

COMPREHENSIVE ANNUAL FINANCIAL REPORT

CITY OF FORT LAUDERDALE, FLORIDA



Fiscal Year Ended
September 30, 2013



WE BUILD COMMUNITY

Comprehensive Annual Financial Report

of the

City of
Fort Lauderdale, Florida



Fiscal Year Ended
September 30, 2013

Prepared by
The Finance Department

CITY OF FORT LAUDERDALE, FLORIDA

COMMISSION - MANAGER FORM OF GOVERNMENT

CITY COMMISSION

Mayor John P. "Jack" Seiler
Vice Mayor Bruce G. Roberts, District I
Commissioner Dean J. Trantalis, District II
Commissioner Bobby B. DuBose, District III
Commissioner Romney Rogers, District IV

CITY MANAGER
Lee R. Feldman

CITY ATTORNEY
Cynthia A. Everett

CITY AUDITOR
John Herbst

DIRECTOR OF FINANCE
Kirk W. Buffington

DEPUTY DIRECTOR OF FINANCE
Linda A. Logan-Short

ACTING CONTROLLER
Laura L. Garcia

CITY OF FORT LAUDERDALE, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED SEPTEMBER 30, 2013

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March 13, 2014

Honorable Mayor and Commissioners:

This letter transmits the Comprehensive Annual Financial Report (CAFR) for the City of Fort Lauderdale, Florida (City) for the fiscal year ended September 30, 2013. This submission meets the requirements of the City Charter Section 10.02, Section 2-147(b)(14) of the Code of Ordinances of the City of Fort Lauderdale, Section 166.241 Florida Statutes, and Rules of the Florida Auditor General Section 10.550. The financial statements included in this report conform to generally accepted accounting principles in the United States (GAAP), as prescribed by the Governmental Accounting Standards Board (GASB).

The City is responsible for the accuracy of the data and the completeness and fairness of the presentation including all disclosures. Management has established internal controls to ensure that the City fulfills its fiduciary responsibility as custodian of public monies. The purpose of internal controls is to provide reasonable, but not absolute, assurance that City assets are safeguarded against loss through unauthorized use or disposition. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and the valuation of costs and benefits requires estimates and judgments by management.

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

This report is divided into three parts. The Introductory Section provides a summary of the contents of the entire report and general information about the reporting entity. The Financial Section includes the Independent Auditor's Report, Management's Discussion and Analysis (MD&A), the Basic Financial Statements, Required Supplementary Information, and the Combining and Individual Fund Financial Statements and Schedules. The 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 budget and other schedules, is also provided to supplement required financial data. The Statistical Section includes schedules that provide historic, social, economic, and financial trend data that offers an overview of the City's fiscal position.

Profile of the Government

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



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

This financial report includes all funds and component units of the City. The Sunrise Key Safe Neighborhood Improvement District (Sunrise Key) is included as 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, and the Lauderdale Isles Water Control District (LIWCD) are related organizations, but separate and distinct. They are not included in this financial report since they do not meet the established criteria for reporting herein. Along with the Performing Arts Center Authority and the DDA, the City is a participant in a joint venture in the Arts and Science District Parking Garage with each party maintaining an ongoing financial interest.

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

The City has two defined-benefit pension plans: 1) the General Employees Retirement System and 2) the Police and Fire Retirement System. A board of trustees administers each plan. The boards are composed of members elected by active employees and appointees of the Mayor. The Boards have responsibility for investment of the pension assets and determination of benefits as employees retire or seek other benefits under the plans. At September 30, 2013, the plans had total assets of \$1.310 billion. The General Employees Retirement System was closed to new participants beginning October 1, 2007 and replaced with a new defined contribution plan.

Economic Condition

The City of Fort Lauderdale's taxable assessed value for tax year 2012 increased by 1.1% from 2011. New construction, which represents improvements to real property that were not on the tax roll in the prior year, added \$202.4 million to the tax roll. Since 2008, the City's total taxable assessed value declined by 22.3%, or \$6.8 billion; however, this is the second year in a row that the assessed valuations have shown steady growth. The following shows new construction and total taxable assessed value for the last five years.

Taxable Values – 5 Year Comparison

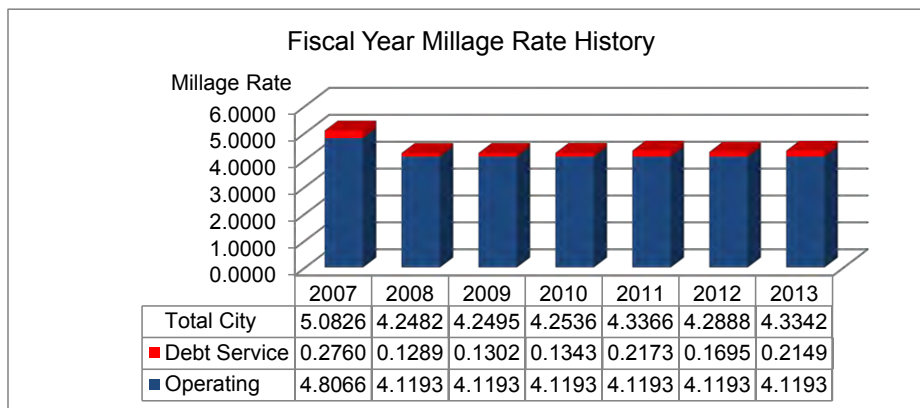
Calendar Tax Year	Net New Construction	Total Taxable Value	Increase/Decrease from Prior Year
2012 Final	\$ 202,371,590	\$ 23,612,223,398	1.1%
2011 Final	\$ 97,950,210	\$ 23,354,708,424	-4.3%
2010 Final	\$ 494,110,613	\$ 24,393,809,310	-11.0%
2009 Final	\$ 271,277,218	\$ 27,422,141,727	-9.7%
2008 Final	\$ 625,354,578	\$ 30,378,384,604	-3.0%

Strong signals point to an economic recovery. According to the Bureau of Labor Statistics, Broward County’s civilian labor force was 1,026,251 as of November 2013, yielding a slight increase from the prior year of 1,021,230. The unemployment rate declined to 5.2% compared to 6.9% in the prior year. More than 12 million visitors selected the Greater Fort Lauderdale as their destination of choice and spent approximately \$10 billion in 2012. In addition, tax revenue from area hotels increased to \$43.8 million from \$40.4 million.

Long-term Financial Planning

The City’s current, near term, and long term ability to generate sufficient revenue to provide core municipal services, make appropriate investment in economic and community development, and build “rainy day” reserves requires intelligent and deliberate examination. The City completed a fiscal capacity study to determine the City’s ability to provide sufficient revenue. Strategic action and funding has been applied to existing efforts to create new private and public sector capital investment in the community. Fort Lauderdale continues to be proactive in our actions to ensure long term sustainability.

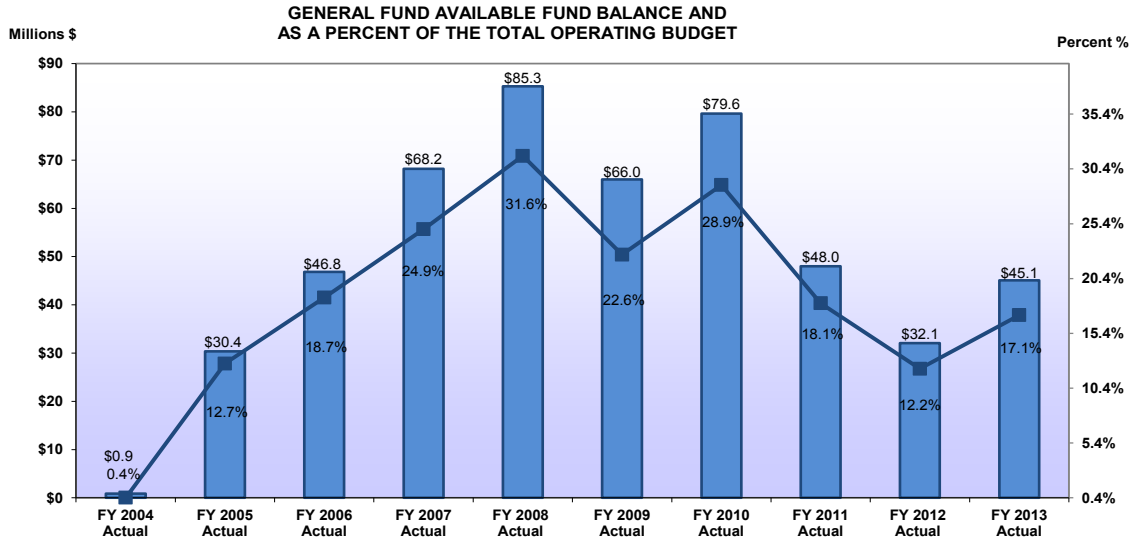
For the sixth year in a row, the City Commission supported an unchanged operating millage rate. The chart below represents the adopted operating and debt service millage rates for the last seven years.



Over 65.4% of the General Fund budget for operating expenditures is dedicated to public safety through police, fire rescue and code enforcement. Another 12% is allocated to cultural and recreational quality of life programs.

Financial Policies

The City Commission recently adopted a revised policy to maintain the unrestricted fund balance for the General Fund that is equivalent to two (2) months of operating expenditures and required transfers. During FY 2013 the General Fund unrestricted balance increased from \$32.1 million to \$45.1 million. This amount exceeds the minimum unrestricted requirement at 17.1% of the final General Fund budget for operations. The chart below presents a ten-year history of the 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, 2013 was \$377.4 million, excluding investments of the permanent and fiduciary funds. The City's master and payroll accounts are swept nightly to maximize interest earnings.

The City of Fort Lauderdale has a combination of insurance policies and self-insured programs to address the City's risks 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 and workers' compensation and medical claims. Outside actuaries assist in assessing the City's liabilities and establishing claim reserves.

Major Initiatives of FY 2013

In FY 2013, the City Commission adopted a policy to set the minimum fund balance for the General Fund at two months or 16.6% of the General Fund budget including required transfers.

The City made a \$1.1 million contribution to the WAVE Streetcar project, which was just a portion of the City's total commitment of \$10.5 million. The remaining balance of \$9.4 million will be provided for through the transference of City owned land and/or cash contribution.

The City introduced new performance measures that coincided with the strategic goals of the City. These performance measures included a variety of output, outcome and quality measures designed to illustrate performance from a management perspective.

