Decrease) in Landfill Post-Closure Costs | (48,868) | - | - | - | - | (48,868) |
| Increase (Decrease) in Deferred Inflows Inflows of Resources | 505,839 | (119,996) | 3,404,601 | 39,811,585 | 1,873,602 | 45,475,631 |
| **Total Adjustments** | (76,021) | 879,715 | 476,626 | 2,783,076 | 3,066,220 | 7,129,616 |
| **Net Cash Provided by (Used in) Operating Activities** | $ (3,035,039) | $ 1,935,070 | $ 9,083,924 | $ 4,160,981 | $ 19,689,633 | $ 31,834,569 |

**COMBINING STATEMENT OF NET POSITION**
**INTERNAL SERVICE FUNDS**
**September 30, 2022**

| | Project Management | City Insurance | Central Services | Vehicle Rental | Total |
|---|---|---|---|---|---|
| **ASSETS** | | | | | |
| Current Assets: | | | | | |
| Cash and Cash Equivalents | $ 194,524 | $ 36,908,975 | $ 7,804,217 | $ 25,205,258 | $ 70,112,974 |
| Derivative Instruments | - | - | - | 104,219 | 104,219 |
| Accounts Receivable (Net) | - | 497 | 8,702 | 5,001 | 14,200 |
| Inventory | - | - | 104,712 | - | 104,712 |
| Net Pension Asset | - | 608,532 | 5,663,409 | 154,162 | 6,426,103 |
| **Total Current Assets** | 194,524 | 37,518,004 | 13,581,040 | 25,468,640 | 76,762,208 |
| Noncurrent Assets: | | | | | |
| Capital Assets: | | | | | |
| Construction in Progress | - | - | 2,465,775 | 57,094 | 2,522,869 |
| Buildings | - | - | - | 962,879 | 962,879 |
| Improvements | - | - | 3,846,579 | 1,440,563 | 5,287,142 |
| Machinery, Equipment and Vehicles | - | - | 23,224,561 | 64,363,106 | 87,587,667 |
| Less Accumulated Depreciation | - | - | (19,502,673) | (48,996,867) | (68,499,540) |
| Total Capital Assets Being Depreciated, Net | - | - | 10,034,242 | 17,826,775 | 27,861,017 |
| Lease Assets Being Amortized | | | | | |
| Right of Use - Leased Assets | - | 134,258 | 23,203 | - | 157,461 |
| Less: Accumulated Amortization | - | (76,719) | (3,200) | - | (79,919) |
| Total Lease Assets Being Amortized, Net | - | 57,539 | 20,003 | - | 77,542 |
| **Total Capital Assets (Net)** | - | 57,539 | 10,054,245 | 17,826,775 | 27,938,559 |
| **Total Assets** | 194,524 | 37,575,543 | 23,635,285 | 43,295,415 | 104,700,767 |
| **DEFERRED OUTFLOWS OF RESOURCES** | | | | | |
| Deferred Outflows for Pensions | 84,256 | 149,727 | 1,483,046 | 18,228 | 1,735,257 |
| Deferred Outflows for OPEB | - | 75,197 | 397,471 | 21,484 | 494,152 |
| **Total Deferred Outflows of Resources** | 84,256 | 224,924 | 1,880,517 | 39,712 | 2,229,409 |
| **Total Assets and Deferred Outflows of Resources** | 278,780 | 37,800,467 | 25,515,802 | 43,335,127 | 106,930,176 |
| **LIABILITIES** | | | | | |
| Current Liabilities: | | | | | |
| Accounts Payable | - | 160,723 | 977 | 2,137,343 | 2,299,043 |
| Accrued Liabilities | 82,549 | 45,876 | 265,118 | 14,104 | 407,647 |
| Accrued Interest Payable | - | 11 | 43 | - | 54 |
| Lease Liability | - | 58,322 | 3,250 | - | 61,572 |
| Financing Lease Obligations | - | - | 956,408 | - | 956,408 |
| Estimated Claims Payable | - | 12,372,000 | - | - | 12,372,000 |
| Compensated Absences Payable | 42,062 | 23,822 | 81,051 | 3,351 | 150,286 |
| **Total Current Liabilities** | 124,611 | 12,660,754 | 1,306,847 | 2,154,798 | 16,247,010 |
| Noncurrent Liabilities: | | | | | |
| Lease Liability | - | - | 16,681 | - | 16,681 |
| Financing Lease Obligations | - | - | 980,032 | - | 980,032 |
| Estimated Claims Payable | - | 30,940,000 | - | - | 30,940,000 |
| Net Pension Liabilities | 96,140 | 88,745 | 928,119 | - | 1,113,004 |
| Net OPEB Liability | - | 27,376 | 144,701 | 7,822 | 179,899 |
| Compensated Absences Payable | 292,156 | 172,011 | 718,110 | 39,506 | 1,221,783 |
| **Total Noncurrent Liabilities** | 388,296 | 31,228,132 | 2,787,643 | 47,328 | 34,451,399 |
| **Total Liabilities** | 512,907 | 43,888,886 | 4,094,490 | 2,202,126 | 50,698,409 |
| **DEFERRED INFLOWS OF RESOURCES** | | | | | |
| Derivative Instruments | - | - | - | 104,219 | 104,219 |
| Deferred Inflows for OPEB | - | 141,391 | 747,350 | 40,397 | 929,138 |
| Deferred Inflows for Pensions | 4,565 | 603,181 | 5,618,443 | 151,738 | 6,377,927 |
| **Total Deferred Inflows of Resources** | 4,565 | 744,572 | 6,365,793 | 296,354 | 7,411,284 |
| **Total Liabilities and Deferred Inflows of Resources** | 517,472 | 44,633,458 | 10,460,283 | 2,498,480 | 58,109,693 |
| **NET POSITION** | | | | | |
| Net Investment in Capital Assets | - | (783) | 8,097,874 | 17,826,775 | 25,923,866 |
| Unrestricted | (238,692) | (6,832,208) | 6,957,645 | 23,009,872 | 22,896,617 |
| **Total Net Position (Deficit)** | $ (238,692) | $ (6,832,991) | $ 15,055,519 | $ 40,836,647 | $ 48,820,483 |

## CITY OF FORT LAUDERDALE, FLORIDA

*COMBINING STATEMENT OF NET POSITION*

**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**
**INTERNAL SERVICE FUNDS**
**For the Year Ended September 30, 2022**

| | Project Management | City Insurance | Central Services | Vehicle Rental | Total |
|---|---|---|---|---|---|
| **Operating Revenues:** | | | | | |
| Charges for Services | $ 4,040,431 | $ 63,054,489 | $ 24,311,275 | $ 18,779,770 | $ 110,185,965 |
| Miscellaneous Revenues | - | 28,414 | 2,981 | 1,100,399 | 1,131,794 |
| **Total Operating Revenues** | 4,040,431 | 63,082,903 | 24,314,256 | 19,880,169 | 111,317,759 |
| **Operating Expenses:** | | | | | |
| Personal Services | 3,065,383 | 1,586,901 | 6,579,280 | 482,376 | 11,713,940 |
| Materials, Supplies and Other Expenses | 1,203,189 | 63,893,396 | 11,555,403 | 11,096,125 | 87,748,113 |
| Depreciation | - | - | 2,128,964 | 5,834,483 | 7,963,447 |
| **Total Operating Expenses** | 4,268,572 | 65,480,297 | 20,263,647 | 17,412,984 | 107,425,500 |
| **Operating Income** | (228,141) | (2,397,394) | 4,050,609 | 2,467,185 | 3,892,259 |
| **Nonoperating Revenues (Expenses)** | | | | | |
| Interest Income (Loss) | 44,307 | (1,280,764) | (300,353) | (874,243) | (2,411,053) |
| Interest Expense | - | - | (70,884) | - | (70,884) |
| Lease Interest | - | (213) | (188) | - | (401) |
| Gain on Disposal | - | - | - | 538,349 | 538,349 |
| **Total Nonoperating Revenues** | 44,307 | (1,280,977) | (371,425) | (335,894) | (1,943,989) |
| **Income (Loss) Before Transfers** | (183,834) | (3,678,371) | 3,679,184 | 2,131,291 | 1,948,270 |
| Transfers In | 645,000 | - | - | - | 645,000 |
| Transfers (Out) | (468,794) | (127,786) | (767,152) | (27,509) | (1,391,241) |
| **Change in Net Position** | (7,628) | (3,806,157) | 2,912,032 | 2,103,782 | 1,202,029 |
| **Net Position - Beginning** | (231,064) | (3,026,834) | 12,143,487 | 38,732,865 | 47,618,454 |
| **Net Position (Deficit) - Ending** | $ (238,692) | $ (6,832,991) | $ 15,055,519 | $ 40,836,647 | $ 48,820,483 |

**COMBINING STATEMENT OF CASH FLOWS**
**INTERNAL SERVICE FUNDS**
**For The Year Ended September 30, 2022**

| | Project Management | City Insurance | Central Services | Vehicle Rental | Total |
|---|---|---|---|---|---|
| **Cash Flows from Operating Activities** | | | | | |
| Receipts from Customers and Users | $ 4,040,431 | $ 63,082,895 | $ 24,309,433 | $ 19,875,948 | $ 111,308,707 |
| Payments to Suppliers | (187,635) | (49,811,852) | (10,914,134) | (11,280,236) | (72,193,857) |
| Payments to Employees | (3,052,031) | (1,811,723) | (8,250,284) | (522,715) | (13,636,753) |
| Payments to Other Funds | (1,015,930) | (4,667,292) | (1,337,415) | (1,032,048) | (8,052,685) |
| **Net Cash Provided (Used) by Operating Activities** | (215,165) | 6,792,028 | 3,807,600 | 7,040,949 | 17,425,412 |
| **Cash Flows from Noncapital Financing Activities** | | | | | |
| Transfers from Other Funds | 645,000 | - | - | - | 645,000 |
| Transfers (to) Other Funds | (468,794) | (127,786) | (767,152) | (27,509) | (1,391,241) |
| **Net Cash Provided (Used) in Noncapital Financing Activities** | 176,206 | (127,786) | (767,152) | (27,509) | (746,241) |
| **Cash Flows from Capital and Related Financing Activities** | | | | | |
| Acquisition/Construction of Capital Assets | - | - | (1,263,670) | (5,752,011) | (7,015,681) |
| Principal Paid on Capital Debt | - | - | (933,354) | - | (933,354) |
| Interest Paid on Capital Debt | - | (213) | (70,884) | - | (71,097) |
| Proceeds from Sales of Capital Assets | - | - | - | 538,349 | 538,349 |
| Right to Use - Lease | - | 794 | (217) | - | 577 |
| **Net Cash (Used) in Capital and Related Financing Activities** | - | 581 | (2,268,125) | (5,213,662) | (7,481,206) |
| **Cash Flows from Investing Activities** | | | | | |
| Purchase of Investments | 44,307 | (1,280,764) | (300,353) | (874,243) | (2,411,053) |
| **Net Cash Provided (Used) By Investing Activities** | 44,307 | (1,280,764) | (300,353) | (874,243) | (2,411,053) |
| **Net Increase in Cash and Cash Equivalents** | 5,348 | 5,384,059 | 471,970 | 925,535 | 6,786,912 |
| **Cash and Cash Equivalents at Beginning of Year** | 189,176 | 31,524,916 | 7,332,247 | 24,279,723 | 63,326,062 |
| **Cash and Cash Equivalents at End of Year** | $ 194,524 | $ 36,908,975 | $ 7,804,217 | $ 25,205,258 | $ 70,112,974 |

| | Project Management | City Insurance | Central Services | Vehicle Rental | Total |
|---|---|---|---|---|---|
| **Reconciliation of Operating Income to Net Cash Provided by Operating Activities** | | | | | |
| Operating Income (Loss) | $ (228,141) | $ (2,397,394) | $ 4,050,609 | $ 2,467,185 | $ 3,892,259 |
| Depreciation | - | - | 2,128,964 | 5,834,483 | 7,963,447 |
| Change in Assets and Liabilities: | | | | | |
| (Increase) in Accounts Receivable | - | (8) | (4,823) | (4,221) | (9,052) |
| Decrease in Inventories | - | - | 103 | - | 103 |
| (Increase) in Net Pension Asset | - | (608,532) | (5,663,409) | (154,162) | (6,426,103) |
| (Increase) in Deferred Outflows of Resources | (76,408) | 26,725 | 108,864 | (3,338) | 55,843 |
| Decrease in Derivative Instruments | - | - | - | 784,228 | 784,228 |
| (Decrease) in Accounts Payable | (376) | (886,748) | (696,249) | (1,216,159) | (2,799,532) |
| Increase (Decrease) in Accrued Liabilities | 9,376 | (5,766) | 46,025 | 165 | 49,800 |
| Increase (Decrease) in Net Pension Liabilities | 89,662 | (157,563) | (1,371,070) | (60,883) | (1,499,854) |
| (Decrease) in Net OPEB Liability | - | (156,127) | (825,246) | (44,608) | (1,025,981) |
| Increase (Decrease) in Compensated Absences Payable | 8,757 | (44,630) | (89,218) | 2,570 | (122,521) |
| Increase in Claims Payable | - | 10,301,000 | - | - | 10,301,000 |
| Increase (Decrease) in Deferred Inflows of Resources | (18,035) | 721,071 | 6,123,050 | (564,311) | 6,261,775 |
| **Total Adjustments** | 12,976 | 9,189,422 | (243,009) | 4,573,764 | 13,533,153 |
| **Net Cash Provided (Used) by Operating Activities** | $ (215,165) | $ 6,792,028 | $ 3,807,600 | $ 7,040,949 | $ 17,425,412 |

CITY OF FORT LAUDERDALE

## 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.

**Post-Retirement Pay Steps Fund** - is used to account for the accumulation of resources to be used for post-retirement payments for retired police officers and firefighters. Resources by the City are contractually determined.

**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.

**COMBINING STATEMENT OF FIDUCIARY NET POSITION**
**FIDUCIARY FUNDS**
**September 30, 2022**

| | Pension Trust Funds | | | | |
|---|---|---|---|---|---|
| | General Employees' | Police and Firefighters' | Post-Retirement Pay Steps (PPS) | Other Post-Employment Benefits (OPEB) | Total |
| **ASSETS** | | | | | |
| Cash and Cash Equivalents | $ 4,208,046 | $ - | $ - | $ 65,771 | $ 4,273,817 |
| Investments: | | | | | |
| U.S. Treasury Securities | 54,948,766 | 130,529,099 | - | - | 185,477,865 |
| U.S. Government Agency Obligations | 14,270,741 | 2,113,848 | - | - | 16,384,589 |
| Corporate Bonds and Other Fixed Income | 4,653,876 | 115,039,818 | - | - | 119,693,694 |
| Mutual Funds & Other | - | - | 2,126,410 | 14,441,444 | 16,567,854 |
| Money Market Funds | 8,275,209 | 10,794,034 | - | - | 19,069,243 |
| Index Funds & Other | - | 204,699,349 | - | - | 204,699,349 |
| Hedge Fund of Funds | - | 12,773,685 | - | - | 12,773,685 |
| Common and Preferred Stocks | 246,522,259 | 127,367,966 | - | - | 373,890,225 |
| Commingled Funds | 166,542,839 | 180,974,747 | 3,085,189 | 20,944,474 | 371,547,249 |
| Real Estate and Timber | 120,290,989 | 187,990,256 | - | - | 308,281,245 |
| Private Equity | 50,427,573 | 46,322,225 | - | - | 96,749,798 |
| Total Investments | 665,932,252 | 1,018,605,027 | 5,211,599 | 35,385,918 | 1,725,134,796 |
| Receivables: | | | | | |
| Unsettled Trades | 1,933,410 | 545,346 | - | - | 2,478,756 |
| Accrued Interest and Dividends | 822,765 | 2,788,596 | 3,023 | 22,358 | 3,636,742 |
| Total Receivables: | 2,756,175 | 3,333,942 | 3,023 | 22,358 | 6,115,498 |
| Intanglible Right to Use Leased Assets, Net of Amortization | - | 76,334 | - | - | 76,334 |
| Unsettled Trades | - | 4,600 | - | - | 4,600 |
| **Total Assets** | 672,896,473 | 1,022,019,903 | 5,214,622 | 35,474,047 | 1,735,605,045 |
| **LIABILITIES** | | | | | |
| Current Liabilities: | | | | | |
| Unsettled Trades | 1,026,293 | 500,264 | 4,746 | 32,304 | 1,563,607 |
| Accounts Payable and Accrued Liabilities | 679,161 | 422,536 | - | - | 1,101,697 |
| Due to Primary Government | 3,263,138 | 4,086,600 | 631 | - | 7,350,369 |
| Leases | - | 55,739 | - | - | 55,739 |
| Total Current Liabilities: | 4,968,592 | 5,065,139 | 5,377 | 32,304 | 10,071,412 |
| Long-Term Liabilities: | | | | | |
| Leases | - | 23,487 | - | - | 23,487 |
| **Total Liabilities** | 4,968,592 | 5,088,626 | 5,377 | 32,304 | 10,094,899 |
| **Net Position - Restricted for Pensions and OPEB Benefits** | $ 667,927,881 | $ 1,016,931,277 | $ 5,209,245 | $ 35,441,743 | $ 1,725,510,146 |

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**
**FIDUCIARY FUNDS**
**September 30, 2022**

| | Pension Trust Funds | | | | |
|---|---|---|---|---|---|
| | General Employees' | Police and Firefighters' | Post-Retirement Pay Steps (PPS) | Other Post-Employment Benefits (OPEB) | Total |
| **ADDITIONS** | | | | | |
| Contributions: | | | | | |
| City | $ 8,376,770 | $ 20,357,843 | $ 1,164,828 | $ 2,370,087 | $ 32,269,528 |
| Employee | 2,085,319 | 8,752,909 | - | - | 10,838,228 |
| State | - | 7,672,038 | - | - | 7,672,038 |
| **Total Contributions** | 10,462,089 | 36,782,790 | 1,164,828 | 2,370,087 | 50,779,794 |
| Investment Income (Loss): | | | | | |
| Net (Decrease) in Fair Value of Investments | (103,521,279) | (132,023,882) | (1,236,782) | (8,391,795) | (245,173,738) |
| Interest and Dividends | 7,107,871 | 15,686,417 | 116,054 | 831,490 | 23,741,832 |
| Real Estate Income | 3,944,931 | 8,117,563 | - | - | 12,062,494 |
| Other | 72,594 | - | - | - | 72,594 |
| **Total Investment Loss** | (92,395,883) | (108,219,902) | (1,120,728) | (7,560,305) | (209,296,818) |
| Less: Investment Expenses | 5,299,537 | 6,728,295 | 2,587 | 18,417 | 12,048,836 |
| **Total Investment Expenses** | 5,299,537 | 6,728,295 | 2,587 | 18,417 | 12,048,836 |
| **Net Investment Loss** | (97,695,420) | (114,948,197) | (1,123,315) | (7,578,722) | (221,345,654) |
| **Total Additions** | (87,233,331) | (78,165,407) | 41,513 | (5,208,635) | (170,565,860) |
| **DEDUCTIONS** | | | | | |
| Benefits: | | | | | |
| Retirement | 43,576,310 | 56,719,362 | 60,453 | 2,396,275 | 102,752,400 |
| Disability | 266,453 | 1,664,915 | - | - | 1,931,368 |
| Death | 3,420,059 | 4,742,505 | - | - | 8,162,564 |
| Total Benefits | 47,262,822 | 63,126,782 | 60,453 | 2,396,275 | 112,846,332 |
| Refunds | 171,408 | 308,707 | - | - | 480,115 |
| Administrative Expense | 558,890 | 659,728 | 3,750 | 9,000 | 1,231,368 |
| **Total Deductions** | 47,993,120 | 64,095,217 | 64,203 | 2,405,275 | 114,557,815 |
| **Change in Net Position** | (135,226,451) | (142,260,624) | (22,690) | (7,613,910) | (285,123,675) |
| **Net Position - Beginning of Year** | 803,154,332 | 1,159,191,901 | 5,231,935 | 43,055,653 | 2,010,633,821 |
| **Net Position - End of Year** | $ 667,927,881 | $ 1,016,931,277 | $ 5,209,245 | $ 35,441,743 | $ 1,725,510,146 |

Other Financial Information

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL (Budgetary Basis) LAW ENFORCEMENT CONFISCATED PROPERTY FUND For Fiscal Year Ended September 30, 2022

| | Final Budget | Actual Amounts | Variance with Budget - Positive |
|---|---|---|---|
| **REVENUES** | | | |
| Fines and Forfeitures | $ - | $ 1,369,597 | $ 1,369,597 |
| Miscellaneous: | | | |
| Investment Income | 66,629 | - | (66,629) |
| Other Miscellaneous Revenues | - | 135 | 135 |
| **Total Revenues** | 66,629 | 1,369,732 | 1,303,103 |
| **EXPENDITURES** | | | |
| Current: | | | |
| Public Safety | 390,629 | 303,176 | 87,453 |
| Capital Outlay | 832,250 | 674,002 | 158,248 |
| **Total Expenditures** | 1,222,879 | 977,178 | 245,701 |
| **Excess (Deficiency) of Revenues Over (Under) Expenditures** | (1,156,250) | 392,554 | 1,548,804 |
| **Net change in Fund Balance** | $ (1,156,250) | 392,554 | $ 1,548,804 |
| **Fund Balance - Beginning** | | $ 5,497,157 | |
| **Fund Balance - Ending** | | $ 5,889,711 | |

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL (Budgetary Basis) COMMUNITY REDEVELOPMENT AGENCY FUND For Fiscal Year Ended September 30, 2022

| | Final Budget | Actual Amounts | Variance with Budget - Positive (Negative) |
|---|---|---|---|
| **REVENUES** | | | |
| Intergovernmental Revenues | $ 11,217,772 | $ 11,404,105 | $ 186,333 |
| Miscellaneous: | | | |
| Investment Income | - | 187,033 | 187,033 |
| Other Miscellaneous Revenues | - | 62,673 | 62,673 |
| **Total Revenues** | 11,217,772 | 11,653,811 | 436,039 |
| **EXPENDITURES** | | | |
| Current: | | | |
| Economic Environment | 41,388,901 | 40,186,623 | 1,202,278 |
| Debt Service: | | | |
| Principal Retirement | - | 109,733 | (109,733) |
| Interest and Fiscal Charges | - | 1,697 | (1,697) |
| Capital Outlay | 5,980 | 5,980 | - |
| **Total Expenditures** | 41,394,881 | 40,304,033 | 1,090,848 |
| **(Deficiency) Revenues (Under) Expenditures** | (30,177,109) | (28,650,222) | 1,526,887 |
| **OTHER FINANCING SOURCES (USES)** | | | |
| Transfers In | 7,209,417 | 7,889,041 | 679,624 |
| Transfers (Out) | (2,680,647) | (3,803,107) | (1,122,460) |
| Loss on Conveyance of Property | - | (936,446) | (936,446) |
| **Total Other Financing Sources** | 4,528,770 | 3,149,488 | (1,379,282) |
| **Net change in Fund Balance** | $ (25,648,339) | (25,500,734) | $ 147,605 |
| **Fund Balance - Beginning** | | 32,970,246 | |
| **Fund Balance - Ending** | | $ 7,469,512 | |

| | |
|---|---|
| Combining Statement of Revenues, Expenditures and changes in Fund Balance – page 144 | $ 32,634,451 |
| Basis of accounting adjustments encumbrances as of September 30, 2022 | (25,164,939) |
| Budgetary Comparison Schedule | $ 7,469,512 |

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL (Budgetary Basis)
## CRA BUSINESS INCENTIVE DEBT
## For Fiscal Year Ended September 30, 2022

| | Final Budget | Actual Amounts | Variance with Budget - Positive (Negative) |
|---|---|---|---|
| **OTHER FINANCING SOURCES (USES)** | | | |
| Debt Proceeds | 20,000,000 | 20,000,000 | - |
| **Total Other Financing Sources** | 20,000,000 | 20,000,000 | - |
| **Net change in Fund Balance** | $ 20,000,000 | 20,000,000 | $ - |
| **Fund Balance - Beginning** | | - | |
| **Fund Balance - Ending** | | $ 20,000,000 | |

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL (Budgetary Basis) BEACH BUSINESS IMPROVEMENT DISTRICT FUND For Fiscal Year Ended September 30, 2022

| | Final Budget | Actual Amounts | Variance with Budget - Positive (Negative) |
|---|---|---|---|
| **REVENUES** | | | |
| Miscellaneous: | | | |
| Assessments and Other Fees | $ 999,613 | $ 974,657 | $ (24,956) |
| Investment Income | 16,814 | 26 | (16,788) |
| **Total Revenues** | 1,016,427 | 974,683 | (41,744) |
| **EXPENDITURES** | | | |
| Current: | | | |
| Economic Environment | 986,061 | 1,430,874 | (444,813) |
| **Total Expenditures** | 986,061 | 1,430,874 | (444,813) |
| **Net change in Fund Balance** | $ 30,366 | (456,191) | $ (486,557) |
| **Fund Balance - Beginning** | | 1,254,803 | |
| **Fund Balance - Ending** | | $ 798,612 | |

| | |
|---|---|
| Combining Statement of Revenues, Expenditures and changes in Fund Balance – page 145 | $ 821,912 |
| Basis of accounting adjustments encumbrances as of September 30, 2022 | (23,300) |
| Budgetary Comparison Schedule | $ 798,612 |

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL (Budgetary Basis)
## BUILDING FUND
## For Fiscal Year Ended September 30, 2022

| | Final Budget | Actual Amounts | Variance with Budget - Positive (Negative) |
|---|---|---|---|
| **REVENUES** | | | |
| Licenses and Permits | $ 18,750,000 | $ 28,198,587 | $ 9,448,587 |
| Charges for Services | 35,000 | 38,647 | 3,647 |
| Fines and Forfeitures | 110,000 | 252,682 | 142,682 |
| Miscellaneous: | | | |
| Investment Income (Loss) | 657,737 | (1,462,238) | (2,119,975) |
| Rent and Concessions | 236,015 | 236,015 | - |
| Other Miscellaneous Revenues | 430,551 | 569,746 | 139,195 |
| **Total Revenues** | 20,219,303 | 27,833,439 | 7,614,136 |
| **EXPENDITURES** | | | |
| Current: | | | |
| Public Safety | 25,175,847 | 23,693,402 | 1,482,445 |
| Debt Service: | | | |
| Principla Retirement | - | 292,404 | (292,404) |
| Interest and Fiscal Charges | - | 3,836 | (3,836) |
| Capital Outlay | 187,972 | 296,413 | (108,441) |
| **Total Expenditures** | 25,363,819 | 24,286,055 | 1,077,764 |
| **Excess (Deficiency) of Revenues Over Expenditures** | (5,144,516) | 3,547,384 | 8,691,900 |
| **OTHER FINANCING (Uses)** | | | |
| Transfers (Out) | (447,047) | (447,047) | - |
| **Total Other Financing (Uses)** | (447,047) | (447,047) | - |
| **Net change in Fund Balance** | $ (5,591,563) | 3,100,337 | $ 8,691,900 |
| **Fund Balance - Beginning** | | 34,662,204 | |
| **Fund Balance - Ending** | | $ 37,762,541 | |

| | |
|---|---|
| Combining Statement of Revenues, Expenditures and changes in Fund Balance – page 145 | $ 38,381,910 |
| Basis of accounting adjustments encumbrances as of September 30, 2022 | (619,369) |
| Budgetary Comparison Schedule | $ 37,762,541 |

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
## SCHOOL CROSSING GUARDS FUND
## For Fiscal Year Ended September 30, 2022

| | Final Budget | Actual Amounts | Variance with Budget - Positive (Negative) |
|---|---|---|---|
| **REVENUES** | | | |
| Fines and Forfeitures | $ 880,000 | $ 952,352 | $ 72,352 |
| Miscellaneous: | | | |
| Investment Income (Loss) | 5,073 | (5,749) | (10,822) |
| **Total Revenues** | 885,073 | 946,603 | 61,530 |
| **EXPENDITURES** | | | |
| Current: | | | |
| Public Safety | 1,072,844 | 1,150,794 | (77,950) |
| **Total Expenditures** | 1,072,844 | 1,150,794 | (77,950) |
| **(Deficiency) of Revenues Over Expenditures** | (187,771) | (204,191) | (16,420) |
| **OTHER FINANCING SOURCES** | | | |
| Transfers In | 100,000 | 100,000 | - |
| **Total Other Financing Sources** | 100,000 | 100,000 | - |
| **Net Change in Fund Balance** | $ (87,771) | (104,191) | $ (16,420) |
| **Fund Balance - Beginning** | | 232,823 | |
| **Fund Balance - Ending** | | $ 128,632 | |