New programs and services for FY 2013 included funding for a new transportation and mobility department, funding for E911 Dispatch services (which in FY2014 was transferred to Broward County), funding for a User Fee and Cost Allocation Study, funding for a new Talent Manager and Volunteer/City Service Program Manager positions in the Human Resources Department, additional citywide training, funding to purchase authentication software to access criminal justice information, funding for part time employees and two swim coaches.

Capital outlay for FY 2013 included replacement of firefighter bunker gear, a new bus bench maintenance truck and pressure washer, a field grooming machine for Orange Bowl Field at Carter Park, replacement of marine vessel engines, and contribution to the Performing Art Center per a 15-year agreement which was previously funded in the General Capital Projects Fund.

Community Investment Plan (CIP) included upgrades to enhance the beach, such as realigning Las Olas Boulevard to create a picturesque vista of the Atlantic Ocean; upgrading beach entryways; adding an oceanside park; constructing bicycle and pedestrian greenways; creating visually appealing public plazas and gathering spaces; widening sidewalks; constructing uniquely designed parking garages; and establishing a pedestrian promenade that links the Atlantic Ocean with the Intracoastal Waterway.

Major Initiatives of FY 2014

The FY 2014 adopted budget was a strategic budget aligning the financial and employee resources with the City of Fort Lauderdale's 2035 Vision - "Fast Forward Fort Lauderdale," "Press Play Fort Lauderdale" - the City's five-year strategic plan, the City Commission Annual Action Plan, and neighbors' priorities.

Commission Annual Action Plan for FY 2014 includes a Comprehensive Homeless Strategy, Downtown Walkability Plan, Economic Development Strategic Plan, Beach Renourishment, and the Wave Streetcar.

The City will continue its commitment to the WAVE Streetcar project by levying a special assessment to support debt in the amount of \$22.6 million.

In an effort to support necessary fire-suppression expenditures for FY 2014 and ensure long-term sustainability, the Fire Assessment Fee was increased by \$7.50 per residential household, per month. This equates to an annual increase of \$90 per single family residential household. The increase will generate approximately \$12.3 million in additional General Fund revenue annually.

New programs and services in the General Fund include four new positions to establish a Quality Assurance/Quality Control Project team in the Public Works Department, one new Project Manager to design and manage projects for the Transportation and Mobility Department, a new Organizational Development and Training Coordinator, an Administrative Aide in the Sustainable Development Department, ongoing railway signal maintenance and licenses to comply with long-standing agreements with the FEC railway, and a part-time Homeless Coordinator position.

Capital outlay is also included for the replacement of police laptops for technology enhancements in the Human Resources training room, a box truck to transport special event supplies and equipment, and lighting upgrades in the North Beach Village Neighborhood.

The Community Investment Plan (CIP) continues to be a top priority. It incorporates the concept of "sustainable infrastructure" which involves connecting a commitment to sound asset management with an approach that prioritizes community needs within the context of a sustainable future. The CIP includes a \$4.8 million transfer from the General Fund into the General Capital Projects fund for some much-needed improvements and maintenance projects. Highlights of the adopted Community Investment Plan for FY 2014 are as follows:

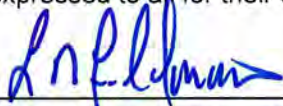
- **\$6,004,500** for improvements to the Executive Airport supported by funding from the Federal Aviation Administration, the Florida Department of Transportation and the Airport Fund;
- **\$5,288,711** for Central Regional Plant repair and rehabilitation projects;
- **\$4,035,251** to fund a variety of projects within the Beach Community Redevelopment Area;
- **\$3,455,000** to fund Northwest Progresso Flagler Height Community Redevelopment Area priority capital needs;
- **\$2,095,875** to fund citywide maintenance, repair, and rehabilitation projects;
- **\$1,300,000** for stormwater drainage improvements and drainage evaluation;
- **\$1,200,000** in additional funding for street resurfacing;
- **\$890,555** for the second phase of citywide telephone system upgrades;
- **\$780,000** for sidewalk and paver replacements;
- **\$500,000** to fund priority downtown walkability projects;
- **\$500,000** for a document imaging management system in the Building Division;
- **\$424,100** in Community Development Block Grant (CDBG) Funds to pave roads in South Middle River;
- **\$433,600** in neighborhood and business improvements projects;
- **\$180,000** to fund improvements to the War Memorial Auditorium; and
- **\$100,000** for Seven Isles seawall improvements.

Recognition and Acknowledgments

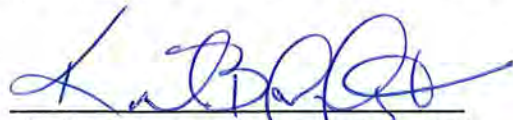
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its comprehensive annual financial report for the fiscal year ended September 30, 2012. This was the 36th consecutive year that the City has received this award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

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



Lee R. Feldman, ICMA-CM
City Manager



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



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



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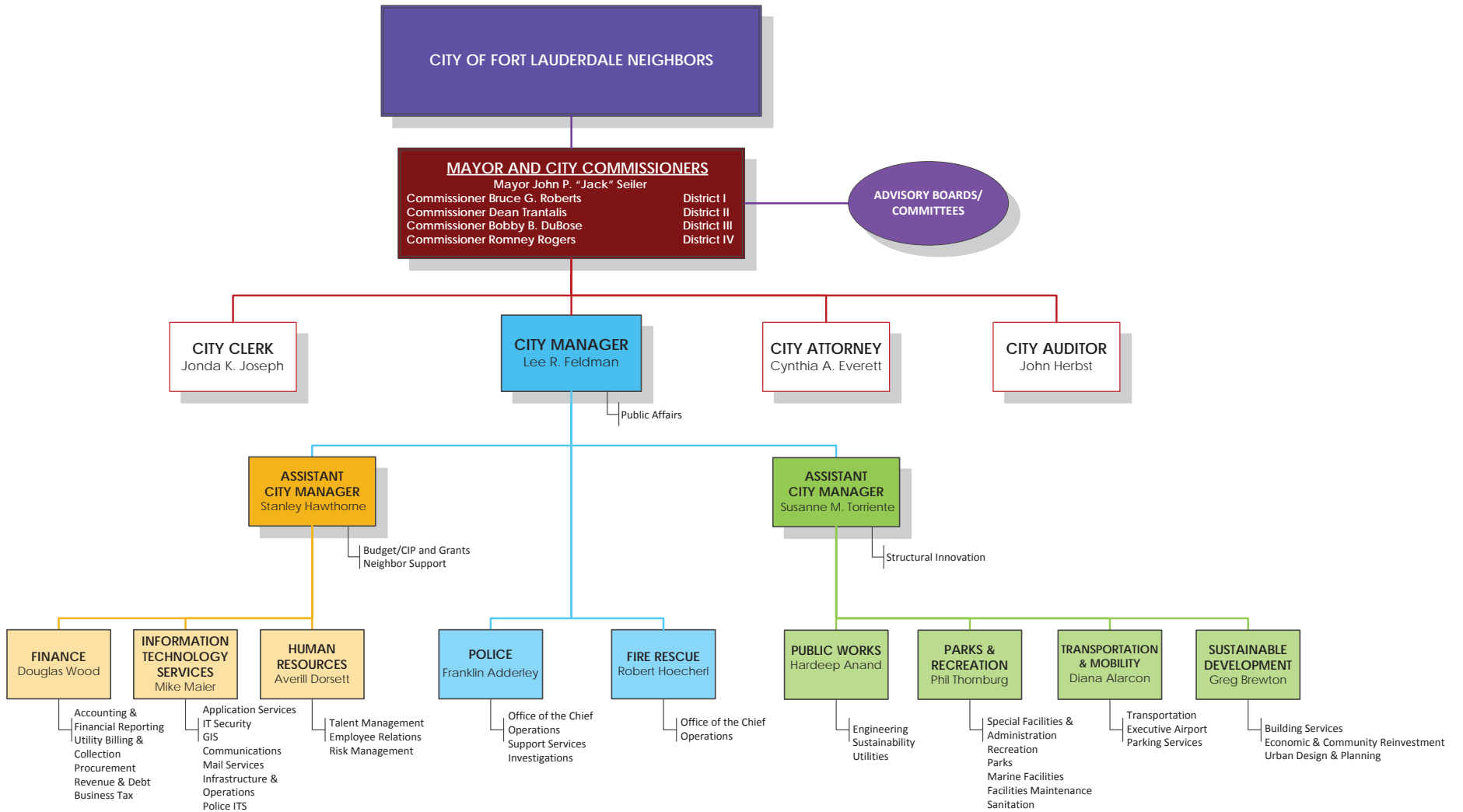
**City of Fort Lauderdale
Florida**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2012

Executive Director/CEO

CITY OF FORT LAUDERDALE | ORGANIZATIONAL CHART



INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Fort Lauderdale, Florida (the "City"), as of and for the year ended September 30, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the City of Fort Lauderdale General Employees' Retirement System (the "System"), which represent 33 percent, 35 percent, and 34 percent, respectively, of the assets, net position/fund balances, and revenues/additions of the financial statements of the aggregate remaining fund information of the City. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the System, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of September 30, 2013, 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.

Emphasis of Matters

As discussed in Note 1, during the year ended September 30, 2013, the City adopted GASB Statement No. 61, *The Financial Reporting Entity—Omnibus—An Amendment of GASB Statements No. 14 and No. 34*. The City no longer reports as a component unit the Lauderdale Isles Water Control District, which was reported as a discrete component unit prior to adoption of this statement. Our opinion is not modified with respect to this matter.

As discussed in Note 23, during the year ended September 30, 2013, the City adopted GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. The City reports separately as deferred outflows of resources and deferred inflows of resources certain amounts that were reported together with assets and liabilities, respectively, prior to adoption of this statement. In addition, net position is introduced in place of net assets as the residual measure of assets, deferred outflows of resources, liabilities and deferred inflows of resources in the City's government-wide, proprietary fund and fiduciary fund financial statements. Our opinion is not modified with respect to this matter.

As discussed in Note 23, during the year ended September 30, 2013, the City adopted GASB Statement No. 65, *Items Previously Reported As Assets and Liabilities*. The City restated beginning net position of the financial statements of the governmental activities, business-type activities and the Water and Sewer Fund (a major enterprise fund) to comply with the provisions of this statement. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis, the budgetary comparison schedule and the schedules of funding progress on pages 5-16, 81-83 and 84-85, respectively, be presented to supplement the financial statements. Such information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We and other auditors 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 financial statements, and other knowledge we obtained during our audit of the 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 financial statements. The combining fund financial statements; the schedule of expenditures of federal awards and state financial assistance, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and Chapter 10.550, *Rules of the Auditor General*; the introductory and statistical sections and the other financial information are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining fund financial statements and the schedule of expenditures of federal awards and state financial assistance, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and Chapter 10.550, *Rules of the Auditor General*, are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining fund financial statements and the schedule of expenditures of federal awards and state financial assistance, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and Chapter 10.550, *Rules of the Auditor General*, are fairly stated, in all material respects, in relation to the financial statements as a whole.