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
## NUISANCE ABATEMENT FUND
## For Fiscal Year Ended September 30, 2022

| | Final Budget | Actual Amounts | Variance with Budget - Positive (Negative) |
|---|---|---|---|
| **REVENUES** | | | |
| Charges for Services | $ 80,000 | $ 45,397 | $ (34,603) |
| Miscellaneous: | | | |
| Assessments and Other Fees | 32,900 | 34,268 | 1,368 |
| Investment Income | 7,252 | 7 | (7,245) |
| Other Miscellaneous Revenues | 15,000 | 22,269 | 7,269 |
| **Total Revenues** | 135,152 | 101,941 | (33,211) |
| **EXPENDITURES** | | | |
| Current: | | | |
| General Government | 136,421 | 37,541 | 98,880 |
| **Total Expenditures** | 136,421 | 37,541 | 98,880 |
| **Excess (Deficiency) of Revenues Over Expenditures** | (1,269) | 64,400 | 65,669 |
| **Net Change in Fund Balance** | $ (1,269) | 64,400 | $ 65,669 |
| **Fund Balance - Beginning** | | 252,930 | |
| **Fund Balance - Ending** | | $ 317,330 | |

| | |
|---|---|
| Combining Statement of Revenues, Expenditures and changes in Fund Balance – page 145 | $ 322,531 |
| Basis of accounting adjustments encumbrances as of September 30, 2022 | (5,201) |
| Budgetary Comparison Schedule | $ 317,330 |

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
## GENERAL OBLIGATION BONDS DEBT SERVICE FUND
## For Fiscal Year Ended September 30, 2022

| | Final Budget | Actual Amounts | Variance with Budget - Positive (Negative) |
|---|---|---|---|
| **REVENUES** | | | |
| Taxes | $ 10,852,432 | $ 10,675,074 | $ (177,358) |
| Miscellaneous: | | | |
| Investment Income | 79,606 | - | (79,606) |
| **Total Revenues** | 10,932,038 | 10,675,074 | (256,964) |
| **EXPENDITURES** | | | |
| Debt Service: | | | |
| Principal Retirement | 4,540,000 | 4,540,000 | - |
| Interest and Fiscal Charges | 6,315,506 | 6,316,792 | (1,286) |
| **Total Expenditures** | 10,855,506 | 10,856,792 | (1,286) |
| **Excess (Deficiency) of Revenues Over Expenditures** | 76,532 | (181,718) | (258,250) |
| **Net Change in Fund Balance** | $ 76,532 | (181,718) | $ (258,250) |
| **Fund Balance - Beginning** | | 1,884,535 | |
| **Fund Balance - Ending** | | $ 1,702,817 | |

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
## SPECIAL ASSESSMENT BONDS DEBT SERVICE FUND
## For Fiscal Year Ended September 30, 2022

| | Final Budget | Actual Amounts | Variance with Budget - Positive |
|---|---|---|---|
| **REVENUES** | | | |
| Miscellaneous: | | | |
| Assessments and Other Fees | $ 314,950 | $ 278,860 | $ (36,090) |
| Investment Income | - | 22 | 22 |
| **Total Revenues** | 314,950 | 278,882 | (36,068) |
| **EXPENDITURES** | | | |
| Debt Service: | | | |
| Principal Retirement | 130,000 | - | 130,000 |
| Interest and Fiscal Charges | 564,950 | 339,896 | 225,054 |
| **Total Expenditures** | 694,950 | 339,896 | 355,054 |
| **(Deficiency) of Revenues Over Expenditures** | (380,000) | (61,014) | 318,986 |
| **OTHER FINANCING SOURCES** | | | |
| Debt Proceeds | 250,000 | 228,614 | (21,386) |
| **Total Other Financing Sources** | 250,000 | 228,614 | (21,386) |
| **Net Change in Fund Balance** | $ (130,000) | 167,600 | $ 297,600 |
| **Fund Balance - Beginning** | | 358,119 | |
| **Fund Balance - Ending** | | $ 525,719 | |

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
## SPECIAL OBLIGATION BONDS DEBT SERVICE FUND
## For Fiscal Year Ended September 30, 2022

| | Final Budget | Actual Amounts | Variance with Budget - Positive |
|---|---|---|---|
| **REVENUES** | | | |
| Investment Income (Loss) | $ 259,690 | $ (400,991) | $ (660,681) |
| **Total Revenues** | 259,690 | (400,991) | (660,681) |
| **EXPENDITURES** | | | |
| Debt Service: | | | |
| Principal Retirement | 23,430,000 | 23,430,000 | - |
| Interest and Fiscal Charges | 3,283,852 | 3,280,802 | 3,050 |
| **Total Expenditures** | 26,713,852 | 26,710,802 | 3,050 |
| **(Deficiency) of Revenues (Under) Expenditures** | (26,454,162) | (27,111,793) | (657,631) |
| **OTHER FINANCING SOURCES** | | | |
| Transfers In | 26,310,865 | 26,310,865 | - |
| **Total Other Financing Sources** | 26,310,865 | 26,310,865 | - |
| **Net Change in Fund Balance** | $ (143,297) | (800,928) | $ (657,631) |
| **Fund Balance - Beginning** | | 17,053,160 | |
| **Fund Balance - Ending** | | $ 16,252,232 | |

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
## SPECIAL OBLIGATION LOANS DEBT SERVICE FUND
## For Fiscal Year Ended September 30, 2022

| | Final Budget | Actual Amounts | Variance with Budget - Positive (Negative) |
|---|---|---|---|
| **REVENUES** | | | |
| Investment Income | $ 9,013 | $ - | $ (9,013) |
| **Total Revenues** | 9,013 | - | (9,013) |
| **EXPENDITURES** | | | |
| Debt Service: | | | |
| Principal Retirement | 1,469,900 | 1,469,900 | - |
| Interest and Fiscal Charges | 116,815 | 116,236 | 579 |
| **Total Expenditures** | 1,586,715 | 1,586,136 | 579 |
| **(Deficiency) of Revenues (Under) Expenditures** | (1,577,702) | (1,586,136) | (8,434) |
| **OTHER FINANCING SOURCES** | | | |
| Transfers In | 1,586,715 | 1,586,715 | - |
| **Total Other Financing Sources** | 1,586,715 | 1,586,715 | - |
| **Net Change in Fund Balance** | $ 9,013 | 579 | $ (8,434) |
| **Fund Balance - Beginning** | | 29,302 | |
| **Fund Balance - Ending** | | $ 29,881 | |

## CITY OF FORT LAUDERDALE, FLORIDA

*OTHER FINANCIAL INFORMATION*

### SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
### TAX INCREMENT REVENUE NOTE DEBT SERVICE FUND
### For Fiscal Year Ended September 30, 2022

| | Final Budget | Actual Amounts | Variance with Budget - Positive |
|---|---|---|---|
| **EXPENDITURES** | | | |
| Debt Service: | | | |
| Principal Retirement | $ 6,194,000 | $ 6,194,000 | $ - |
| Interest and Fiscal Charges | 292,883 | 242,544 | 50,339 |
| Bond Issuance Costs | 76,491 | 73,624 | 2,867 |
| **Total Expenditures** | 6,563,374 | 6,510,168 | 53,206 |
| **(Deficiency) of Revenues Over Expenditures** | (6,563,374) | (6,510,168) | 53,206 |
| **OTHER FINANCING SOURCES** | | | |
| Transfers In | 3,302,434 | 3,302,434 | - |
| Debt Proceeds | 769,000 | 769,000 | - |
| **Total Other Financing Sources** | 4,071,434 | 4,071,434 | - |
| **Net Change in Fund Balance** | $ (2,491,940) | (2,438,734) | $ 53,206 |
| **Fund Balance - Beginning** | | 2,513,385 | |
| **Fund Balance - Ending** | | $ 74,651 | |

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
## PERPETUAL CARE FUND
## For Fiscal Year Ended September 30, 2022

| | Final Budget | Actual Amounts | Variance with Budget - Positive (Negative) |
|---|---|---|---|
| **REVENUES** | | | |
| Miscellaneous: | | | |
| Investment Income (Loss) | $ 950,000 | $ (4,907,869) | $ (5,857,869) |
| Other Miscellaneous Revenues | 396,200 | 402,487 | 6,287 |
| **Total Revenues** | 1,346,200 | (4,505,382) | (5,851,582) |
| **EXPENDITURES** | | | |
| Current: | | | |
| Physical Environment | 73,500 | 78,974 | (5,474) |
| **Total Expenditures** | 73,500 | 78,974 | (5,474) |
| **Excess (Deficiency) of Revenues Over Expenditures** | 1,272,700 | (4,584,356) | (5,857,056) |
| **OTHER FINANCING (USES)** | | | |
| Transfers (Out) | (1,770,814) | (408,968) | 1,361,846 |
| **Total Other Financing (Uses)** | (1,770,814) | (408,968) | 1,361,846 |
| **Net Change in Fund Balance** | $ (498,114) | (4,993,324) | $ (4,495,210) |
| **Fund Balance - Beginning** | | 32,359,583 | |
| **Fund Balance - Ending** | | $ 27,366,259 | |

## CITY OF FORT LAUDERDALE, FLORIDA

*OTHER FINANCIAL INFORMATION*

### SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL GENERAL OBLIGATION CONSTRUCTION 2011A From Inception of Current Projects and For Fiscal Year Ended September 30, 2022

| | Prior Years Actual | Current Year Actual | Total Actual to Date | Project Authorization |
|---|---|---|---|---|
| **REVENUES** | | | | |
| Miscellaneous: | | | | |
| Investment Income (Loss) | $ 3,265,533 | $ (33,078) | $ 3,232,455 | $ - |
| **Total Revenues** | 3,265,533 | (33,078) | 3,232,455 | - |
| **EXPENDITURES** | | | | |
| Current: | | | | |
| General Government | 6,944 | 143 | 7,087 | - |
| Debt Service: | | | | |
| Bond Issuance Cost | 408,414 | - | 408,414 | - |
| Capital Outlay | 18,839,187 | 158,042 | 18,997,229 | 25,099,965 |
| **Total Expenditures** | 19,254,545 | 158,185 | 19,412,730 | 25,099,965 |
| **(Deficiency) of Revenues (Under) Expenditures** | (15,989,012) | (191,263) | (16,180,275) | (25,099,965) |
| **OTHER FINANCING SOURCES** | | | | |
| Transfers In | 1,147,878 | - | 1,147,878 | 1,147,878 |
| Proceeds from Long-Term Borrowing | 20,000,000 | - | 20,000,000 | 20,000,000 |
| Premium on Bonds | 413,394 | - | 413,394 | 413,394 |
| **Total Other Financing Sources** | 21,561,272 | - | 21,561,272 | 21,561,272 |
| **Net change in Fund Balance** | $ 5,572,260 | (191,263) | $ 5,380,997 | $ (3,538,693) |
| **Fund Balance - Beginning** | | 5,033,247 | | |
| **Fund Balance - Ending** | | $ 4,841,984 | | |

## CITY OF FORT LAUDERDALE, FLORIDA

*OTHER FINANCIAL INFORMATION*

### SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
### GENERAL OBLIGATION CONSTRUCTION 2020A
### From Inception of Current Projects and For Fiscal Year Ended September 30, 2022

| | Prior Years Actual | Current Year Actual | Total Actual to Date | Project Authorization |
|---|---|---|---|---|
| **REVENUES** | | | | |
| Miscellaneous: | | | | |
| Investment Income | $ 122,555 | $ 195,809 | $ 318,364 | $ - |
| **Total Revenues** | 122,555 | 195,809 | 318,364 | - |
| **EXPENDITURES** | | | | |
| Current: | | | | |
| Culture and Recreation | 1,209,270 | 586,111 | 1,795,381 | - |
| Debt Service: | | | | |
| Bond Issuance Cost | 1,719 | - | 1,719 | 1,044,492 |
| Capital Outlay | 10,834,786 | 10,822,594 | 21,657,380 | 80,105,991 |
| **Total Expenditures** | 12,045,775 | 11,408,705 | 24,454,480 | 81,150,483 |
| **(Deficiency) of Revenues (Under) Expenditures** | (11,923,220) | (11,212,896) | (23,136,116) | (81,150,483) |
| **OTHER FINANCING SOURCES** | | | | |
| Debt Proceeds | - | - | - | 81,047,381 |
| **Total Other Financing Sources** | - | - | - | 81,047,381 |
| **Net change in Fund Balance** | $ (11,923,220) | (11,212,896) | $ (23,136,116) | $ (103,102) |
| **Fund Balance - Beginning** | | 65,702,864 | | |
| **Fund Balance - Ending** | | $ 54,489,968 | | |

## CITY OF FORT LAUDERDALE, FLORIDA

*OTHER FINANCIAL INFORMATION*

### SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL GENERAL OBLIGATION CONSTRUCTION 2020B From Inception of Current Projects and For Fiscal Year Ended September 30, 2022

| | Prior Years Actual | Current Year Actual | Total Actual to Date | Project Authorization |
|---|---|---|---|---|
| **REVENUES** | | | | |
| Miscellaneous: | | | | |
| Investment Income | $ 282,057 | $ 205,144 | $ 487,201 | $ - |
| **Total Revenues** | 282,057 | 205,144 | 487,201 | - |
| **EXPENDITURES** | | | | |
| Current: | | | | |
| General Government | 17,628 | 19,731 | 37,359 | 85,920 |
| Debt Service: | | | | |
| Bond Issuance Cost | 513,769 | - | 513,769 | 1,265,759 |
| Capital Outlay | 143,898 | 4,709,675 | 4,853,573 | 100,002,090 |
| **Total Expenditures** | 675,295 | 4,729,406 | 5,404,701 | 101,353,769 |
| **(Deficiency) of Revenues (Under) Expenditures** | (393,238) | (4,524,262) | (4,917,500) | (101,353,769) |
| **OTHER FINANCING SOURCES** | | | | |
| Proceeds from Long-Term Borrowing | 92,290,000 | - | 92,290,000 | 101,267,849 |
| Premium on Bonds | 8,283,575 | - | 8,283,575 | - |
| **Total Other Financing Sources** | 100,573,575 | - | 100,573,575 | 101,267,849 |
| **Net change in Fund Balance** | $ 100,180,337 | (4,524,262) | $ 95,656,075 | $ (85,920) |
| **Fund Balance - Beginning** | | 97,275,615 | | |
| **Fund Balance - Ending** | | $ 92,751,353 | | |

## CITY OF FORT LAUDERDALE, FLORIDA

*OTHER FINANCIAL INFORMATION*

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL**
**SPECIAL ASSESSMENT CONSTRUCTION FUND**
**From Inception of Current Projects and**
**For Fiscal Year Ended September 30, 2022**

| | Prior Years Actual | Current Year Actual | Total Actual to Date | Project Authorization |
|---|---|---|---|---|
| **REVENUES** | | | | |
| Miscellaneous: | | | | |
| Investment Income | $ 75 | $ 74 | $ 149 | $ - |
| **Total Revenues** | 75 | 74 | 149 | - |
| **EXPENDITURES** | | | | |
| Current: | | | | |
| General Government | 14 | 23 | 37 | - |
| Capital Outlay | 84,323 | 1,953,245 | 2,037,568 | 8,875,000 |
| **Total Expenditures** | 84,337 | 1,953,268 | 2,037,605 | 8,875,000 |
| **(Deficiency) of Revenues (Under) Expenditures** | (84,262) | (1,953,194) | (2,037,456) | (8,875,000) |
| **OTHER FINANCING SOURCES** | | | | |
| Transfers In | - | - | - | 125,000 |
| Proceeds from Long-Term Borrowing | - | 7,671,386 | 7,671,386 | 8,750,000 |
| Premium on Bonds | - | 599,290 | 599,290 | - |
| **Total Other Financing Sources** | - | 8,270,676 | 8,270,676 | 8,875,000 |
| **Net change in Fund Balance** | $ (84,262) | 6,317,482 | $ 6,233,220 | $ - |
| **Fund Balance - Beginning** | | (8,587) | | |
| **Fund Balance - Ending** | | $ 6,308,895 | | |

Statistical Section

# STATISTICAL SECTION
## FISCAL YEAR ENDED SEPTEMBER 30, 2022

This part of the City of Fort Lauderdale's Annual Comprehensive 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 heath.