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

Report on Other Legal and Regulatory Requirements

In accordance with *Government Auditing Standards*, we have also issued our report dated March 13, 2014 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.


Crowe Horwath LLP

Fort Lauderdale, Florida
March 13, 2014



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CITY OF FORT LAUDERDALE, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
September 30, 2013

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) 2013. 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 at September 30, 2013 by \$1.045 billion (net position). Of this amount, \$381.2 million was from governmental activities and \$664.2 million was from business-type activities.
- The City's revenues for governmental activities, excluding transfers, totaled \$325.5 million, a 4.5% or \$14.0 million increase from FY 2012 (as restated). Charges for services increased by \$15.7 million and property taxes increased by \$2.6 million. Expenses for governmental activities increased by \$6.1 million or 1.9% to \$322.1 million. Public safety and physical environment expenses decreased by \$9.7 million and \$3.5 million, respectively; while general government expenses increased by \$12.9 million.
- Revenues related to business-type activities increased by \$16.3 million to \$169.9 million and expenses increased by \$10.3 million to \$172 million.
- The General Fund's fund balance decreased by \$1.6 million to \$58.6 million due primarily to the recognition of an \$8.9 million liability for the Federal Emergency Management Agency (FEMA). The City was notified by FEMA that some costs claimed were deemed questionable. The City is in the process of appealing the claim. For more information on this matter, see Note 19. The unassigned fund balance increased from \$20.7 million at the end of FY 2012 to \$39.7 at the end of FY2013. The increase is due primarily to the reclassification of \$14.8 million from nonspendable fund balance as a result of the prepayment of a \$28.1 million employer contribution to the Police and Fire Retirement System in FY2012. The remaining \$13.3 million nonspendable fund balance will be reclassified to unassigned fund balance as of October 1, 2013.
- The City's long-term debt increased by \$288.5 million net of retirements to \$837.8 million; this resulted from the issuance of \$337.8 in Special Obligation Bonds (Pension Funding Project) and the reduction of \$49.3 million in annual debt payments.

Overview of Financial Statements

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

Government-wide Statements (pages 18 through 21) include the statement of net position and statement of activities. They provide a broad overview of the City as a whole similar to private sector financial statements. The *statement of net position* shows the total assets and deferred outflows and liabilities and deferred inflows for the City with the difference being net position. The *statement of activities* provides a breakdown of revenues and expenses by function. Functions generally supported by taxes and intergovernmental revenues such as police, fire-rescue, parks and recreation, and public works are considered governmental activities. Those functions that are primarily funded through user fees and charges are identified as business-type activities. In Fort Lauderdale, these activities include water and sewer, sanitation, the parking system, the Fort Lauderdale Executive Airport (FXE), and stormwater.

CITY OF FORT LAUDERDALE, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
September 30, 2013

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

Fund Financial Statements are found on pages 22 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 22) 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 23 individual governmental funds. Of this number, only the General Fund and the Special Obligation Bonds Fund (Pension Funding Project) are considered major funds and thus are 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 26) are comprised of two different categories. Enterprise funds include business-type activities such as water and sewer, sanitation, the parking system, the executive airport, and stormwater. Internal service funds include vehicle rental, central services (information technology, telecommunications, and printing services), and insurance services. The latter functions provide support to internal City departments rather than services to the public. Enterprise funds are also reported as either major or nonmajor funds depending upon the significance of their financial activity.

Fiduciary Funds (beginning on page 32), which are not included in the government-wide statements, are presented in this section and include the City's Police and Fire Retirement System and the General Employees Retirement System as well as the financial activity of the Arts and Science District Garage.

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.

CITY OF FORT LAUDERDALE, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
September 30, 2013

Other Information

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

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

Government-wide Financial Analysis

The table below summarizes the City's net position as of September 30, 2013 and 2012.

City of Fort Lauderdale, Florida Net Position (in thousands of \$)

	Governmental Activities		Business-type Activities		Total	
	2013	2012 *	2013	2012 *	2013	2012 *
Assets and Deferred Outflows						
Current and Other Assets	\$ 604,406	\$ 314,242	\$ 250,159	\$ 244,401	\$ 854,565	\$ 558,643
Capital Assets (Net)	275,317	283,875	893,629	912,249	1,168,946	1,196,124
Deferred Outflows	33	-	3,075	-	3,108	-
Total Assets and Deferred Outflows	879,756	598,117	1,146,863	1,156,650	2,026,619	1,754,767
Liabilities						
Current and Other Liabilities	68,290	82,828	33,161	34,218	101,451	117,046
Long-Term Liabilities	430,308	132,389	449,541	461,288	879,849	593,677
Total Liabilities	498,598	215,217	482,702	495,506	981,300	710,723
Net Position						
Net Investment in Capital Assets	229,209	229,197	457,765	464,782	686,974	693,979
Restricted	112,607	93,174	41,523	38,675	154,130	131,849
Unrestricted	39,342	60,527	164,873	157,687	204,215	218,214
Total Net Position	\$ 381,158	\$ 382,898	\$ 664,161	\$ 661,144	\$ 1,045,319	\$ 1,044,042

* FY 2012 was revised due to the retroactive application of GASB Statement 65.

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 \$687.0 million represents 65.7% 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 (14.7%) represents resources subject to external restrictions (\$154.1 million). The remaining balance of \$204.2 million is unrestricted and may be used to meet the City's ongoing obligations. The unrestricted amount is \$14.0 million lower than at the end of fiscal year 2012 due to the reclassification of fund balances of the governmental funds.

CITY OF FORT LAUDERDALE, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
September 30, 2013

Total net position decreased by \$5.5 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, Florida Changes in Net Position (in thousands of \$)

	Governmental Activities		Business-type Activities		Total	
	2013	2012 *	2013	2012 *	2013	2012 *
Revenues						
Program Revenues						
Charges for Services	\$ 114,789	\$ 99,076	\$ 165,778	\$ 150,206	\$ 280,567	\$ 249,282
Operating Grants and Contributions	29,449	31,914	306	1,091	29,755	33,005
Capital Grants and Contributions	6,006	7,658	3,111	1,072	9,117	8,730
General Revenues	-	-	-	-	-	-
Property Taxes	98,984	96,407	-	-	98,984	96,407
Other Taxes	57,614	56,579	-	-	57,614	56,579
Other	18,649	19,863	718	1,209	19,367	21,072
Total Revenues	325,491	311,497	169,913	153,578	495,404	465,075
Expenses						
General Government	53,454	40,577	-	-	53,454	40,577
Public Safety	176,890	186,552	-	-	176,890	186,552
Physical Environment	14,237	17,784	147,123	141,262	161,360	159,046
Transportation	6,124	5,272	24,865	20,429	30,989	25,701
Economic Environment	20,163	20,713	-	-	20,163	20,713
Culture/Recreation	39,033	41,690	-	-	39,033	41,690
Interest on Long-Term Debt	12,238	3,459	-	-	12,238	3,459
Total Expenses	322,139	316,047	171,988	161,691	494,127	477,738
Change in Net Position before transfers	3,352	(4,550)	(2,075)	(8,113)	1,277	(12,663)
Transfers	(5,092)	1,714	5,092	(1,714)	-	-
Change in Net Position	(1,740)	(2,836)	3,017	(9,827)	1,277	(12,663)
Beginning Net Position	382,898	385,734	661,144	670,971	1,044,042	1,056,705
Ending Net Position	\$ 381,158	\$ 382,898	\$ 664,161	\$ 661,144	\$ 1,045,319	\$ 1,044,042

* FY 2012 was revised due to the retroactive application of GASB Statement 65.

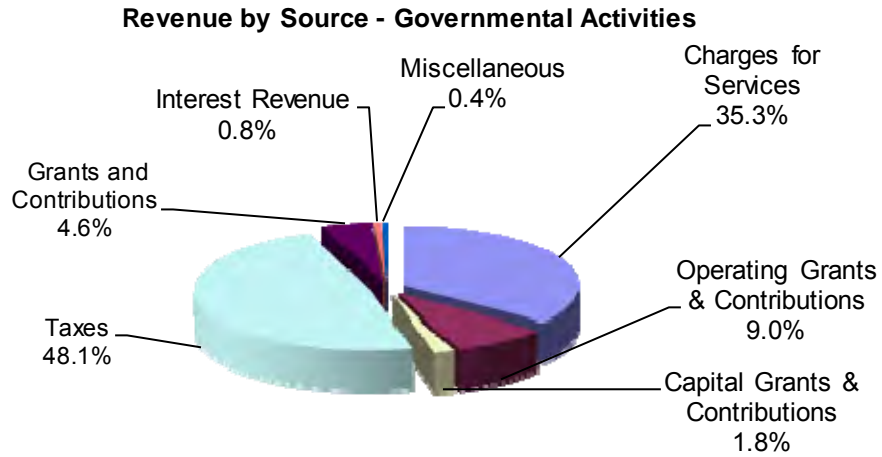
The governmental activities net position showed a decrease of \$1.7 million. Total revenues from governmental activities increased by \$14.0 million compared to 2012. Although the property tax levy millage rate was not increased for the sixth consecutive year, there was a \$2.6 million increase in property tax revenues resulting from a 1.1% increase in property values. Charges for services increased by \$15.7 million including \$9.3 million in general government and \$5.8 million in public safety revenues. Conversely, revenues from grants and contributions decreased by \$4.1 million with public safety showing the largest decline of \$2.9 million.

Expenses for governmental activities increased by 1.9% or \$6.1 million. The increase of \$12.9 million that occurred in general government was attributed to the recognition of a liability to FEMA for questioned costs that are being appealed and inter-fund service charges for information technology systems. Interest expenses increased by \$8.8 million due to the issuance of Special Obligation Bonds (Pension Funding Project) used to discharge a portion of the unfunded actuarial accrued liability (UAAL) of the pension plans. Public safety and physical environment expenses showed decreases of \$9.7 million and \$3.5 million, respectively. These decreases resulted primarily from the reduction in the UAAL.

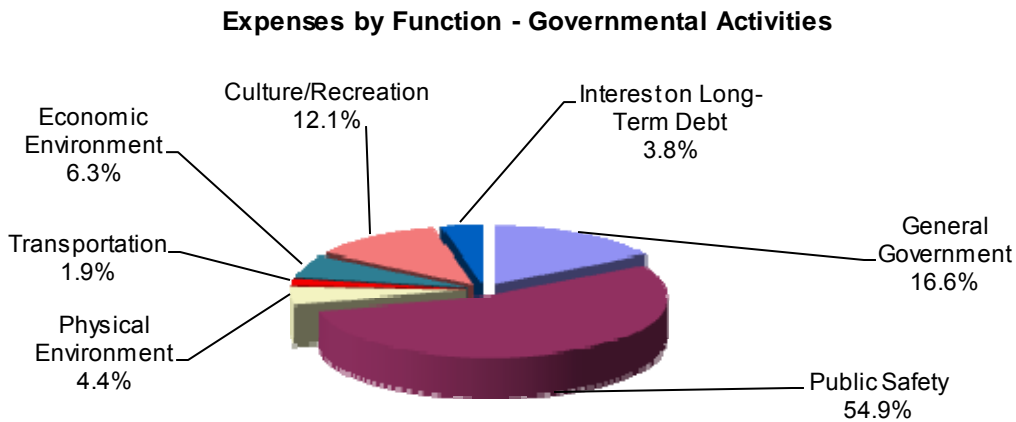
CITY OF FORT LAUDERDALE, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
September 30, 2013

As the following chart of revenues from governmental activities (by source) shows, property and other taxes provided 48.1% of the revenues used to fund governmental functions. Charges for services, such as parks and recreation programs and fire suppression special assessment comprised 35.3% of total revenues.



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 54.9% of all resources. General government and culture and recreation expenses accounted for 16.6% and 12.1%, respectively.



CITY OF FORT LAUDERDALE, FLORIDA

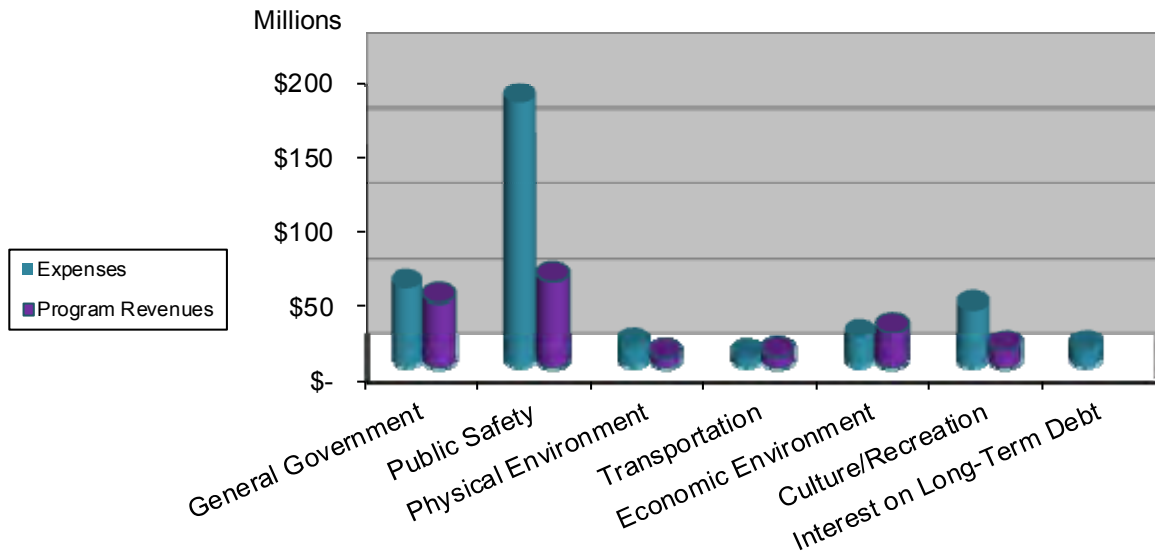
MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
September 30, 2013

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

Expenses and Program Revenues – Governmental Activities

Functions/Programs	Expenses	% of Total	Program Revenues	% of Total	Net (Expense) Revenue
General Government	\$ 53,453,789	16.6%	\$ 43,948,852	29.3%	\$ (9,504,937)
Public Safety	176,890,393	54.9%	58,122,607	38.7%	(118,767,786)
Physical Environment	14,237,347	4.4%	5,930,953	3.9%	(8,306,394)
Transportation	6,123,784	1.9%	6,844,449	4.6%	720,665
Economic Environment	20,163,000	6.3%	24,023,213	16.0%	3,860,213
Culture/Recreation	39,033,256	12.1%	11,373,424	7.6%	(27,659,832)
Interest on Long-Term Debt	12,237,720	3.8%	-	0.0%	(12,237,720)
	\$ 322,139,289	100%	\$ 150,243,498	100%	\$ (171,895,791)

Expenses and Program Revenues - Governmental Activities

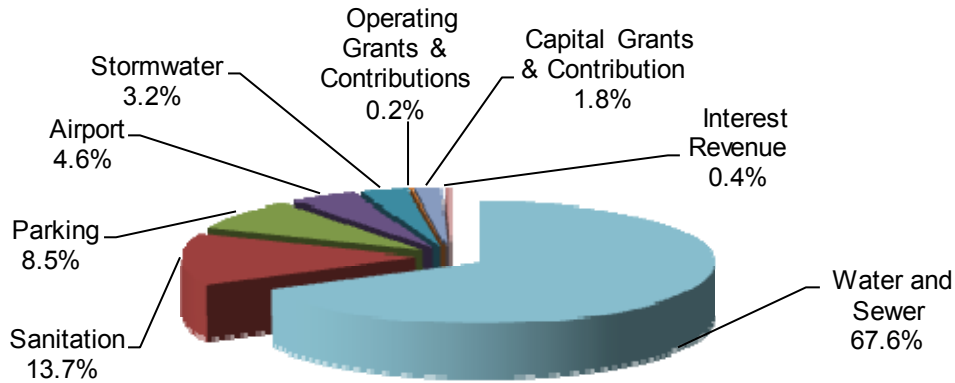


CITY OF FORT LAUDERDALE, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
September 30, 2013

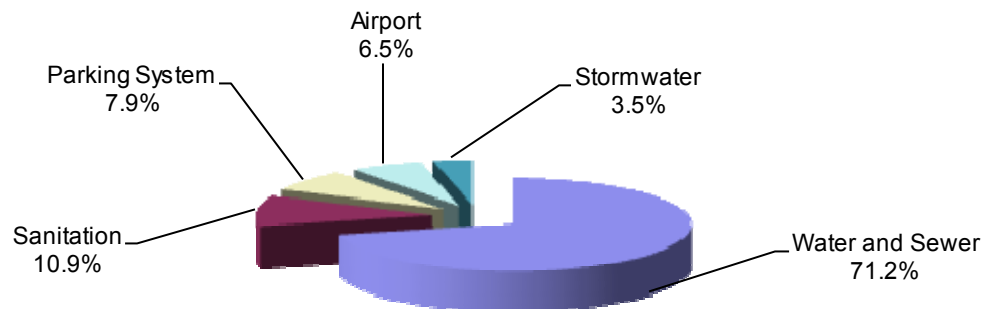
For the business-type activities, net position showed an increase of \$3 million. Total revenues for these activities increased by \$16.3 million. Charges for services accounted for \$15.6 million of the change including \$8.9 million for water and sewer, \$4.5 million for sanitation and \$1.5 million for parking operations.

Revenue by Source - Business-type Activities



The expenses for business-type activities increased by \$10.3 million. Physical environment expenses increased by \$5.9 million and transportation expenses increased by \$4.4 million.

Expenses by Program - Business-type Activities



CITY OF FORT LAUDERDALE, FLORIDA

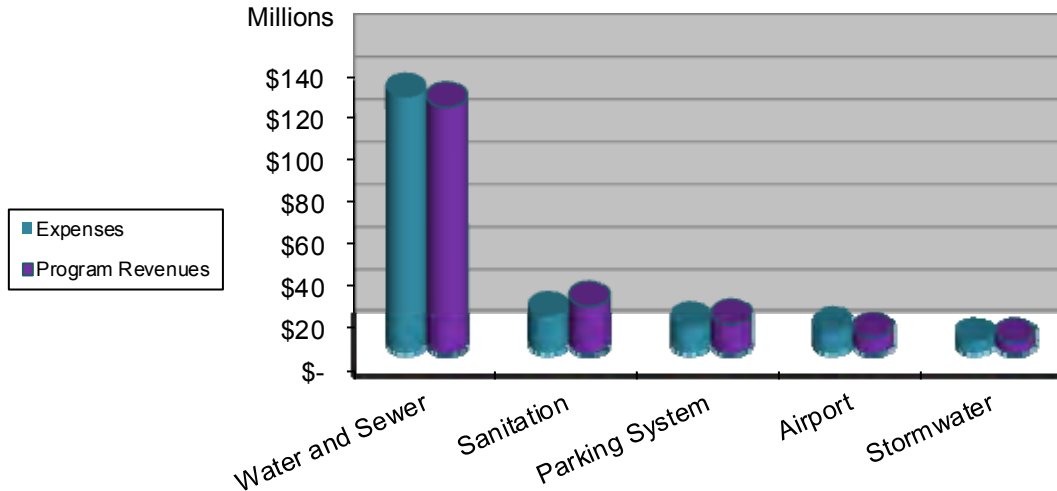
MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
September 30, 2013

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

Business-type

Functions/Programs	Expenses	% of Total	Program Revenues	% of Total	Net (Expense) Revenue
Water and Sewer	\$ 122,377,140	71.2%	\$ 117,573,265	69.5%	\$ (4,803,875)
Sanitation	18,693,306	10.9%	23,290,471	13.8%	4,597,165
Parking System	13,616,470	7.9%	14,515,603	8.5%	899,133
Airport	11,248,312	6.5%	8,266,840	4.9%	(2,981,472)
Stormwater	6,052,945	3.5%	5,548,777	3.3%	(504,168)
	<u>\$ 171,988,173</u>	<u>100.0%</u>	<u>\$ 169,194,956</u>	<u>100.0%</u>	<u>\$ (2,793,217)</u>

Expenses and Program Revenues - Business-type Activities



Financial Analysis of the Government's Funds

The fund financial statements for *governmental funds* provide information on the near-term inflows, outflows, 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, 2013 was \$58.6 million, a decrease of \$1.6 million from the prior year balance of \$60.2 million. Approximately 67.8% of fiscal year 2013 fund balance (\$39.7 million) represents the unassigned fund balance, which is available for spending at the government's discretion.