**CONTENTS:** **Page**


Net Position by Component - Last Ten Fiscal Years - Schedule 1 ..... 181
Changes in Net Position - Last Ten Fiscal Years - Schedule 2 ..... 182
Fund Balances - Governmental Funds - Last Six Fiscal Years - Schedule 3 ..... 184
Changes in Fund Balances - Governmental Funds - Last Ten Fiscal Years - Schedule 4..... 185
Assessed Value and Actual Value of Taxable Property - Last Ten Fiscal Years - Schedule 5 ..... 186
Property Tax Millage Rates - Direct and Overlapping Governments -
Last Ten Fiscal Years - Schedule 6 ..... 187
Principal Property Taxpayers - Current Year and Nine Years Ago - Schedule 7 ..... 188
Property Tax Levies and Collections - Last Ten Fiscal Years - Schedule 8 ..... 189
Ratio of Outstanding Debt by Type - Last Ten Fiscal Years - Schedule 9 ..... 190
Ratios of General Bonded Debt Outstanding - Last Ten Fiscal Years - Schedule 10 ..... 191
Direct and Overlapping Governmental Activities Net Debt - Schedule 11 ..... 192
Pledged Revenue Coverage - Last Ten Fiscal Years - Schedule 12 ..... 193
Demographic and Economic Statistics - Last Ten Fiscal Years - Schedule 13 ..... 194
Principal Employers - Current Year - Schedule 14 ..... 195
Full-time Equivalent City Government Employees by Function/Program -
Last Ten Fiscal Years - Schedule 15 ..... 196
Operating Indicators by Function/Program - Last Ten Fiscal Years - Schedule 16 ..... 197
Capital Asset Statistics by Function/Program - Last Ten Fiscal Years - Schedule 17 ..... 198


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 34 in 2002; schedules presenting government-wide information include information beginning in that year.

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

**Schedule 1**

| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 [1] | 2020 | 2021 [2] | **2022** |
|---|---|---|---|---|---|---|---|---|---|---|
| Governmental Activities | | | | | | | | | | |
| Net Investment in Capital Assets | $ 229,209,092 | $ 231,859,356 | $ 244,833,932 | $ 272,571,968 | $ 278,879,502 | $ 311,290,505 | $ 349,191,154 | $ 369,114,013 | $ 381,044,850 | **$ 389,732,478** |
| Restricted | 112,606,985 | 121,536,470 | 136,960,627 | 151,264,589 | 166,811,911 | 169,408,028 | 164,932,127 | 151,863,168 | 152,347,542 | **129,182,321** |
| Unrestricted (deficit)* | 39,341,968 | 67,787,529 | (250,427,231) | (239,678,219) | (216,699,492) | (191,865,494) | (239,327,113) | (132,672,622) | (119,025,251) | **(104,231,539)** |
| Total Governmental Activities Net Position | $ 381,158,045 | $ 421,183,355 | $ 131,367,328 | $ 184,158,338 | $ 228,991,921 | $ 288,833,039 | $ 274,796,168 | $ 388,304,559 | $ 414,367,141 | **$ 414,683,260** |
| Business-Type Activities | | | | | | | | | | |
| Net Investment in Capital Assets | $ 457,764,458 | $ 450,945,828 | $ 464,460,151 | $ 485,584,168 | $ 474,281,805 | $ 555,520,044 | $ 573,052,237 | $ 591,887,177 | $ 605,648,710 | **$ 609,406,334** |
| Restricted | 41,523,435 | 47,597,178 | 46,302,379 | 34,938,766 | 41,231,234 | 43,233,881 | 58,088,847 | 59,743,077 | 62,602,917 | **69,143,084** |
| Unrestricted | 164,873,395 | 170,519,457 | 169,592,885 | 159,939,002 | 128,937,274 | 137,245,993 | 150,207,133 | 156,122,245 | 186,176,040 | **240,085,311** |
| Total Business-Type Activities Net Position | $ 664,161,288 | $ 669,062,463 | $ 680,355,415 | $ 680,461,936 | $ 644,450,313 | $ 735,999,918 | $ 781,348,217 | $ 807,752,499 | $ 854,427,667 | **$ 918,634,729** |
| Primary Government | | | | | | | | | | |
| Net Investment in Capital Assets | $ 686,973,550 | $ 682,805,184 | $ 709,294,083 | $ 758,156,136 | $ 753,161,307 | $ 866,810,549 | $ 922,243,391 | $ 961,001,190 | $ 986,693,560 | **$ 999,138,812** |
| Restricted | 154,130,420 | 169,133,648 | 183,263,006 | 186,203,355 | 208,043,145 | 212,641,909 | 223,020,974 | 211,606,245 | 214,950,459 | **198,325,405** |
| Unrestricted | 204,215,363 | 238,306,986 | (80,834,346) | (79,739,217) | (87,762,218) | (54,619,501) | (89,119,980) | 23,449,623 | 67,150,789 | **135,853,772** |
| Total Primary Government Net Position | $ 1,045,319,333 | $ 1,090,245,818 | $ 811,722,743 | $ 864,620,274 | $ 873,442,234 | $ 1,024,832,957 | $ 1,056,144,385 | $ 1,196,057,058 | $ 1,268,794,808 | **$ 1,333,317,989** |

* 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.

[1] Balance restated to reflect change in accounting principal.

[2] Balance restated to reflect prior period adjustment . Please refer to Note 18.

Source: City of Fort Lauderdale Finance Department

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

**Schedule 2**

| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | **2022** |
|---|---|---|---|---|---|---|---|---|---|---|
| **Expenses** | | | | | | | | | | |
| Governmental Activities: | | | | | | | | | | |
| General Government | $ 53,453,789 | $ 47,638,285 | $ 47,395,226 | $ 50,656,373 | $ 57,047,568 | $ 51,865,682 | $ 57,207,014 | $ 53,602,197 | $ 54,265,794 | **$ 52,615,584** |
| Public Safety | 176,890,393 | 168,966,981 | 180,656,741 | 190,327,750 | 195,228,347 | 210,939,834 | 284,744,147 | 237,977,314 | 261,655,917 | **247,576,303** |
| Physical Environment | 14,237,347 | 6,506,045 | 7,619,199 | 6,622,172 | 7,415,926 | 7,140,333 | 9,179,729 | 1,541,831 | 1,552,789 | **1,059,536** |
| Transportation | 6,123,784 | 9,613,093 | 15,477,780 | 10,368,546 | 9,236,517 | 12,777,480 | 5,762,848 | 8,666,295 | 9,156,868 | **10,334,629** |
| Economic Environment | 20,163,000 | 16,892,110 | 25,252,594 | 14,783,066 | 22,871,449 | 39,150,299 | 30,015,310 | 29,007,105 | 36,556,234 | **29,647,400** |
| Culture/Recreation | 39,033,256 | 32,492,486 | 35,648,804 | 34,616,954 | 38,776,032 | 40,454,278 | 46,023,282 | 40,424,108 | 48,240,884 | **47,573,663** |
| Interest on Long-Term Debt | 12,237,720 | 15,395,203 | 14,091,458 | 12,813,208 | 12,082,942 | 11,954,784 | 11,362,880 | 12,759,155 | 11,579,444 | **10,543,022** |
| Total Governmental Activities Expenses | 322,139,289 | 297,504,203 | 326,141,802 | 320,188,069 | 342,658,781 | 374,282,690 | 444,295,210 | 383,978,005 | 423,007,930 | **399,350,137** |
| Business-Type Activities: | | | | | | | | | | |
| Water and Sewer | 122,377,140 | 113,328,841 | 125,512,106 | 130,552,179 | 126,872,929 | 135,734,552 | 141,668,736 | 148,563,067 | 138,643,290 | **128,643,534** |
| Sanitation | 18,693,306 | 19,865,246 | 20,589,557 | 23,210,957 | 22,447,460 | 23,401,132 | 24,909,574 | 27,569,767 | 28,617,841 | **26,194,249** |
| Cemetery | - | - | - | - | - | - | 3,543,668 | 3,870,111 | 4,902,302 | **4,536,342** |
| Parking System | 13,616,470 | 13,460,653 | 14,448,572 | 16,218,135 | 19,031,068 | 17,766,082 | 20,046,519 | 18,090,407 | 18,545,679 | **18,053,924** |
| Airport | 11,248,312 | 9,565,904 | 10,565,745 | 10,506,172 | 9,182,798 | 10,647,199 | 10,834,838 | 12,232,914 | 10,460,057 | **9,611,532** |
| Stormwater | 6,052,945 | 6,699,394 | 7,842,585 | 7,280,190 | 7,615,617 | 8,782,857 | 11,029,450 | 11,417,545 | 16,581,033 | **11,624,391** |
| Total Business-Type Activities Expenses | 171,988,173 | 162,920,038 | 178,958,565 | 187,767,633 | 185,149,872 | 196,331,822 | 212,032,785 | 221,743,811 | 217,750,202 | **198,663,972** |
| Total Primary Government Expenses | $ 494,127,462 | $ 460,424,241 | $ 505,100,367 | $ 507,955,702 | $ 527,808,653 | $ 570,614,512 | $ 656,327,995 | $ 605,721,816 | $ 640,758,132 | **$ 598,014,109** |
| **Program Revenues** | | | | | | | | | | |
| Governmental Activities: | | | | | | | | | | |
| Charges for Services: | | | | | | | | | | |
| General Government | $ 42,061,226 | $ 41,712,589 | $ 52,027,432 | $ 43,803,099 | $ 44,846,590 | $ 42,896,051 | $ 40,936,456 | $ 28,713,680 | $ 29,426,503 | **$ 32,037,860** |
| Public Safety | 56,197,480 | 71,520,670 | 78,909,741 | 77,673,557 | 85,564,021 | 89,020,777 | 87,232,534 | 88,633,076 | 90,612,790 | **101,626,756** |
| Culture/Recreation | 11,130,441 | 10,198,340 | 10,693,165 | 10,112,876 | 13,552,297 | 14,237,858 | 11,324,940 | 8,497,306 | 9,064,475 | **12,205,065** |
| Other Activities | 5,399,364 | 5,055,200 | 6,225,490 | 5,431,933 | 5,670,640 | 5,003,787 | 4,175,205 | 2,789,191 | 2,981,448 | **3,560,124** |
| Operating Grants and Contributions | 29,449,425 | 26,684,588 | 27,817,570 | 26,028,189 | 30,819,896 | 35,369,514 | 24,426,869 | 57,532,542 | 44,978,379 | **41,857,873** |
| Capital Grants and Contributions | 6,005,562 | 3,524,355 | 3,576,522 | 1,288,377 | 2,668,634 | 1,519,075 | 1,875,896 | 4,338,992 | 1,741,753 | **2,584,854** |
| Total Governmental Activities Program Revenues | 150,243,498 | 158,695,742 | 179,249,920 | 164,338,031 | 183,122,078 | 188,047,062 | 169,971,900 | 190,504,787 | 178,805,348 | **193,872,532** |
| Business-Type Activities: | | | | | | | | | | |
| Charges for Services | | | | | | | | | | |
| Water and Sewer | 114,751,699 | 115,526,727 | 130,246,541 | 132,486,929 | 138,009,051 | 142,717,538 | 157,405,308 | 149,352,152 | 160,018,084 | **167,721,819** |
| Sanitation | 23,290,471 | 15,447,550 | 20,769,944 | 15,236,518 | 16,415,880 | 16,862,102 | 17,561,855 | 20,997,936 | 22,129,240 | **23,229,533** |
| Cemetery | - | - | - | - | - | - | 3,586,699 | 5,002,937 | 5,916,634 | **5,571,691** |
| Parking | 14,515,603 | 15,989,047 | 16,718,485 | 17,725,384 | 19,134,725 | 18,840,289 | 18,632,865 | 14,946,617 | 23,271,895 | **26,749,754** |
| Airport | 7,754,684 | 7,953,789 | 7,452,387 | 7,139,770 | 7,547,492 | 8,161,546 | 8,854,734 | 9,315,277 | 10,633,629 | **11,036,301** |
| Stormwater | 5,465,978 | 5,595,624 | 6,158,848 | 8,806,797 | 11,679,276 | 14,046,612 | 16,458,932 | 19,641,644 | 28,380,703 | **28,082,310** |
| Operating Grant and Contributions | 305,515 | - | - | - | - | - | - | - | - | **-** |
| Capital Grants and Contributions | 3,111,006 | 6,191,282 | 5,628,385 | 3,295,733 | 7,091,626 | 8,638,202 | 13,290,455 | 6,764,062 | 7,207,742 | **5,050,328** |
| Total Business-Type Activities Program Revenues | 169,194,956 | 166,704,019 | 186,974,590 | 184,691,131 | 199,878,050 | 209,266,289 | 235,790,848 | 226,020,625 | 257,557,927 | **267,441,736** |
| Total Primary Government Program Revenues | $ 319,438,454 | $ 325,399,761 | $ 366,224,510 | $ 349,029,162 | $ 383,000,128 | $ 397,313,351 | $ 405,762,748 | $ 416,525,412 | $ 436,363,275 | **$ 461,314,268** |