General Fund revenues for fiscal year 2013 totaled \$265.9 million, a \$14.1 million increase from fiscal year 2012. Property taxes levied for operations increased by \$1.8 million. Interfund service charges increased by \$7.8 million, which is mainly attributed to the change in methodology for indirect costs allocation. Intergovernmental revenues and fines and forfeitures also showed increases of \$1.2 million and \$1 million, respectively.

CITY OF FORT LAUDERDALE, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
September 30, 2013

Total General Fund expenditures decreased \$14.7 million in 2013 from \$260.3 million to \$245.6 million. This decrease is mainly attributed to a reduction in pension related costs due to the issuance of the Special Obligation Bonds (Pension Funding Project), Series 2012. The bonds were issued for the purpose of providing funds to pay the cost of funding a portion of the UAAL of the pension plans.

The governmental funds ended the year with \$200.1 million in fund balance. The combined fund balances of the nonmajor governmental funds decreased by \$9.2 million or 6.8% to \$127.3 million. This decrease is primarily attributed to the final debt payment of the Tax Increment Revenue Bonds in the amount of \$12.4 million.

The City's *proprietary funds* are presented in more detail in the fund statements but represent the same activities reflected in the business-type activities. Proprietary funds include both the enterprise and internal service funds. Net position of the Water and Sewer Fund decreased by \$0.4 million to \$512.4 million with total enterprise net position increasing by \$5.5 million to \$657.5 million. Water and Sewer Fund operating income increased by \$0.3 million compared to fiscal year 2012 while total enterprise operating income increased \$2.6 million from \$9.9 million in fiscal year 2012 to \$12.5 million in fiscal year 2013, an increase of 26.3%. The Sanitation Fund operating income increased by \$5 million compared to 2012. This is mainly attributed to a \$2.5 million distribution received from the closing of the Resource Recovery Board (RRB) and \$1.5 million in loyalty rebate. The Airport Fund operating loss was \$3.3 million in fiscal year 2013 compared to \$2 million in fiscal year 2012. This is mainly attributed to \$475,000 of non-capitalizable repair costs to resurface the airport taxiways and \$1.4 million of increased depreciation expenses. The Parking System Fund had a net operating gain of \$1.2 million and the Stormwater Fund had a net operating loss of \$485,000.

At September 30, 2013, the Insurance Fund had a net position balance of \$2.9 million, down from \$14.1 million in fiscal year 2012. This was a planned spend down of the Insurance Fund which resulted in lower fees charged to the departments for casualty claims. The Vehicle Rental Fund's net position balance of \$23.1 million decreased by \$10.6 million from \$33.7 million in fiscal year 2012. This was due to the change in how vehicles were accounted for, which transferred vehicles purchased by enterprise funds to the fund of ownership.

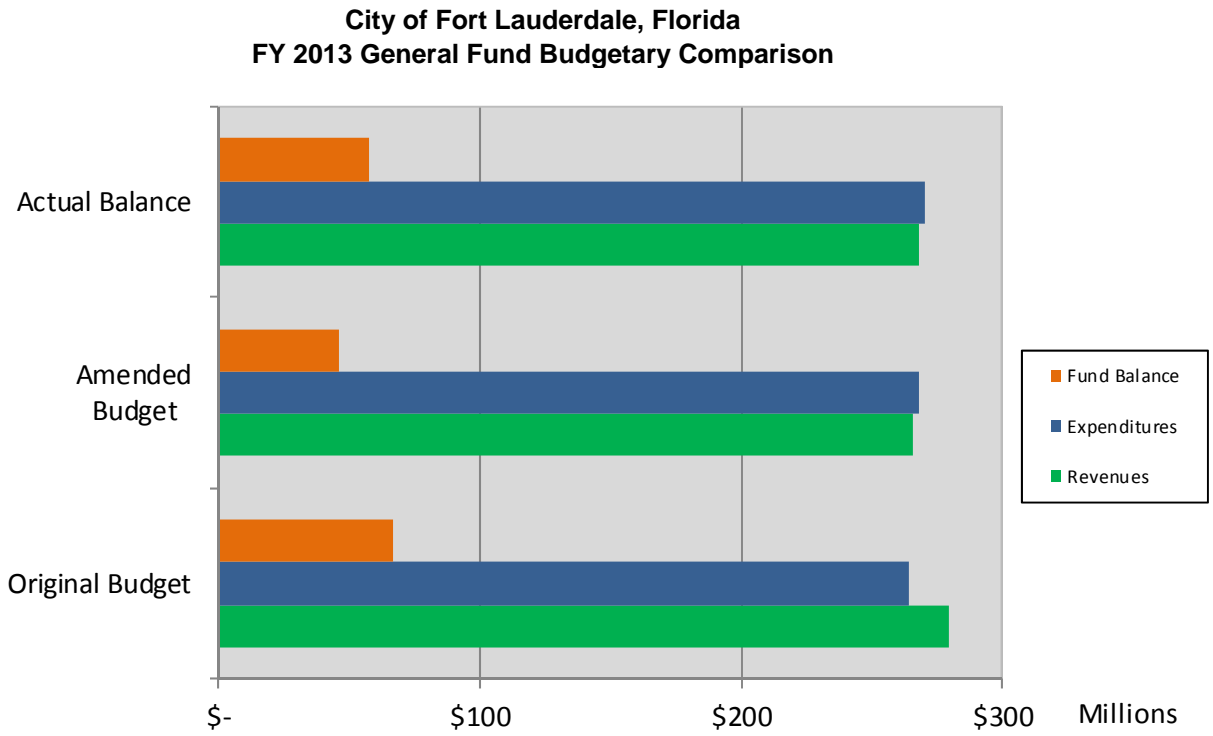
General Fund Budgetary Highlights

Actual General Fund revenues for fiscal year 2013 were higher than the final fiscal year 2013 budget by \$1.7 million. Ad valorem collections and insurance premium taxes accounted for \$2.1 million of the positive variance in fiscal year 2013 budget, while the loss of \$1 million in franchise taxes was due to a fluctuation in Florida Power & Light revenues. An underestimation of utility service taxes resulted in a \$535,000 positive variance.

Total expenditures of \$246.4 million (including encumbrances of \$812,000) were \$2.5 million higher than the final fiscal year 2013 Budget. This is mainly attributed to an \$8.9 million recognition of FEMA liability that was not budgeted. However, this amount was offset by savings of \$2.3 million in services and materials. Salary and employee benefits savings amounted to another \$4.7 million resulting from unfilled vacancies in multiple departments.

CITY OF FORT LAUDERDALE, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
September 30, 2013



Capital Assets and Debt Administration

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 decreased by \$8.6 million. During fiscal year 2013, the City completed a comprehensive physical inventory. The City had not performed a physical inventory of capital assets for several years and assets under the City's current capital assets threshold (\$5,000) were removed.

Capital asset balances of the business-type activities decreased by \$18.6 million. This is mainly attributed to accumulated depreciation and a decrease in capital activity after the completion of the 2011 Waterworks program in FY 2012. Additional information about the City's capital assets can be found in Note 9 to these financial statements.

CITY OF FORT LAUDERDALE, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
September 30, 2013

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

	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Land	\$ 64,772	\$ 64,772	\$ 32,156	\$ 32,036	\$ 96,927	\$ 96,807
Construction in Progress	22,238	40,401	30,886	59,616	53,124	100,017
Buildings	153,249	146,133	269,758	261,415	423,008	407,548
Improvements	115,479	91,968	850,534	816,801	966,013	908,770
Machinery, Equipment and Vehicles	98,279	161,084	37,001	46,286	135,280	207,370
Infrastructure	20,138	20,139	-	-	20,139	20,139
	474,155	524,497	1,220,335	1,216,154	1,694,489	1,740,651
Less: Accumulated Depreciation	(198,838)	(240,622)	(326,705)	(303,905)	(525,543)	(544,527)
Capital Assets, net	\$ 275,317	\$ 283,875	\$ 893,630	\$ 912,249	\$ 1,168,947	\$ 1,196,124

In the governmental activities, the City issued \$337,755,000 in Special Obligation Bonds (Pension Funding Project), Series 2012. The proceeds from the bonds were used to discharge a portion of the UAAL and the bonds are payable through 2032. In business-type activities, there was no new debt issued. Principal retirements for governmental activities and business-type activities totaled \$35.3 million and \$14 million, respectively. Additional information about the City's long-term debt can be found in Note 12 to these financial statements.

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

	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
General Obligation Bonds	\$ 45,130	\$ 48,255	\$ -	\$ -	\$ 45,130	\$ 48,255
Special Obligation Bonds	321,275	-	-	-	321,275	-
Revenue Bonds	-	-	369,010	378,355	369,010	378,355
Tax Increment Bonds	-	12,461	-	-	-	12,461
Loans Payables	25,764	28,979	76,607	81,248	102,371	110,227
	\$ 392,169	\$ 89,695	\$ 445,617	\$ 459,603	\$ 837,786	\$ 549,298

* Excludes unamortized bond premiums, discounts, deferred refunding amounts, and other liabilities such as estimated insurance claims, compensated absences, and land-fill post closure costs.

CITY OF FORT LAUDERDALE, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
September 30, 2013

Economic Factors and Next Year's Budget and Rates

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

The adopted operating budget for expenditures for FY 2014 is \$479.4 million which is 0.7% higher than the FY 2013 adopted budget, which does not include transfers or internal service funds. The General Fund expenditure budget for FY 2014 is \$248.0 million which is 3.9% higher than FY 2013. Included in the fiscal year 2014 General Fund budget is a carry-forward fund balance of \$60.1 million of which \$4 million is earmarked for other post-employment benefits (OPEB). The operating millage rate of 4.1193 remains unchanged for the seventh consecutive year and equates to a 3.9% increase in revenues as a result of an increase in property values.

The adopted fiscal year 2014 General Fund budget addresses key priorities established by the City Commission to meet the challenges of current economic conditions, including no property tax increase, maintenance of adequate reserve funds, and no reductions in vital City services.