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

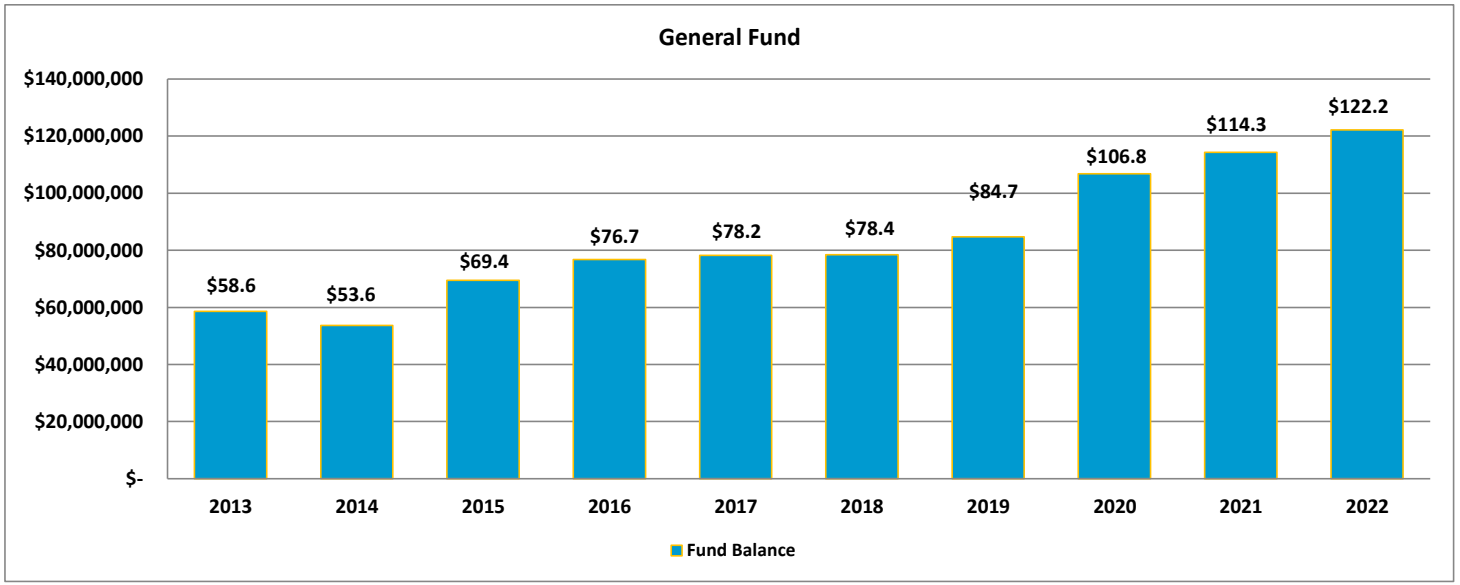
**Schedule 2**

| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | **2022** |
|---|---|---|---|---|---|---|---|---|---|---|
| Net (Expense)/Revenue | | | | | | | | | | |
| Governmental Activities | $ (171,895,791) | $ (138,808,461) | $ (146,891,882) | $ (155,850,038) | $ (159,536,703) | $ (186,235,628) | $ (274,323,310) | $ (193,473,218) | $ (244,202,582) | **$ (205,477,605)** |
| Business-Type Activities | (2,793,217) | 3,783,981 | 8,016,025 | (3,076,502) | 14,728,178 | 12,934,467 | 23,758,063 | 4,276,814 | 39,807,725 | **68,777,764** |
| Total Primary Government Net Expense | $ (174,689,008) | $ (135,024,480) | $ (138,875,857) | $ (158,926,540) | $ (144,808,525) | $ (173,301,161) | $ (250,565,247) | $ (189,196,404) | $ (204,394,857) | **$ (136,699,841)** |
| **General Revenues and Other Changes in Net Position** | | | | | | | | | | |
| Governmental Activities: | | | | | | | | | | |
| Property Taxes | $ 98,984,027 | $ 102,025,080 | $ 108,204,896 | $ 117,360,476 | $ 127,785,174 | $ 135,946,356 | $ 146,315,649 | $ 163,301,762 | $ 171,408,692 | **$ 181,741,443** |
| Other Taxes | 57,614,553 | 64,353,245 | 67,177,642 | 65,470,303 | 66,470,712 | 68,892,462 | 71,136,486 | 69,635,033 | 71,303,809 | **79,100,539** |
| Grants and Contributions | 14,918,403 | 15,799,049 | 16,688,285 | 17,183,084 | 17,769,076 | 18,498,676 | 18,924,383 | 17,418,989 | 20,260,555 | **24,302,052** |
| Investment Earnings | 2,551,761 | 4,446,765 | 3,367,863 | 6,469,794 | 6,102,540 | 6,055,904 | 17,187,242 | 12,944,198 | 5,315,798 | **(15,363,824)** |
| Other | 1,179,201 | 1,144,192 | 2,567,015 | 2,512,498 | 3,708,457 | 4,805,298 | 12,636,680 | 6,840,438 | 7,965,674 | **6,990,451** |
| Sale of General Capital Assets | - | - | - | - | - | 13,913,316 | - | - | - | **-** |
| Transfers | (5,092,222) | 1,289,249 | (679,271) | (355,107) | (3,371,727) | (2,029,105) | (5,920,164) | (6,786,477) | (5,989,365) | **(4,698,598)** |
| Total Governmental Activities | 170,155,723 | 189,057,580 | 197,326,430 | 208,641,048 | 218,464,232 | 246,082,907 | 260,280,276 | 263,353,943 | 270,265,163 | **272,072,063** |
| Business-Type Activities: | | | | | | | | | | |
| Investment Earnings | 718,371 | 1,706,443 | 2,305,463 | 2,820,043 | 2,095,102 | 3,799,985 | 14,518,397 | 8,375,535 | 312,578 | **(9,631,250)** |
| Miscelleneous | - | 700,000 | 49,048 | 7,873 | 521,832 | 1,724,727 | 1,151,675 | 533,538 | 565,500 | **361,950** |
| Special Items - Gain from Land Swap | - | - | - | - | 20,705,100 | - | - | - | - | **-** |
| Transfers | 5,092,222 | (1,289,249) | 679,271 | 355,107 | 3,371,727 | 2,029,105 | 5,920,164 | 6,786,477 | 5,989,365 | **4,698,598** |
| Total Business-Type Activities | 5,810,593 | 1,117,194 | 3,033,782 | 3,183,023 | 26,693,761 | 7,553,817 | 21,590,236 | 15,695,550 | 6,867,443 | **(4,570,702)** |
| Total Primary Government | $ 175,966,316 | $ 190,174,774 | $ 200,360,212 | $ 211,824,071 | $ 245,157,993 | $ 253,636,724 | $ 281,870,512 | $ 279,049,493 | $ 277,132,606 | **$ 267,501,361** |
| **Change in Net Position** | | | | | | | | | | |
| Governmental Activities | $ (1,740,068) | $ 50,249,119 | $ 50,434,548 | $ 52,791,010 | $ 58,927,529 | $ 59,847,279 | $ (14,043,034) | $ 69,880,725 | $ 26,062,581 | **$ 66,594,458** |
| Business-Type Activities | 3,017,376 | 4,901,175 | 11,049,807 | 106,521 | 41,421,939 | 20,488,284 | 45,348,299 | 19,972,364 | 46,675,168 | **64,207,062** |
| Total Primary Government | $ 1,277,308 | $ 55,150,294 | $ 61,484,355 | $ 52,897,531 | $ 100,349,468 | $ 80,335,563 | $ 31,305,265 | $ 89,853,089 | $ 72,737,749 | **$ 130,801,520** |

**FUND BALANCES - GOVERNMENTAL FUNDS**
**LAST TEN FISCAL YEARS**

**Schedule 3**

| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | **2022** |
|---|---|---|---|---|---|---|---|---|---|---|
| General Fund | | | | | | | | | | |
| Nonspendable | $ 13,339,582 | $ 59,258 | $ 57,129 | $ 21,391 | $ 15,662 | $ 10,870 | $ 7,106 | $ 4,555 | $ - | **$ -** |
| Spendable | | | | | | | | | | |
| Restricted | 204,044 | 198,619 | 208,264 | - | - | - | - | - | - | **-** |
| Unrestricted | | | | | | | | | | |
| Committed | 509,216 | 520,610 | 1,052,813 | 1,186,699 | 1,360,964 | 965,158 | 1,186,468 | 1,036,869 | 1,297,207 | **1,825,738** |
| Assigned | 4,812,365 | 2,055,809 | 1,879,010 | 2,962,640 | 2,390,941 | 2,463,491 | 2,708,187 | 1,944,878 | 4,196,494 | **4,717,729** |
| Unassigned | 39,748,283 | 50,781,064 | 66,231,739 | 72,551,458 | 74,468,292 | 74,992,328 | 80,817,237 | 103,787,098 | 108,824,984 | **115,654,262** |
| Total General Fund | $ 58,613,490 | $ 53,615,360 | $ 69,428,955 | $ 76,722,188 | $ 78,235,859 | $ 78,431,847 | $ 84,718,998 | $ 106,773,400 | $ 114,318,685 | **$ 122,197,729** |
| All Other Governmental Funds | | | | | | | | | | |
| Nonspendable | $ 12,464,216 | $ 13,028,052 | $ 13,629,215 | $ 14,314,506 | $ 15,003,353 | $ 18,418,309 | $ 16,740,365 | $ 16,711,935 | $ 17,117,809 | **$ 17,519,965** |
| Spendable | | | | | | | | | | |
| Restricted | 128,486,763 | 137,160,860 | 151,154,962 | 165,210,117 | 176,318,607 | 178,115,340 | 174,364,572 | 341,396,230 | 317,420,910 | **319,633,501** |
| Unrestricted | | | | | | | | | | |
| Committed | 453,443 | 889,489 | 1,365,292 | 1,519,050 | 1,336,069 | 1,002,808 | 566,419 | 1,111,577 | 1,253,322 | **-** |
| Assigned | 6,395,624 | 10,066,752 | 18,295,825 | 23,008,986 | 33,304,214 | 51,592,437 | 43,883,826 | 26,802,637 | 28,633,990 | **38,152,847** |
| Unassigned | (6,272,275) | (3,904,111) | (2,794,776) | - | (1,125,065) | (25,340,986) | (21,724,846) | - | (8,587) | **(46,309)** |
| Total All Other Governmental Funds | $ 141,527,771 | $ 157,241,042 | $ 181,650,518 | $ 204,052,659 | $ 224,837,178 | $ 223,787,908 | $ 213,830,336 | $ 386,022,379 | $ 364,417,444 | **$ 375,260,004** |



**CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**
**LAST TEN FISCAL YEARS**

**Schedule 4**

| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | **2022** |
|---|---|---|---|---|---|---|---|---|---|---|
| **Revenues** | | | | | | | | | | |
| Property Taxes | $ 99,537,136 | $ 102,486,128 | $ 108,207,671 | $ 117,778,138 | $ 128,120,980 | $ 135,672,646 | $ 145,999,719 | $ 162,733,822 | $ 171,380,610 | **$ 181,664,603** |
| Utility Taxes | 35,881,608 | 37,005,171 | 37,622,717 | 37,517,371 | 37,996,030 | 39,537,407 | 40,178,515 | 39,009,612 | 39,859,882 | **42,337,880** |
| Franchise Fees | 15,380,127 | 22,022,134 | 22,908,805 | 22,389,618 | 22,561,358 | 22,978,002 | 24,214,781 | 24,015,721 | 24,627,320 | **29,090,957** |
| Insurance Premium Taxes | 6,352,818 | 5,325,940 | 6,646,120 | 5,563,314 | 5,913,325 | 6,377,053 | 6,743,190 | 6,609,700 | 6,816,607 | **7,671,702** |
| Licenses and Permits | 17,374,859 | 17,291,687 | 23,167,102 | 21,231,581 | 24,574,331 | 26,791,860 | 26,144,013 | 20,657,797 | 20,268,975 | **31,473,369** |
| Intergovernmental | 42,816,219 | 47,636,208 | 45,647,574 | 45,973,034 | 44,536,525 | 46,201,797 | 49,800,716 | 77,418,110 | 57,147,325 | **67,601,299** |
| Charges for Services | 20,651,441 | 21,611,965 | 23,591,237 | 23,826,867 | 23,472,938 | 23,720,775 | 24,295,720 | 21,915,168 | 26,712,085 | **25,200,138** |
| Fines and Forfeitures | 5,019,265 | 5,406,387 | 5,186,029 | 5,563,848 | 4,006,759 | 4,765,852 | 5,384,509 | 4,406,679 | 3,543,124 | **4,298,856** |
| Other | 76,084,253 | 90,253,708 | 104,706,588 | 96,854,919 | 109,310,771 | 109,859,877 | 116,376,188 | 100,016,501 | 94,417,544 | **84,600,605** |
| **Total Revenues** | 319,097,726 | 349,039,328 | 377,683,843 | 376,698,690 | 400,493,017 | 415,905,269 | 439,137,351 | 456,783,110 | 444,773,472 | **473,939,409** |
| **Expenditures** | | | | | | | | | | |
| General Government | 196,114,107 | 50,500,327 | 46,447,512 | 51,432,952 | 55,859,079 | 58,102,190 | 50,478,340 | 48,694,122 | 50,502,193 | **52,458,112** |
| Public Safety | 330,274,787 | 169,190,561 | 172,856,946 | 180,694,607 | 188,738,608 | 213,569,202 | 233,922,344 | 232,257,807 | 245,493,375 | **258,478,026** |
| Physical Environment | 13,881,279 | 6,482,876 | 7,157,725 | 6,291,941 | 6,787,385 | 8,467,109 | 7,779,617 | 1,618,199 | 949,380 | **275,867** |
| Transportation | 4,917,264 | 8,717,894 | 14,640,346 | 9,916,376 | 8,093,178 | 4,302,122 | 4,065,602 | 7,148,002 | 7,748,392 | **9,020,976** |
| Economic Environment | 20,004,271 | 16,683,659 | 24,921,198 | 15,115,142 | 22,918,108 | 40,548,392 | 30,082,611 | 28,662,189 | 29,452,461 | **30,041,994** |
| Culture/Recreation | 29,536,861 | 28,338,669 | 29,870,327 | 29,452,695 | 32,320,562 | 34,974,118 | 37,573,733 | 35,103,458 | 38,385,061 | **40,196,388** |
| Debt Service: | | | | | | | | | | |
| Bond Principal Retirement | 36,615,638 | 21,010,400 | 21,315,800 | 22,150,300 | 22,836,100 | 20,883,259 | 21,442,258 | 23,277,854 | 27,039,648 | **37,014,627** |
| Interest and Fiscal Charges | 11,431,300 | 13,616,029 | 13,327,596 | 12,963,806 | 12,553,939 | 12,023,877 | 11,464,162 | 12,962,401 | 10,600,029 | **10,324,493** |
| Debt Issuance Costs | - | - | 264,725 | - | - | - | - | 2,690,104 | 3,119 | **73,624** |
| Capital Outlay | 16,894,501 | 15,722,671 | 17,119,175 | 15,541,577 | 27,091,220 | 37,222,781 | 41,227,380 | 47,036,029 | 44,185,350 | **42,649,631** |
| **Total Expenditures** | 659,670,008 | 330,263,086 | 347,921,350 | 343,559,396 | 377,198,179 | 430,093,050 | 438,036,047 | 439,450,165 | 454,359,008 | **480,533,738** |
| **Excess of Revenues Over (Under) Expenditures** | (340,572,282) | 18,776,242 | 29,762,493 | 33,139,294 | 23,294,838 | (14,187,781) | 1,101,304 | 17,332,945 | (9,585,536) | **(6,594,329)** |
| **Other Financing Sources (Uses)** | | | | | | | | | | |
| Debt Proceeds | 337,755,000 | - | 22,823,000 | - | 704,151 | - | - | 335,200,000 | - | **28,669,000** |
| Discount on Bonds | (770,749) | - | - | - | - | - | - | - | - | **-** |
| Bond Issuance Costs | (998,368) | - | - | - | - | - | - | - | - | **-** |
| Transfers In | 44,336,537 | 51,471,962 | 59,308,509 | 60,376,587 | 61,178,965 | 77,915,430 | 50,894,513 | 60,544,318 | 47,270,712 | **78,011,762** |
| Transfers (Out) | (36,371,634) | (49,309,254) | (56,668,948) | (63,820,507) | (62,879,764) | (78,494,245) | (55,666,238) | (66,363,636) | (51,744,826) | **(81,964,119)** |
| Sale of General Capital Assets | - | - | - | - | - | 13,913,314 | - | - | - | **-** |
| Payments to Refunding Escrow Agent | - | - | (15,717,849) | - | - | - | - | (165,708,803) | - | **-** |
| Premium on Refunding bonds | - | - | 715,866 | - | - | - | - | 13,241,621 | - | **599,290** |
| **Total Other Financing Sources (Uses)** | 343,950,786 | 2,162,708 | 10,460,578 | (3,443,920) | (996,648) | 13,334,499 | (4,771,725) | 176,913,500 | (4,474,114) | **25,315,933** |
| **Net Change in Fund Balances** | $ 3,378,504 | $ 20,938,950 | $ 40,223,071 | $ 29,695,374 | $ 22,298,190 | $ (853,282) | $ (3,670,421) | $ 194,246,445 | $ (14,059,650) | **$ 18,721,604** |
| **Debt Service as a Percentage of Noncapital Expenditures** | 7.45% | 10.83% | 10.59% | 11.26% | 9.95% | 8.38% | 8.21% | 9.36% | 9.16% | **10.60%** |

Source: City of Fort Lauderdale Finance Department

## 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 | | |
| 2022 | 2021 | $ 40,280,953,900 | $10,752,834,340 | $2,272,989,410 | $ 4,567,768,885 | $ 57,874,546,535 | $ 1,920,480,120 | $ 3,584,494,871 | $ 1,162,832,643 | $ 6,443,513,010 | $ 1,553,547,184 | $ 43,209,678,707 | 4.3411 |
| 2021 | 2020 | 37,618,580,150 | 10,556,548,850 | 2,076,133,890 | 4,562,683,914 | 54,813,946,804 | 1,886,691,560 | 3,397,887,505 | 1,136,521,991 | 5,957,582,250 | 1,569,522,216 | 40,865,741,282 | 4.3411 |
| 2020 | 2019 | 36,293,340,390 | 10,406,262,540 | 1,983,716,170 | 4,395,695,789 | 53,079,014,889 | 1,846,057,900 | 3,469,587,119 | 1,109,413,479 | 6,130,867,860 | 1,760,459,957 | 38,762,628,574 | 4.3443 |
| 2019 | 2018 | 34,045,927,200 | 9,892,567,370 | 1,834,287,340 | 4,342,677,893 | 50,115,459,803 | 1,804,552,740 | 3,400,653,797 | 1,098,715,149 | 5,886,367,310 | 1,819,325,179 | 36,105,845,628 | 4.1833 |
| 2018 | 2017 | 31,683,312,090 | 9,470,869,260 | 1,670,386,270 | 4,311,047,227 | 47,135,614,847 | 1,771,577,660 | 3,307,662,767 | 1,087,528,517 | 5,509,489,920 | 1,932,731,379 | 33,526,624,604 | 4.2803 |
| 2017 | 2016 | 29,552,584,370 | 8,670,201,030 | 1,545,119,010 | 4,275,908,913 | 44,043,813,323 | 1,737,973,130 | 3,005,447,996 | 1,113,330,666 | 5,136,557,980 | 2,085,581,142 | 30,964,922,409 | 4.2803 |
| 2016 | 2015 | 26,752,798,810 | 7,746,229,920 | 1,380,804,370 | 4,220,915,520 | 40,100,748,620 | 1,717,025,480 | 2,952,174,611 | 1,089,944,440 | 4,380,312,940 | 1,605,768,928 | 28,355,522,221 | 4.2952 |
| 2015 | 2014 | 23,746,859,350 | 6,732,685,850 | 1,363,515,100 | 4,276,665,143 | 36,119,725,443 | 1,717,359,980 | 2,864,660,708 | 1,043,263,911 | 3,356,603,020 | 1,140,501,470 | 25,997,336,354 | 4.3151 |
| 2014 | 2013 | 21,264,182,970 | 6,436,516,200 | 1,285,317,820 | 4,148,367,683 | 33,134,384,673 | 1,725,871,000 | 2,691,438,662 | 1,001,542,851 | 2,520,071,970 | 740,561,682 | 24,454,898,508 | 4.3263 |
| 2013 | 2012 | 19,725,697,430 | 6,328,094,510 | 1,268,644,800 | 4,191,660,656 | 31,514,097,396 | 1,747,476,190 | 2,587,783,071 | 1,080,814,269 | 2,004,953,270 | 596,515,209 | 23,496,555,387 | 4.3342 |

* State Law requires that assessed values be established at 100% of estimated actual value.
** Assessed values are as of January 1 of each year.
Source: Broward County Property Appraiser

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

**Schedule 6**

| | | FORT LAUDERDALE | | | BROWARD COUNTY | | OTHER TAXING AGENCIES | | | | SPECIAL DISTRICTS** | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | | DOWNTOWN DEV. AUTH. | | | |
| FISCAL YEAR | TAX ROLL | OPERATING | DEBT SERVICE | TOTAL CITY | BROWARD COUNTY | BROWARD COUNTY SCHOOLS | S. FLORIDA WATER MGMT. DISTRICT | FLORIDA INLAND NAVIGATION DISTRICT | BROWARD CHILDREN'S SERVICES COUNCIL | TOTAL CITY-WIDE | OPERATING | DEBT SERVICE | N. BROWARD HOSPITAL DISTRICT | HILLSBORO INLET |
| 2022 | 2021 | 4.1193 | 0.2613 | 4.3806 | 5.6690 | 6.4621 | 0.2572 | 0.0320 | 0.4699 | 17.2708 | 0.6 | 0.4775 | 1.277 | 0.0995 |
| 2021 | 2020 | 4.1193 | 0.2218 | 4.3411 | 5.6690 | 6.5052 | 0.2675 | 0.0320 | 0.4882 | 17.3030 | 0.5651 | 0.4998 | 1.1469 | 0.0985 |
| 2020 | 2019 | 4.1193 | 0.2250 | 4.3443 | 5.6690 | 6.7393 | 0.2795 | 0.0320 | 0.4882 | 17.5523 | 0.571 | 0.3704 | 1.0324 | 0.0985 |
| 2019 | 2018 | 4.1193 | 0.0640 | 4.1833 | 5.6690 | 6.4029 | 0.2936 | 0.0320 | 0.4882 | 17.0690 | 0.5357 | 0.3978 | 1.0855 | 0.0860 |
| 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 |

* State law requires all counties to assess at 100% valuation and limits millage for operating purposes to ten mills.
** Overlapping rates are those of local and county governments that apply to property owners within the City. Not all Overlapping rates apply to all City property owners (e.g. the rates for special districts apply only to the proportion of the City's property owners whose property is located within the geographic boundaries of the special districts).
Source: Broward County Property Appraiser.

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

**Schedule 7**

| | | 2022 | | | 2013 | | |
|---|---|---|---|---|---|---|---|
| TAXPAYER | TYPE OF BUSINESS | TAXABLE ASSESSED VALUE | RANK | PERCENT OF TOTAL ASSESSED VALUE | TAXABLE ASSESSED VALUE | RANK | PERCENT OF TOTAL ASSESSED VALUE |
| FLORIDA POWER & LIGHT CO | Power Energy Utility | $ 252,843,218 | 1 | 0.59% | 129,907,117 | 2 | 0.58% |
| HARBOR BEACH PROPERTY LLC | Hospitality | 225,000,000 | 2 | 0.52% | $ 130,390,930 | 1 | 0.58% |
| PMG-GREYBROOK RIVERFRONT I LLC | Real Estate | 205,200,000 | 3 | 0.47% | | | |
| TAF GG LAS OLAS LP | Business Services | 191,290,980 | 4 | 0.44% | | | |
| NM-PORT ROYALE LLC | Real Estate | 144,181,860 | 5 | 0.33% | | | |
| LOYCA PROPERTY OWNER LLC | Real Estate | 127,513,280 | 6 | 0.30% | | | |
| SUNRISE HARBOUR MULTIFAMILY INC | Real Estate | 123,992,000 | 7 | 0.29% | | | |
| NORTH BROWARD HOSPITAL DISTRICT | Healthcare | 122,252,220 | 8 | 0.00% | | | |
| T-C THE MANOR AT FLAGLER VILLAGE LLC | Real Estate | 122,240,000 | 9 | 0.28% | | | |
| WILSON HARBOR BEACH LLC | Real Estate | 114,274,990 | 10 | 0.26% | | | |
| BSREP III FORT LAUDERDALE LLC | Real Estate | 110,000,000 | 11 | 0.25% | | | |
| GUGV 790 BROWARD PROPERTY OWNING LLC | Real Estate | 108,437,210 | 12 | 0.25% | | | |
| CAPRI HOTEL LLC | Hospitality | 107,300,000 | 13 | 0.25% | 74,339,640 | 6 | 0.33% |
| LMC ONE20FOURTH HOLDINGS LLC | Real Estate | 106,000,000 | 14 | 0.25% | | | |
| AMARAY LAS OLAS BY WINDSOR LLC | Real Estate | 105,500,000 | 15 | 0.24% | | | |
| BR ARCHCO FLAGLER VILLAGE LLC | Real Estate | 105,170,240 | 16 | 0.24% | | | |
| FTL 500 CORP | Real Estate | 104,500,000 | 17 | 0.24% | | | |
| GV IP 110 TOWER OWNER LLC | Real Estate | 99,354,120 | 18 | 0.23% | | | |
| KEYSTONE-FLORIDA PROPERTY HOLD | Real Estate | 95,860,280 | 19 | 0.22% | 116,499,590 | 4 | 0.52% |
| CAMDEN SUMMIT PARTNERSHIP LP | Real Estate | 95,427,330 | 20 | 0.22% | 55,995,287 | 10 | 0.25% |
| 401 EAST LAS OLAS LLC | Real Estate | - | | | 126,075,380 | 3 | 0.56% |
| CAPRI RESORTS LLC | Hospitality | - | | | 91,364,180 | 5 | 0.41% |
| FL GRANDE LLC | Real Estate | - | | | 66,516,690 | 7 | 0.29% |
| 2301 SE 17TH ST LTD | Hospitality | - | | | 61,460,720 | 8 | 0.27% |
| BELLSOUTH TELECOMMUNICATIONS INC | Telecommunication | - | | | 59,611,585 | 9 | 0.26% |
| | | $ 2,666,337,728 | | 5.89% | $ 912,161,119 | | 4.04% |

Source: Broward County Property Appraiser.

## 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 |
| 2022 | $ 179,906,519 | $ 177,860,023 | 98.9% | $ - | $ 177,860,023 | 98.9% |
| 2021 | 169,759,268 | 168,094,392 | 99.0% | - | 168,094,392 | 99.0% |
| 2020 | 161,331,855 | 159,634,118 | 98.9% | - | 159,634,118 | 98.9% |
| 2019 | 150,293,201 | 148,853,162 | 99.0% | 27,002 | 148,880,164 | 99.1% |
| 2018 | 139,485,072 | 138,157,082 | 99.0% | 93,054 | 138,250,136 | 99.1% |
| 2017 | 128,271,963 | 127,624,652 | 99.5% | 70,726 | 127,695,378 | 99.6% |
| 2016 | 117,615,644 | 116,905,478 | 99.4% | 60,336 | 116,965,814 | 99.4% |
| 2015 | 108,085,092 | 107,040,848 | 99.0% | 28,525 | 107,069,373 | 99.1% |
| 2014 | 101,135,579 | 101,118,905 | 100.0% | - | 101,118,905 | 100.0% |
| 2013 | 97,857,108 | 97,219,562 | 99.3% | - | 97,219,562 | 99.3% |

Source: Broward County Revenue Collector.