Requests for Information

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

***BASIC FINANCIAL
STATEMENTS***

CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

STATEMENT OF NET POSITION
September 30, 2013

	Primary Government			Component
	Governmental Activities	Business-type Activities	Total	Unit Sunrise Key
ASSETS				
Cash and Cash Equivalents	\$ 194,444,687	\$ 148,456,115	\$ 342,900,802	\$ 89,319
Investments	50,466,870	-	50,466,870	-
Restricted Assets:				
Cash and Cash Equivalents	-	46,631,379	46,631,379	-
Investments	-	21,621,922	21,621,922	-
Accounts Receivable (Net)	11,090,591	17,252,782	28,343,373	-
Accrued Interest Receivable	92,216	-	92,216	-
Internal Balances	(6,647,877)	6,647,877	-	-
Due from Fiduciary Funds	-	6,200,232	6,200,232	-
Due from Other Governments	14,383,944	443,255	14,827,199	-
Inventories	10,280,625	1,192,493	11,473,118	-
Prepaid Items	13,274,563	214,870	13,489,433	-
Net Pension Asset	316,825,350	-	316,825,350	-
Investment in Joint Venture	-	789,437	789,437	-
Deposits	195,331	708,355	903,686	-
Capital Assets Not Being Depreciated				
Land	64,771,615	32,155,535	96,927,150	-
Construction in Progress	22,237,990	30,885,653	53,123,643	-
Capital Assets, Net of Accumulated Depreciation				
Buildings	95,782,289	172,554,186	268,336,475	-
Improvements	56,008,217	648,699,684	704,707,901	-
Infrastructure	14,707,780	-	14,707,780	-
Machinery, Equipment and Vehicles	21,809,046	9,334,640	31,143,686	-
Total Assets	879,723,237	1,143,788,415	2,023,511,652	89,319
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Refunding Amount	26,535	3,074,901	3,101,436	-
Accumulated Decrease in Fair Value of Derivative Instruments	6,502	-	6,502	-
Total Deferred Outflows of Resources	33,037	3,074,901	3,107,938	-

Continued

CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

STATEMENT OF NET POSITION - Continued
September 30, 2013

	Primary Government			Component
	Governmental Activities	Business-type Activities	Total	Unit Sunrise Key
LIABILITIES				
Accounts Payable	\$ 8,487,338	\$ 5,514,534	\$ 14,001,872	\$ 2,180
Accrued Liabilities	5,908,873	1,074,303	6,983,176	-
Due to Other Governments	11,094,151	-	11,094,151	13
Derivative Instruments	6,502	-	6,502	-
Deposits	2,291,852	-	2,291,852	-
Unearned Revenues	3,740,400	928,097	4,668,497	-
Liabilities Payable from Restricted Assets:				
Accounts Payable	-	364,501	364,501	-
Accrued Interest Payable	1,502,816	2,085,084	3,587,900	-
Customer Deposits	-	7,948,470	7,948,470	-
Long-Term Liabilities:				
Due Within One Year	35,258,276	15,245,914	50,504,190	-
Due in More Than One Year	430,308,021	449,541,125	879,849,146	-
Total Liabilities	498,598,229	482,702,028	981,300,257	2,193
NET POSITION				
Net Investment in Capital Assets	229,209,092	457,764,458	686,973,550	-
Restricted for:				
Debt Service	13,313,217	23,936,188	37,249,405	-
Inventories	10,280,625	-	10,280,625	-
Community Redevelopment	45,708,102	-	45,708,102	-
Transportation	1,159,151	-	1,159,151	-
Public Safety	2,445,598	-	2,445,598	-
Building Code Enforcement	15,943,022	-	15,943,022	-
Capital Replacement and Improvements	-	17,587,247	17,587,247	-
Endowments				
Expendable	10,592,617	-	10,592,617	-
Nonexpendable	12,457,466	-	12,457,466	-
Other Purposes	707,187	-	707,187	-
Unrestricted	39,341,968	164,873,395	204,215,363	87,126
Total Net Position	\$ 381,158,045	\$ 664,161,288	\$ 1,045,319,333	\$ 87,126

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

CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

**STATEMENT OF ACTIVITIES
For Fiscal Year Ended September 30, 2013**

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental Activities:				
General Government	\$ 53,453,789	\$ 42,061,226	\$ 1,887,626	\$ -
Public Safety	176,890,393	56,197,480	1,159,404	765,723
Physical Environment	14,237,347	3,360,192	2,431,020	139,741
Transportation	6,123,784	407,113	1,470,112	4,967,224
Economic Environment	20,163,000	1,632,059	22,391,154	-
Culture/Recreation	39,033,256	11,130,441	110,109	132,874
Interest on Long-Term Debt	12,237,720	-	-	-
Total Governmental Activities	322,139,289	114,788,511	29,449,425	6,005,562
Business-type Activities:				
Water and Sewer	122,377,140	114,751,699	-	2,821,566
Sanitation	18,693,306	23,290,471	-	-
Parking	13,616,470	14,515,603	-	-
Airport	11,248,312	7,754,684	255,748	256,408
Stormwater	6,052,945	5,465,978	49,767	33,032
Total Business-type Activities	171,988,173	165,778,435	305,515	3,111,006
Total Primary Government	\$ 494,127,462	\$ 280,566,946	\$ 29,754,940	\$ 9,116,568
Component Unit				
Sunrise Key	\$ 76,530	\$ -	\$ -	\$ -
Total Component Unit	\$ 76,530	\$ -	\$ -	\$ -

General Revenues:

Taxes:

- Property Taxes
- Utility Service Taxes
- Franchise Fees
- Insurance Premium Taxes

Grants and Contributions

Interest Revenue

Miscellaneous

Transfers

Total General Revenues/Transfers

Change in Net Position

Net Position - Beginning (as restated)

Net Position - Ending

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

CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

Net (Expense) Revenue and Changes in Net Position				Component
Primary Government			Unit	
Governmental	Business-type		Sunrise	
Activities	Activities	Total	Key	
\$ (9,504,937)	\$ -	\$ (9,504,937)	\$ -	
(118,767,786)	-	(118,767,786)	-	
(8,306,394)	-	(8,306,394)	-	
720,665	-	720,665	-	
3,860,213	-	3,860,213	-	
(27,659,832)	-	(27,659,832)	-	
(12,237,720)	-	(12,237,720)	-	
(171,895,791)	-	(171,895,791)	-	
-	(4,803,875)	(4,803,875)	-	
-	4,597,165	4,597,165	-	
-	899,133	899,133	-	
-	(2,981,472)	(2,981,472)	-	
-	(504,168)	(504,168)	-	
-	(2,793,217)	(2,793,217)	-	
(171,895,791)	(2,793,217)	(174,689,008)	-	
-	-	-	(76,530)	
-	-	-	(76,530)	
98,984,027	-	98,984,027	70,658	
35,881,608	-	35,881,608	-	
15,380,127	-	15,380,127	-	
6,352,818	-	6,352,818	-	
14,918,403	-	14,918,403	-	
2,551,761	718,371	3,270,132	230	
1,179,201	-	1,179,201	-	
(5,092,222)	5,092,222	-	-	
170,155,723	5,810,593	175,966,316	70,888	
(1,740,068)	3,017,376	1,277,308	(5,642)	
382,898,113	661,143,912	1,044,042,025	92,768	
\$ 381,158,045	\$ 664,161,288	\$ 1,045,319,333	\$ 87,126	

CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

BALANCE SHEET GOVERNMENTAL FUNDS September 30, 2013

	General	Special Obligation Bonds	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS				
Cash and Cash Equivalents	\$ 52,204,795	\$ 14,207,767	\$ 75,254,707	\$ 141,667,269
Investments	-	-	50,466,870	50,466,870
Accounts Receivable (Net)	9,690,397	-	1,395,195	11,085,592
Accrued Interest Receivable	-	-	92,216	92,216
Due from Other Governments	4,582,811	-	9,801,133	14,383,944
Due from Other Funds	3,665,420	-	-	3,665,420
Inventories	40,019	-	10,238,287	10,278,306
Prepaid Items	13,274,563	-	-	13,274,563
Advances to Other Funds	25,000	-	-	25,000
Deposits	70,331	-	-	70,331
Total Assets	\$ 83,553,336	\$ 14,207,767	\$ 147,248,408	\$ 245,009,511
LIABILITIES				
Accounts Payable	\$ 2,322,373	\$ -	\$ 4,335,611	\$ 6,657,984
Accrued Liabilities	5,394,214	-	229,135	5,623,349
Due to Other Governments	9,960,877	-	1,133,274	11,094,151
Due to Other Funds	-	-	3,665,420	3,665,420
Advances from Other Funds	-	-	25,000	25,000
Deposits	2,066,282	-	225,570	2,291,852
Unearned Revenues	5,007,254	-	3,576,319	8,583,573
Compensated Absences and Longevity	188,846	-	-	188,846
Total Liabilities	24,939,846	-	13,190,329	38,130,175
DEFERRED INFLOWS OF RESOURCES				
Unavailable Grant Revenues	-	-	6,738,075	6,738,075
Total Deferred Inflows of Resources	-	-	6,738,075	6,738,075
FUND BALANCES				
Nonspendable	13,339,582	-	12,464,216	25,803,798
Restricted	204,044	14,207,767	114,278,996	128,690,807
Committed	509,216	-	453,443	962,659
Assigned	4,812,365	-	6,395,624	11,207,989
Unassigned	39,748,283	-	(6,272,275)	33,476,008
Total Fund Balances	58,613,490	14,207,767	127,320,004	200,141,261
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 83,553,336	\$ 14,207,767	\$ 147,248,408	\$ 245,009,511

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

CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
September 30, 2013**

Total fund balances of governmental funds	\$ 200,141,261
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.	262,933,674
Net pension assets are not considered to represent financial assets and, therefore, are not presented in the governmental funds.	316,825,350
Other long-term assets are not available to pay for current period expenditures and, therefore are deferred in the funds.	4,843,173
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.	21,244,320
Grant receivables will be collected next year, but are not available soon enough to pay for the current period's expenditures, and therefore are deferred in the funds.	6,738,075
Deferred 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.	26,535
Long-term liabilities are not due and payable in the current period and accordingly are not reported as fund liabilities.	<u>(431,594,343)</u>
Total net position of governmental activities	<u>\$ 381,158,045</u>

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

CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For Fiscal Year Ended September 30, 2013**