**RATIOS OF OUTSTANDING DEBT BY TYPE**
**LAST TEN FISCAL YEARS**
(Dollars in thousands except per Capita)

**Schedule 9**

| **Governmental Activities:** | **2022** | **2021** | **2020** | **2019** | **2018** | **2017** | **2016** | **2015** | **2014** | **2013** |
|---|---|---|---|---|---|---|---|---|---|---|
| General Obligation Bonds | $ 194,984 | $ 201,168 | $ 207,308 | $ 29,563 | $ 30,737 | $ 31,901 | $ 35,782 | $ 39,377 | $ 42,164 | $ 45,492 |
| Special Obligation Bonds | 183,630 | 207,060 | 227,565 | 226,881 | 243,555 | 259,679 | 275,444 | 290,908 | 305,545 | 320,552 |
| Direct Borrowings/Placements | | | | | | | | | | |
| Tax Increment Notes [1] | 18,485 | 3,910 | 4,622 | 5,312 | 5,981 | 6,629 | 7,257 | 7,603 | - | - |
| Special Obligation Loans | 2,773 | 4,243 | 5,674 | 8,343 | 11,334 | 14,371 | 17,329 | 20,213 | 23,024 | 25,764 |
| Special Assessment Bonds [2] | 8,466 | - | - | - | - | - | - | - | - | - |
| Capital Purchases | 2,395 | 3,383 | 4,345 | 5,767 | 7,154 | 8,506 | 1,869 | 2,309 | - | - |
| Leases | 4,424 | - | - | - | - | - | - | - | - | - |
| Total Direct Borrowings/Placements | 36,543 | 11,536 | 14,641 | 19,422 | 24,469 | 29,506 | 26,455 | 30,125 | 23,024 | 25,764 |
| Total Governmental Activities | 415,157 | 419,764 | 449,514 | 275,866 | 298,761 | 321,086 | 337,681 | 360,410 | 370,733 | 391,808 |
| **Business-Type Activities:** | | | | | | | | | | |
| Water & Sewer Revenue Bonds | 430,696 | 442,921 | 501,329 | 516,795 | 532,111 | 345,010 | 362,422 | 362,991 | 369,034 | 379,532 |
| Direct Borrowings/Placements | | | | | | | | | | |
| Water & Sewer Revenue Refunding Bonds [3] | 38,230 | 42,145 | - | - | - | - | - | - | - | - |
| State Revolving Fund Loans | 22,141 | 26,098 | 29,968 | 33,752 | 37,453 | 41,071 | - | - | - | - |
| Non-Revolving Line of Credit | 6,448 | 130 | 130 | 7,019 | - | - | - | - | - | - |
| Capital Purchases | 880 | 985 | 1,084 | 1,178 | 1,267 | 1,352 | - | - | - | - |
| Leases | 306 | - | - | - | - | - | - | - | - | - |
| Total Direct Borrowings/Placements | 68,005 | 69,358 | 31,182 | 41,949 | 38,720 | 42,423 | - | - | - | - |
| Total Business-Type Activities | 498,701 | 512,279 | 532,511 | 558,744 | 570,831 | 387,433 | 362,422 | 362,991 | 369,034 | 379,532 |
| Total Primary Government | $ 913,858 | $ 932,043 | $ 982,025 | $ 834,610 | $ 869,592 | $ 708,519 | $ 700,103 | $ 723,401 | $ 739,767 | $ 771,340 |
| Percentage of Personal Income | 0.73% | 0.85% | 0.96% | 0.85% | 0.92% | 0.79% | 1.14% | 1.12% | 1.13% | 1.15% |
| Per Capita [4] | $ 4,834.74 | $ 5,008.94 | $ 5,187.09 | $ 4,481.85 | $ 4,756.37 | $ 3,956.81 | $ 4,213.44 | $ 4,398.35 | $ 4,506.49 | $ 4,700.36 |

(1) Tax Increment Revenue Note Series 2015 were issued in 2015. On December 2021, the City issued $20,769,000 in Tax Increment Revenue Improvement and Refund Note.

(2) On May 2022, the City issued $7,900,000 in Special Assessment Bonds.

(3) On May 2021, the City issued $42,145,000 in Water and Sewer Revenue Refunding Bonds Series 2021.

(4) See Schedule 13 for Demographic and Economic Statistics personal income for population data.

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

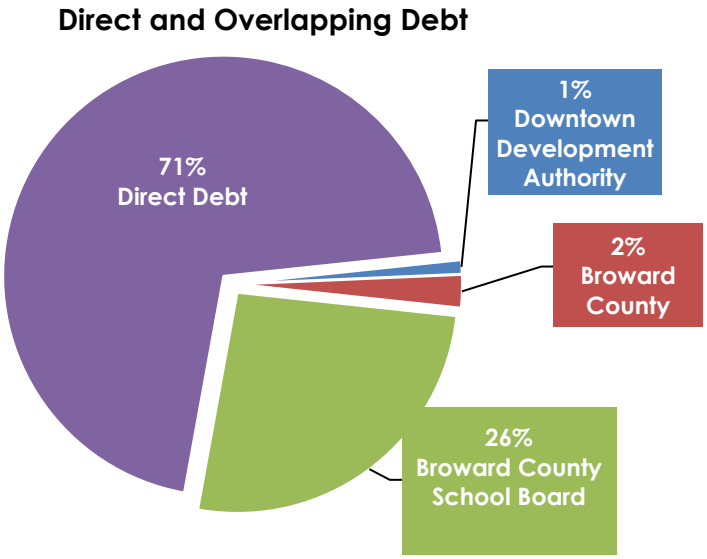
**Schedule 10**

| FISCAL YEAR | GENERAL OBLIGATION BONDS | LESS SINKING FUND | NET GENERAL BONDED DEBT | PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY* | PER CAPITA** |
|---|---|---|---|---|---|
| 2022 | $ 186,080,000 | $ 1,702,817 | $ 184,377,183 | 0.42% | $ 975.44 |
| 2021 | 190,620,000 | 1,884,535 | 188,735,465 | 0.46 | 1,014 |
| 2020 | 194,960,000 | 3,974,316 | 190,985,684 | 0.49 | 1,008.79 |
| 2019 | 29,220,000 | 926,466 | 28,293,534 | 0.08 | 151.94 |
| 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 |

* See Schedule 5 for Assessed Value and Actual Value of Taxable Property for property value data.
** See Schedule 13 for Demographic and Economic Statistics personal income for population data.

**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT** **Schedule 11**
**September 30, 2022**

| GOVERNMENTAL UNIT | DEBT OUTSTANDING | ESTIMATED PERCENTAGE APPLICABLE | ESTIMATED SHARE OF OVERLAPPING NET DEBT |
|---|---|---|---|
| Debt Repaid with Property Taxes | | | |
| Downtown Development Authority | $ 5,649,494 | 100.00% | $ 5,649,494 |
| Broward County (1) | 68,790,000 | 19.69% | 13,544,751 |
| Broward County School Board (1) | 758,375,000 * | 19.69% | 149,324,038 |
| Subtotal Overlapping Debt | | | 168,518,283 |
| City of Fort Lauderdale Direct Debt | 402,267,000 | 100.00% | 402,267,000 |
| Total Direct and Overlapping Debt | | | $ 570,785,283 |




(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 ($43,610,039,386 by the County's gross taxable property values ($221,522,571,655).

* Debt outstanding as of June 30, 2021

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.

**PLEDGE REVENUE COVERAGE**
**LAST TEN FISCAL YEARS**
(Dollars in thousands)

**Schedule 12**

**SPECIAL OBLIGATION BONDS***

| FISCAL YEAR | GROSS REVENUE | OPERATING EXPENSES | NET AVAILABLE REVENUE | MAXIMUM ANNUAL DEBT SERVICE PRINCIPAL | MAXIMUM ANNUAL DEBT SERVICE INTEREST | TOTAL | COVERAGE |
|---|---|---|---|---|---|---|---|
| 2022 | $ 48,271 | $ - | $ 48,271 | $ 24,175 | $ 2,537 | $ 26,712 | 1.81 |
| 2021 | 46,204 | - | 46,204 | 24,175 | 2,537 | 26,712 | 1.73 |
| 2020 | 45,175 | - | 45,175 | 24,175 | 2,537 | 26,712 | 1.69 |
| 2019 | 46,509 | - | 46,509 | 20,840 | 7,357 | 28,197 | 1.65 |
| 2018 | 45,747 | - | 45,747 | 20,840 | 7,357 | 28,197 | 1.62 |
| 2017 | 44,103 | - | 44,103 | 20,840 | 7,357 | 28,197 | 1.56 |
| 2016 | 43,681 | - | 43,681 | 20,840 | 7,357 | 28,197 | 1.55 |
| 2015 | 43,222 | - | 43,222 | 20,840 | 7,357 | 28,197 | 1.53 |
| 2014 | 42,815 | - | 42,815 | 20,840 | 7,357 | 28,197 | 1.52 |
| 2013 | 42,044 | - | 42,044 | 20,840 | 7,357 | 28,197 | 1.49 |

**SPECIAL OBLIGATION LOANS**

| FISCAL YEAR | GROSS REVENUE | EXPRESS LIEN DEBT | ESSENTIAL SERVICE EXPENSES | NET AVAILABLE REVENUE | DEBT SERVICE PRINCIPAL | DEBT SERVICE INTEREST | TOTAL | COVERAGE |
|---|---|---|---|---|---|---|---|---|
| 2022 | $ 213,134 | $ 26,703 | $ 151,165 | $ 35,266 | $ 1,470 | $ 116 | $ 1,586 | 22.24 |
| 2021 | 202,017 | 24,246 | 137,899 | 39,872 | 1,431 | 156 | 1,587 | 25.12 |
| 2020 | 197,638 | 26,876 | 133,805 | 36,957 | 2,669 | 225 | 2,894 | 12.77 |
| 2019 | 211,941 | 26,483 | 144,731 | 40,727 | 2,992 | 298 | 3,290 | 12.38 |
| 2018 | 223,445 | 26,357 | 146,533 | 50,555 | 3,036 | 377 | 3,413 | 14.81 |
| 2017 | 204,950 | 26,360 | 137,966 | 40,624 | 2,958 | 454 | 3,412 | 11.91 |
| 2016 | 195,688 | 26,359 | 132,400 | 36,929 | 2,884 | 528 | 3,412 | 10.82 |
| 2015 | 204,526 | 26,360 | 133,358 | 44,808 | 2,811 | 601 | 3,412 | 13.13 |
| 2014 | 186,847 | 26,361 | 132,042 | 28,444 | 2,740 | 672 | 3,412 | 8.34 |
| 2013 | 164,902 | 24,949 | 126,199 | 13,754 | 3,215 | 754 | 3,969 | 3.47 |

**WATER AND SEWER REVENUE BONDS**

| FISCAL YEAR | GROSS REVENUE | OPERATING EXPENSES | NET AVAILABLE REVENUE | DEBT SERVICE PRINCIPAL | DEBT SERVICE INTEREST | TOTAL | COVERAGE |
|---|---|---|---|---|---|---|---|
| 2022 | $ 144,891 | $ 81,523 | $ 63,368 | $ 17,515 | $ 18,705 | $ 36,220 | 1.75 |
| 2021 | 160,660 | 91,810 | 68,850 | 12,940 | 18,923 | 31,863 | 2.16 |
| 2020 | 156,050 | 103,355 | 52,695 | 12,360 | 19,363 | 31,723 | 1.66 |
| 2019 | 169,630 | 79,027 | 90,603 | 11,760 | 19,969 | 31,729 | 2.86 |
| 2018 | 146,507 | 78,501 | 68,006 | 11,190 | 16,917 | 28,107 | 2.42 |
| 2017 | 139,800 | 76,462 | 63,338 | 10,665 | 13,366 | 24,031 | 2.64 |
| 2016 | 134,367 | 77,042 | 57,325 | 9,050 | 13,273 | 22,323 | 2.57 |
| 2015 | 131,913 | 69,475 | 62,438 | 9,945 | 16,252 | 26,197 | 2.38 |
| 2014 | 117,552 | 62,816 | 54,736 | 9,590 | 16,590 | 26,180 | 2.09 |
| 2013 | 121,076 | 60,927 | 60,149 | 9,345 | 16,874 | 26,219 | 2.29 |

**WATER AND SEWER STATE REVOLVING FUND LOANS**

| FISCAL YEAR | GROSS REVENUE | OPERATING EXPENSES | REVENUE BOND DEBT SERVICE PRINCIPAL | REVENUE BOND DEBT SERVICE INTEREST | NET AVAILABLE REVENUE | STATE LOANS DEBT SERVICE PRINCIPAL | STATE LOANS DEBT SERVICE INTEREST | COVERAGE |
|---|---|---|---|---|---|---|---|---|
| 2022 | $ 148,988 | $ 81,523 | $ 17,515 | $ 18,705 | $ 31,246 | $ 3,957 | $ 566 | 6.91 |
| 2021 | 163,873 | 91,810 | 12,940 | 18,923 | 40,200 | 3,870 | 653 | 8.89 |
| 2020 | 159,558 | 103,355 | 12,360 | 19,363 | 24,480 | 3,784 | 739 | 5.41 |
| 2019 | 174,279 | 79,027 | 11,760 | 19,969 | 63,523 | 3,700 | 822 | 14.05 |
| 2018 | 151,495 | 78,501 | 11,190 | 16,917 | 44,887 | 3,619 | 904 | 9.92 |
| 2017 | 144,280 | 76,462 | 10,665 | 13,366 | 43,787 | 3,539 | 983 | 9.68 |
| 2016 | 136,490 | 77,042 | 9,050 | 13,273 | 37,125 | 4,218 | 1,326 | 6.70 |
| 2015 | 134,923 | 69,475 | 9,945 | 16,252 | 39,251 | 4,869 | 1,697 | 5.98 |
| 2014 | 119,196 | 62,816 | 9,590 | 16,590 | 30,200 | 4,753 | 1,812 | 4.60 |
| 2013 | 123,905 | 60,927 | 9,345 | 16,874 | 36,759 | 4,641 | 1,882 | 5.64 |

**TAX INCREMENT REVENUE NOTE****

| FISCAL YEAR | GROSS REVENUE | MAXIMUM ANNUAL DEBT SERVICE PRINCIPAL | MAXIMUM ANNUAL DEBT SERVICE INTEREST | TOTAL | COVERAGE |
|---|---|---|---|---|---|
| 2022 | $ 18,074 | $ 8,025 | $ 89 | $ 8,114 | 2.23 |
| 2021 | 15,503 | 734 | 112 | 846 | 18.33 |
| 2020 | 12,423 | 712 | 135 | 847 | 14.67 |
| 2019 | 10,487 | 690 | 157 | 847 | 12.38 |
| 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 2013.
** Note issued in 2015. Refunding issued in 2021.