	General	Special Obligation Bonds	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES				
Taxes	\$ 152,217,623	\$ -	\$ 4,934,066	\$ 157,151,689
Licenses and Permits	3,188,765	-	14,186,094	17,374,859
Intergovernmental Revenues	18,223,392	-	24,592,827	42,816,219
Charges for Services	20,410,205	-	241,236	20,651,441
Fines and Forfeitures	3,795,605	-	1,223,660	5,019,265
Miscellaneous Revenues:				
Assessments and Other Fees	20,604,881	-	4,261,597	24,866,478
Investment Income	421,137	37,558	2,033,288	2,491,983
Rents and Concession	3,074,052	-	162,853	3,236,905
Contributions and Donations	549,498	-	-	549,498
Interfund Service Charges	40,416,731	-	-	40,416,731
Other Miscellaneous	2,956,334	-	1,566,324	4,522,658
Total Revenues	265,858,223	37,558	53,201,945	319,097,726
EXPENDITURES				
Current:				
General Government	49,007,286	146,380,930	725,891	196,114,107
Public Safety	154,682,434	173,428,479	2,163,874	330,274,787
Physical Environment	5,951,801	-	7,929,478	13,881,279
Transportation	4,046,102	-	871,162	4,917,264
Economic Environment	1,199,931	-	18,804,340	20,004,271
Culture/Recreation	29,410,963	-	125,898	29,536,861
Debt Service:				
Principal Retirement	-	16,480,000	20,135,638	36,615,638
Interest and Fiscal Charges	351,167	8,468,852	2,611,281	11,431,300
Capital Outlay	920,807	-	15,973,694	16,894,501
Total Expenditures	245,570,491	344,758,261	69,341,256	659,670,008
Excess (Deficiency) of Revenues Over (Under) Expenditures	20,287,732	(344,720,703)	(16,139,311)	(340,572,282)
OTHER FINANCING SOURCES (USES)				
Transfers In	1,875,924	22,942,587	19,518,026	44,336,537
Transfers Out	(23,764,659)	-	(12,606,975)	(36,371,634)
Debt Proceeds	-	337,755,000	-	337,755,000
Discount on Bonds	-	(770,749)	-	(770,749)
Bond Issuance Costs	-	(998,368)	-	(998,368)
Total Other Financing Sources (Uses)	(21,888,735)	358,928,470	6,911,051	343,950,786
Net Change in Fund Balances	(1,601,003)	14,207,767	(9,228,260)	3,378,504
Fund Balances - Beginning	60,214,493	-	136,548,264	196,762,757
Fund Balances - Ending	\$ 58,613,490	\$ 14,207,767	\$ 127,320,004	\$ 200,141,261

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

CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES For Fiscal Year Ended September 30, 2013

Net change in fund balances of governmental funds	\$ 3,378,504
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.	(4,442,350)
Grant revenues reported in the statement of activities are deferred in the funds because they are not available soon enough to pay for current period expenditures.	6,738,075
The change in the net pension asset has no effect on the current financial resources and, therefore, is not reported in the governmental funds.	316,825,350
Some revenues reported in the statement of activities are not considered current financial resources and, therefore, are not reported as revenues in governmental funds.	(487,684)
The change in the deferred refunding amounts has no effect on the current financial resource and, therefore, is not reported in the governmental funds.	(12,951)
The issuance of long-term debt (e.g., bonds, capital leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts (except for issuance costs) are capitalized and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	(300,368,613)
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.	(\$4,386,536)
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.	(18,983,863)
Change in net position of governmental activities	\$ (1,740,068)

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

CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

STATEMENT OF NET POSITION PROPRIETARY FUNDS September 30, 2013

	Business-type Activities - Enterprise Funds			Governmental
	Water and Sewer	Nonmajor Enterprise Funds	Total Enterprise Funds	Activities - Internal Service Funds
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$ 82,423,536	\$ 66,032,579	\$ 148,456,115	\$ 52,777,418
Restricted Cash and Cash Equivalents	9,195,166	1,202,889	10,398,055	-
Accounts Receivable (Net)	14,483,669	2,769,113	17,252,782	4,999
Due from Fiduciary Funds	6,200,232	-	6,200,232	-
Due from Other Governments	-	443,255	443,255	-
Inventories	1,192,493	-	1,192,493	2,319
Prepays Items	-	214,870	214,870	-
Deposits	708,355	-	708,355	125,000
Total Current Assets	114,203,451	70,662,706	184,866,157	52,909,736
Noncurrent Assets:				
Restricted Assets:				
Cash and Cash Equivalents	34,498,716	1,734,608	36,233,324	-
Investments	21,621,922	-	21,621,922	-
Total Restricted Assets	56,120,638	1,734,608	57,855,246	-
Investment in Joint Venture	-	789,437	789,437	-
	-	789,437	789,437	-
Capital Assets:				
Land	7,739,200	24,416,335	32,155,535	-
Construction in Progress	28,374,781	2,510,872	30,885,653	186,838
Buildings	231,658,138	38,100,194	269,758,332	962,879
Improvements	783,191,908	67,341,773	850,533,681	1,376,717
Machinery, Equipment and Vehicles	27,482,980	9,518,024	37,001,004	53,859,407
Less: Accumulated Depreciation	(263,525,488)	(63,179,019)	(326,704,507)	(44,002,578)
Total Capital Assets (Net)	814,921,519	78,708,179	893,629,698	12,383,263
Total Noncurrent Assets	871,042,157	81,232,224	952,274,381	12,383,263
Total Assets	985,245,608	151,894,930	1,137,140,538	65,292,999
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Refunding Amount	3,074,901	-	3,074,901	-
Accumulated Decrease in Fair Value of Derivative Instruments	-	-	-	6,502
Total Deferred Outflows of Resources	3,074,901	-	3,074,901	6,502
Total Assets and Deferred Outflows of Resources	988,320,509	151,894,930	1,140,215,439	65,299,501

Continued

CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

**STATEMENT OF NET POSITION - Continued
PROPRIETARY FUNDS
September 30, 2013**

	Business-type Activities - Enterprise Funds			Governmental
	Water and Sewer	Nonmajor Enterprise Funds	Total Enterprise Funds	Activities - Internal Service Funds
LIABILITIES				
Current Liabilities:				
Accounts Payable	\$ 4,027,551	\$ 1,486,983	\$ 5,514,534	\$ 1,865,693
Accrued Liabilities	724,950	349,353	1,074,303	249,185
Derivative Instrument	-	-	-	6,502
Unearned Revenues	-	228,097	228,097	-
Bonds and Notes Payable	14,353,063	-	14,353,063	-
Compensated Absences and Longevity	624,758	233,887	858,645	176,377
Estimated Claims Payable	-	-	-	9,405,157
Landfill Post-Closure Costs	-	34,206	34,206	-
Current Liabilities Payable from Restricted Assets:				
Accounts Payable	364,501	-	364,501	-
Accrued Interest Payable	2,085,084	-	2,085,084	-
Deposits	6,745,581	1,202,889	7,948,470	-
Total Current Liabilities	28,925,488	3,535,415	32,460,903	11,702,914
Noncurrent Liabilities:				
Unearned Revenues	700,000	-	700,000	-
Bonds and Notes Payable (Net)	441,785,383	-	441,785,383	-
Net OPEB Obligation	1,954,470	1,143,539	3,098,009	480,107
Compensated Absences and Longevity	2,571,765	1,135,217	3,706,982	862,384
Estimated Claims Payable	-	-	-	24,361,899
Landfill Post-Closure Costs	-	950,751	950,751	-
Total Noncurrent Liabilities	447,011,618	3,229,507	450,241,125	25,704,390
Total Liabilities	475,937,106	6,764,922	482,702,028	37,407,304
NET POSITION				
Net Investment in Capital Assets	379,056,279	78,708,179	457,764,458	12,383,263
Restricted for:				
Debt Service	23,936,188	-	23,936,188	-
Renewal and Replacement	9,018,694	44,788	9,063,482	-
Capital Improvements	6,833,945	1,689,820	8,523,765	-
Unrestricted	93,538,297	64,687,221	158,225,518	15,508,934
Total Net Position	\$ 512,383,403	\$ 145,130,008	657,513,411	\$ 27,892,197
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.			<u>6,647,877</u>	
Net Position of Business-type Activities			<u>\$ 664,161,288</u>	

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



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CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For Fiscal Year Ended September 30, 2013**

	Business-type Activities - Enterprise Funds			Governmental
	Water and Sewer	Nonmajor Enterprise Funds	Total Enterprise Funds	Activities - Internal Service Funds
Operating Revenues:				
Charges for Services	\$ 114,259,554	\$ 35,640,432	\$ 149,899,986	\$ 62,056,358
Equity in Earnings of Joint Venture	-	78,191	78,191	-
Private Collectors Operating Fees	-	3,442,317	3,442,317	-
Parking Citations	-	2,562,335	2,562,335	-
Land Leases	-	3,519,899	3,519,899	-
Miscellaneous Revenues	492,145	5,783,562	6,275,707	608,155
Total Operating Revenues	114,751,699	51,026,736	165,778,435	62,664,513
Operating Expenses:				
Personal Services	22,822,446	12,811,996	35,634,442	9,392,191
Current Expenses	52,109,176	29,941,239	82,050,415	57,492,751
Depreciation	29,477,975	6,106,128	35,584,103	4,082,185
Total Operating Expenses	104,409,597	48,859,363	153,268,960	70,967,127
Operating Income (Loss)	10,342,102	2,167,373	12,509,475	(8,302,614)
Nonoperating Revenues (Expenses):				
Interest Income	540,579	177,792	718,371	143,326
Interest Expense and Fiscal Charges	(14,249,206)	-	(14,249,206)	-
Intergovernmental Revenues	-	305,515	305,515	-
Loss on Disposal of Capital Assets	(1,803,780)	(171,119)	(1,974,899)	(262,558)
Total Nonoperating Revenues (Expenses)	(15,512,407)	312,188	(15,200,219)	(119,232)
Income (Loss) Before Contributions and Transfers	(5,170,305)	2,479,561	(2,690,744)	(8,421,846)
Capital Contributions	2,821,566	289,440	3,111,006	-
Transfers In	5,795,770	5,608,790	11,404,560	193,621
Transfers Out	(3,859,717)	(2,452,621)	(6,312,338)	(13,250,746)
Change in Net Position	(412,686)	5,925,170	5,512,484	(21,478,971)
Net Position - Beginning (as restated)	512,796,089	139,204,838		49,371,168
Net Position - Ending	\$ 512,383,403	\$ 145,130,008		\$ 27,892,197
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.			(2,495,108)	
Change in Net Position of Business-type Activities			<u>\$ 3,017,376</u>	