**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 |
|---|---|---|---|---|---|
| 2022 | 189,019 | 1,969,099 | $ 124,458,321 | $ 63,206 | 2.3% |
| 2021 | 186,076 | 1,955,375 | 109,473,926 | 55,986 | 3.7% |
| 2020 | 189,321 | 1,932,212 | 102,145,579 | 52,865 | 8.2% |
| 2019 | 186,220 | 1,919,644 | 98,087,689 | 51,097 | 2.8% |
| 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% |

* 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**

# TOP EMPLOYERS

**Over 5,000**

Broward County School Board
Broward County Government
Broward Health

**2,500 - 4,999**

Broward College
City of Fort Lauderdale

**1,000 - 2,499**

AutoNation
Citrix
Kemet Corporation

**Under 1,000**

Rick Case Automotive Group
SDI International
Zimmerman
Kaplan
Hotwire Communications

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 Department. Information for prior years is unavailable.

Fort Lauderdale is a part of the diverse economy of Broward County. Service industries dominate the local employment environment. Primary sectors of the services within the City are marine-related industries, tourism, retail and wholesale trade.

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

**Schedule 15**

| FUNCTION/PROGRAM | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | **2022** |
|---|---|---|---|---|---|---|---|---|---|---|
| General Government | | | | | | | | | | |
| Business Enterprises | - | - | - | - | - | - | - | - | - | **-** |
| City Commission | 12.00 | 12.00 | 12.00 | 12.00 | 12.00 | 12.00 | 12.00 | 15.00 | 15.00 | **15.00** |
| City Manager | 33.00 | 34.00 | 48.50 | 52.00 | 55.00 | 58.00 | 60.00 | 60.00 | 43.00 | **48.00** |
| City Attorney | 25.00 | 25.00 | 29.60 | 31.60 | 31.60 | 32.60 | 32.60 | 30.00 | 30.00 | **31.00** |
| City Auditor | 5.00 | 5.00 | 6.00 | 6.00 | 6.00 | 6.00 | 7.00 | 7.00 | 7.00 | **7.00** |
| City Clerk | 7.40 | 7.40 | 7.40 | 7.40 | 7.40 | 7.40 | 7.70 | 8.70 | 8.70 | **8.70** |
| Finance | 58.40 | 58.00 | 64.50 | 67.00 | 70.00 | 71.00 | 73.00 | 73.00 | 74.00 | **69.00** |
| Human Resources | 32.00 | 33.00 | 33.10 | 42.60 | 41.40 | 39.40 | 39.40 | 43.20 | 43.20 | **45.00** |
| Information Systems | 63.10 | 65.70 | 70.70 | 78.20 | 78.20 | 81.20 | 84.00 | 84.00 | 83.00 | **82.00** |
| Office of Management and Budget | - | - | - | - | - | - | - | - | 16.00 | **15.00** |
| Planning and Zoning | - | - | - | - | - | - | - | - | - | **-** |
| Public Works | 53.00 | 39.00 | 56.00 | 57.00 | 58.00 | 70.00 | 69.00 | 22.00 | 22.00 | **22.00** |
| Public Information | - | - | - | - | - | - | - | - | - | **-** |
| Sustainable Development | - | - | - | 6.00 | - | - | - | - | - | **-** |
| Public Safety | | | | | | | | | | |
| Building Services | 54.00 | 57.70 | 75.70 | 104.60 | 109.60 | 110.60 | 142.00 | 146.00 | 160.00 | **161.00** |
| Fire Rescue | 461.10 | 447.30 | 454.80 | 454.80 | 472.80 | 484.80 | 485.80 | 484.80 | 486.80 | **502.80** |
| Police | 673.00 | 682.30 | 691.30 | 709.30 | 716.90 | 735.90 | 736.40 | 732.40 | 732.40 | **736.40** |
| Physical Environment | | | | | | | | | | |
| Public Works | 354.00 | 371.00 | 368.00 | 376.00 | 375.00 | 389.00 | 405.80 | 451.80 | 459.70 | **459.80** |
| Transportation & Mobility | | | | | | | | | | |
| Business Enterprises | 6.00 | - | - | - | - | - | - | - | - | **-** |
| Transportation | - | 8.50 | 12.00 | 15.50 | 15.00 | 23.00 | 20.00 | 18.00 | 12.00 | **14.00** |
| Parking and Fleet Services | 75.40 | 78.10 | 79.10 | 78.00 | 80.80 | 84.20 | 84.20 | 86.20 | 86.20 | **85.20** |
| Executive Airport | 18.00 | 19.80 | 20.80 | 21.80 | 20.80 | 20.80 | 20.80 | 20.80 | 20.80 | **20.80** |
| Public Works | 4.00 | 3.00 | 4.00 | 5.00 | 4.00 | 5.00 | 5.00 | 5.00 | 5.00 | **5.00** |
| Arts & Science District Garage | 1.50 | 1.60 | 1.60 | 1.60 | 1.60 | 2.60 | 2.60 | 2.60 | 2.60 | **2.60** |
| Economic Environment | | | | | | | | | | |
| Economic Development | 76.50 | 82.40 | 74.90 | 88.90 | 102.90 | 111.90 | 113.90 | 112.50 | 109.90 | **109.90** |
| Planning and Zoning | - | - | - | - | - | - | - | - | - | **-** |
| Culture and Recreation | | | | | | | | | | |
| Parks and Recreation | 415.80 | 366.00 | 384.90 | 387.40 | 395.70 | 403.50 | 408.50 | 438.50 | 434.50 | **433.50** |
| Total | 2,428.20 | 2,396.80 | 2,494.90 | 2,602.70 | 2,654.70 | 2,748.90 | 2,809.70 | 2,841.50 | 2,851.80 | **2,873.60** |

Source: Annual Operating Budget Books

## OPERATING INDICATORS BY FUNCTION/PROGRAM
## LAST TEN FISCAL YEARS

**Schedule 16**

| FUNCTION/PROGRAM | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | **2022** |
|---|---|---|---|---|---|---|---|---|---|---|
| Public Safety | | | | | | | | | | |
| Police | | | | | | | | | | |
| 911 & Non Emergency Calls Received [1] | 560,155 | 492,536 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | **N/A** |
| Citations Issued | 45,976 | 38,806 | 27,991 | 29,376 | 35,110 | 51,863 | 55,185 | 25,878 | 33,129 | **22,896** |
| Arrests | 13,172 | 10,995 | 8,067 | 7,174 | 6,961 | 8,068 | 9,020 | 5,433 | 4,197 | **4,300** |
| Transportation and Mobility | | | | | | | | | | |
| Parking | | | | | | | | | | |
| Parking Citations Issued (Excluding Voids) | 98,804 | 98,380 | 110,109 | 127,733 | 110,642 | 113,828 | 103,321 | 68,642 | 88,494 | **119,342** |
| Fire Rescue | | | | | | | | | | |
| Total Incidents [2] | 43,959 | 47,028 | 53,380 | 53,430 | 52,982 | 50,622 | 48,927 | 46,829 | 51,271 | **52,746** |
| Total Fire Incidents | 542 | 529 | 600 | 582 | 600 | 561 | 558 | 524 | 634 | **581** |
| Inspections Performed | 19,570 | 20,075 | 24,564 | 19,852 | 20,739 | 22,164 | 23,940 | 18,179 | 20,122 | **20,338** |
| Physical Environment | | | | | | | | | | |
| Water Distribution | | | | | | | | | | |
| Water Main Failures/Repairs | 76 | 144 | 93 | 107 | 153 | 82 | 45 | 50 | 38 | **79** |
| New Water Mains Construction (Feet) [3] | 22,000 | 5,809 | 595 | 163 | 779 | 10,850 | 36,700 | 92,972 | 7,300 | **1,500** |
| Water and Wastewater Treatment | | | | | | | | | | |
| Raw Wastewater Treated (Billions of Gallons) | 14.31 | 14.24 | 13.59 | 14.05 | 14.11 | 14.19 | 13.25 | 14.34 | 13.25 | **15.66** |
| Raw Water Treated (Billions of Gallons) | 14.36 | 14.26 | 15.14 | 14.79 | 13.65 | 14.58 | 15.19 | 14.70 | 12.51 | **14.25** |
| Sanitation | | | | | | | | | | |
| Household Refuse Collected (Tons) | 40,671 | 40,441 | 39,500 | 44,383 | 45,825 | 44,573 | 41,975 | 47,206 | 49,012 | **47,955** |
| Recycling Tonnage | 11,688 | 10,060 | 10,692 | 10,864 | 10,747 | 11,787 | 11,292 | 12,247 | 12,009 | **11,186** |
| Culture and Recreation | | | | | | | | | | |
| Parks and Recreation | | | | | | | | | | |
| Pavilion Rentals | 668 | 744 | 708 | 1,311 | 839 | 877 | 742 | 413 | 703 | **858** |
| Learn to Swim Registrants | 2,251 | 2,509 | 1,580 | 1,701 | 1,769 | 1,590 | 860 | 120 | 410 | **1,002** |
| Youth/Sports Club Participants | 3,141 | 3,028 | 2,204 | 1,824 | 1,190 | 2,256 | 1,868 | 1,365 | 1,843 | **2,503** |
| Summer Camp Registrants | 2,059 | 2,228 | 2,010 | 2,137 | 2,276 | 2,419 | 2,321 | 908 | 1,366 | **2,019** |

(1) Function no longer performed by the City; it was transferred to Broward Sheriff's Office as of August 1, 2014.
(2) Fiscal year 2014 was amended number by Fire department.
(3) Fiscal year 2016, small water main crews assigned to other duties, such as storm sewer repairs and other maintenance tasks. Consultants have initiated design to be constructed in FY2016.

## CAPITAL ASSETS STATISTICS BY FUNCTION/PROGRAM
## LAST TEN FISCAL YEARS

**Schedule 17**

| FUNCTION/PROGRAM | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | **2022** |
|---|---|---|---|---|---|---|---|---|---|---|
| General Government | | | | | | | | | | |
| City Buildings | 112 | 112 | 112 | 112 | 112 | 112 | 112 | 112 | 112 | **-** |
| Public Safety | | | | | | | | | | |
| Police | | | | | | | | | | |
| Police Stations | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | **1** |
| Marked Units (cars, vans, trailers, bomb van) | 393 | 380 | 462 | 439 | 391 | 466 | 460 | 450 | 436 | **436** |
| Unmarked Units (cars) | 237 | 236 | 228 | 239 | 236 | 245 | 246 | 241 | 231 | **231** |
| Fire Rescue | | | | | | | | | | |
| Fire Stations | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 12 | 12 | **12** |
| Fire Apparatus | 20 | 20 | 20 | 20 | 20 | 20 | 22 | 20 | 20 | **20** |
| Ambulances | 20 | 20 | 20 | 24 | 24 | 24 | 24 | 16 | 16 | **16** |
| Physical Environment | | | | | | | | | | |
| Public Works - Water and Sewer | | | | | | | | | | |
| Fire Hydrants | 5,872 | 5,979 | 6,103 | 6,105 | 6,167 | 6,188 | 6,165 | 6,171 | 6,171 | **6,171** |
| Water Mains (miles) | 786 | 784 | 782 | 780 | 780 | 780 | 760 | 782 | 782 | **782** |
| Water Plants (2) - capacity per day (million gallons) | 82 | 82 | 82 | 82 | 82 | 82 | 82 | 82 | 82 | **82** |
| Wastewater Plant - capacity per day (million gallons) | 56 | 56 | 56 | 57 | 57 | 57 | 57 | 57 | 57 | **57** |
| Sanitary Sewers (miles) | 621 | 598 | 592 | 592 | 592 | 592 | 592 | 589 | 589 | **589** |
| Storm Drainage (miles) | 171 | 171 | 181 | 184 | 184 | 184 | 185 | 184 | 184 | **184** |
| Storm and Wastewater Pumping Stations | 213 | 193 | 190 | 193 | 190 | 190 | 190 | 190 | 190 | **190** |
| Transportation | | | | | | | | | | |
| Public Works - Road and Street Facilities | | | | | | | | | | |
| Streets (miles) | 500 | 525 | 525 | 525 | 523 | 526 | 526 | 809 | 809 | **809** |
| Sidewalks (miles) | 425 | 425 | 425 | 425 | 425 | 425 | 425 | 425 | 425 | **425** |
| Bridges | 52 | 52 | 51 | 51 | 51 | 51 | 53 | 51 | 51 | **51** |
| Community Bus | 3 | 3 | 12 | 12 | 6 | 6 | 6 | 6 | 2 | **2** |
| Parking and Fleet Services | | | | | | | | | | |
| City Maintained Parking Spaces | 10,923 | 11,025 | 10,963 | 10,997 | 10,859 | 10,646 | 10,943 | 10,814 | 10,816 | **10,816** |
| City Parking Garages | 4 | 4 | 4 | 4 | 4 | 4 | 5 | 5 | 5 | **5** |
| Meters (single and multi-space) | 2,326 | 2,330 | 2,096 | 1,830 | 1,736 | 1,502 | 1,449 | 1,167 | 1,124 | **1,124** |
| Culture and Recreation | | | | | | | | | | |
| Public Beach (miles) | 5 | 5 | 5 | 5 | 5 | 7 | 7 | 7 | 7 | **7** |
| Municipal Swimming Pools | 13 | 13 | 13 | 13 | 13 | 13 | 13 | 11 | 11 | **11** |
| Public Parks (acres) | 876 | 876 | 876 | 880 | 880 | 900 | 900 | 900 | 900 | **900** |
| War Memorial Auditorium (Seating Capacity) | 2,110 | 2,110 | 2,110 | 2,110 | 2,110 | 2,110 | 2,110 | - | - | **-** |
| Lockhart Stadium (Seating Capacity) | 19,500 | 19,500 | 19,500 | 19,500 | - | - | - | - | - | **-** |
| Fort Lauderdale Stadium (Seating Capacity) | 8,340 | 8,340 | 8,340 | 8,340 | - | - | - | - | - | **-** |
| Fort Lauderdale Aquatic Complex (Seating Capacity) | 1,740 | 1,740 | 1,740 | 1,740 | 1,740 | 1,740 | - | 18,000 | 18,000 | **18,000** |
| Bahia Mar Yachting Center - Municipal Yacht Slips | 250 | 250 | 250 | 250 | 250 | 250 | 250 | 240 | 240 | **240** |

Source: Various City departments and the budget book

## FORT LAUDERDALE CITY COMMISSION

(as of September 30, 2022)

Mayor Dean J. Trantalis

Vice Mayor Heather Moraitis, District I

Commissioner Steven Glassman, District II

Commissioner Robert L. McKinzie, District III

Commissioner Ben Sorensen, District IV

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