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

CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For Fiscal Year Ended September 30, 2013**

	Business-type Activities - Enterprise Funds			Governmental
	Water and Sewer	Nonmajor Enterprise Funds	Total Enterprise Funds	Activities - Internal Service Funds
Cash Flows from Operating Activities				
Receipts from Customers and Users	\$ 111,951,555	\$ 50,792,921	\$ 162,744,476	\$ 62,672,098
Payments to Suppliers	(22,422,085)	(16,386,627)	(38,808,712)	(50,265,125)
Payments to Employees	(22,366,146)	(12,380,438)	(34,746,584)	(8,118,810)
Payments to Other Funds	(32,205,304)	(13,942,059)	(46,147,363)	(5,495,150)
Net Cash Provided (Used) by Operating Activities	34,958,020	8,083,797	43,041,817	(1,206,987)
Cash Flows from Noncapital Financing Activities				
Interfund Advances	(3,778,893)	-	(3,778,893)	-
Intergovernmental Revenues	-	1,356,627	1,356,627	-
Transfers (to) from Other Funds	1,936,053	3,156,169	5,092,222	(13,057,125)
Net Cash Provided (Used) by Noncapital Financing Activities	(1,842,840)	4,512,796	2,669,956	(13,057,125)
Cash Flows from Capital and Related Financing Activities				
Acquisition/Construction of Capital Assets	(12,138,999)	(3,753,776)	(15,892,775)	(229,226)
Principal Paid on Capital Debt	(13,985,991)	-	(13,985,991)	-
Interest Paid on Capital Debt	(18,801,571)	-	(18,801,571)	-
Contributions	2,856,772	404,463	3,261,235	-
Investment in Joint Venture	-	126,660	126,660	-
Net Cash (Used) by Capital and Related Financing Activities	(42,069,789)	(3,222,653)	(45,292,442)	(229,226)
Cash Flows from Investing Activities				
Investment Purchases	(8,882)	-	(8,882)	-
Interest Income on Investments	540,579	177,792	718,371	143,326
Net Cash Provided by Investing Activities	531,697	177,792	709,489	143,326
Net Increase (Decrease) in Cash and Cash Equivalents	(8,422,912)	9,551,732	1,128,820	(14,350,012)
Cash and Cash Equivalents at Beginning of Year	134,540,330	59,418,344	193,958,674	67,127,430
Cash and Cash Equivalents at End of Year	\$ 126,117,418	\$ 68,970,076	\$ 195,087,494	\$ 52,777,418

Continued

CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

**STATEMENT OF CASH FLOWS - Continued
PROPRIETARY FUNDS
For Fiscal Year Ended September 30, 2013**

	<u>Business-type Activities - Enterprise Funds</u>			<u>Governmental</u>
	<u>Water and Sewer</u>	<u>Nonmajor Enterprise Funds</u>	<u>Total Enterprise Funds</u>	<u>Activities - Internal Service Funds</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating Income (Loss)	\$ 10,342,102	\$ 2,167,373	\$ 12,509,475	\$ (8,302,614)
Depreciation	29,477,975	6,106,128	35,584,103	4,082,185
Equity in Earnings on Unconsolidated Joint Venture	-	(78,191)	(78,191)	-
Change in Assets and Liabilities:				
(Increase) Decrease in Accounts Receivable	(3,320,719)	(163,320)	(3,484,039)	7,585
(Increase) in Due from Other Governments	-	(59,539)	(59,539)	-
(Increase) in Inventories	(119,139)	-	(119,139)	(2,319)
(Increase) in Deposits	-	(214,869)	(214,869)	-
Increase (Decrease) in Accounts Payable	(2,399,074)	(138,165)	(2,537,239)	950,152
Increase (Decrease) in Accrued Liabilities	(574)	40,598	40,024	172,257
Increase in Unearned Revenues	-	24,294	24,294	-
Increase in Deposits Payable from Restricted Assets	520,575	42,942	563,517	-
Increase in Net OPEB Obligation	208,320	281,214	489,534	341,227
Increase in Compensated Absences and Longevity	248,554	109,746	358,300	759,897
Increase in Estimated Claims Payable	-	-	-	784,643
(Decrease) in Landfill Post-Closure Costs	-	(34,414)	(34,414)	-
Total Adjustments	24,615,918	5,916,424	30,532,342	7,095,627
Net Cash Provided (Used) by Operating Activities	\$ 34,958,020	\$ 8,083,797	\$ 43,041,817	\$ (1,206,987)

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

CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

**STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
September 30, 2013**

	Pension Trust	Agency Arts and Science District Garage
ASSETS		
Cash and Cash Equivalents	\$ 29,160,260	\$ 8,324
Investments, at fair value:		
U.S. Treasury Securities	49,158,591	-
U.S. Government Agency Obligations	59,951,177	-
Corporate Bonds and Other Fixed Income	152,766,376	-
Money Market Funds	10,770,930	-
Mutual Funds & Other	159,905,619	-
Common Stock	458,120,648	-
Commingled Funds	160,550,583	-
Fund of Funds	97,662,285	-
Real Estate	69,613,677	-
Venture Capital & Partnerships	55,992,493	-
	1,274,492,379	-
Receivables:		
Accounts	3,195,587	-
Accrued Interest and Dividends	3,121,612	-
Contributions	471,260	-
Due from Other Governments	-	55,757
Deposits	3,850	-
Capital Assets	13,618	-
Total Assets	1,310,458,566	64,081
LIABILITIES		
Accounts Payable	4,981,072	63,130
Accrued Liabilities	16,477	807
Due to Primary Government	6,200,232	-
Compensated Absences and Longevity	-	144
Deposits	17,402	-
Unearned Revenues	13,274,563	-
Total Liabilities	24,489,746	64,081
Net Position - Held in Trust for Pension Benefits	\$ 1,285,968,820	\$ -

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

CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION PENSION TRUST FUNDS For Fiscal Year Ended September 30, 2013

ADDITIONS

Contributions:

City	\$ 348,185,524
Employee	9,118,845
State	6,352,818
County	6,816
Total Contributions	363,664,003

Investment Income:

Net Appreciation in Fair Value of Investments	131,796,580
Interest and Dividends	24,690,749
Other	3,146,102
Total Investment Income	159,633,431

Less: Investment Expenses (4,750,432)

Net Investment Income 154,882,999

Other Income	43,295
Total Additions	518,590,297

DEDUCTIONS

Benefits:

Retirement	71,689,398
Disability	1,354,367
Death	6,006,883
Total Benefits	79,050,648

Refunds	344,848
Administrative Expense	1,108,725
Total Deductions	80,504,221

Change in Net Position 438,086,076

Net Position - Beginning of Year 847,882,744

Net Position - End of Year \$ 1,285,968,820

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



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CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS
September 30, 2013

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CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2013

(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 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 170,100 residents in many areas, including public safety, public places, infrastructure, business development and neighborhood enhancement. As required by GAAP, these financial statements present the City of Fort Lauderdale (the primary government) and its component units. The component units discussed in note 1(B) below are included in the City's reporting entity because of the significance of their operational and financial relationships with the City.

(B) Individual Component Unit Disclosure

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

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

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

In fiscal year 2013 the City adopted GASB Statement No. 61 (GASB 61). Following the adoption of GASB 61, the Lauderdale Isles Water Control District (LIWCD), which was previously reported as a discretely presented component unit, is no longer reported as a component unit of the City.

CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2013

(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) and the Housing Authority of the City of Fort Lauderdale (HA). The City Commission also appoints one member of the governing board of the Lauderdale Isles Water Control District (LIWCD). The City is not financially accountable for the DDA, HA, or LIWCD.

(D) Joint Ventures

The City is a participant with the Performing Arts Center Authority (PACA) and the DDA in a joint venture to own and operate the 950 space Arts and Science District Parking Garage. The City has an ongoing financial interest in this joint venture, which is discussed in Note 8.

(E) Government-wide and Fund Financial Statements

The government-wide financial statements, including the statement of net position and the statement of activities, report information on all of the non-fiduciary activities of the City. For the most part, the effect of inter-fund activity has been removed from the statements. Governmental activities, which are primarily supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely extensively on fees and charges for support. Likewise, the City's primary government is reported separately from its legally separate component units for which the City is financially accountable.

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2013

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

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

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

The City reports the following major governmental 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 Special Obligation Bonds Fund accumulates funds for the payment of the Taxable Special Obligation Bonds, Series 2012 (Pension Funding Project).

The City reports the following major proprietary fund:

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

Additionally, the City reports the following fund types:

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

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

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2013

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

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

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

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

(G) Derivatives and Hedging Activities

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2013

The City utilizes commodity hedging to reduce the volatility in fuel costs. Hedging techniques are traditionally used to limit exposure to price fluctuations. Management recognizes that fluctuations in fuel prices could have a negative impact on the City's financial affairs. Accordingly, the City entered into futures contracts in order to hedge this exposure.

The change in fair value of the derivative is recorded as a deferred inflow/outflow of resources, as appropriate. The derivative instruments are recorded in the statement of net position at fair value as part of current assets/liabilities and other noncurrent assets/liabilities, as appropriate. Fair value is determined based on quoted prices in active markets for the derivative instrument. The deferred outflow and the instrument itself, as of September 30, 2013 are valued at \$6,502. See Note 20 to the financial statements.

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

(1) Cash and Cash Equivalents

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

(2) Investments

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

(3) Receivables and Payables

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

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

(4) Inventories

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

CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2013

(5) Prepaid Items

Prepaid items represent payments made to vendors for services that will benefit the period beyond September 30, 2013. These services are recorded as expenditures/expenses when consumed.

(6) Restricted Assets

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

(7) Capital Assets

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

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

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

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

(8) Capitalization of Interest

Interest is capitalized by the City in proprietary fund types when it is determined to be material. The City capitalizes interest in accordance with GASB Statement No. 62. This Guidance requires that the interest cost capitalized during construction be reduced by interest income earned on investments of the bond proceeds from the date of the borrowing until the assets constructed from the bond proceeds are ready for their intended use. Total interest incurred during fiscal year 2013 was \$18,113,690, of which \$3,864,484 was capitalized.

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2013

(9) Compensated Absences and Longevity

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

(10) Estimated Claims Payable

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

(11) Landfill Post-Closure Costs

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

(12) Other Long-term Obligations

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

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

(13) Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government has two items that qualify for reporting in this category. First, is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The second is the accumulated decrease in fair value of hedging derivative instruments reported in the government-wide and internal service funds statement of net position.

CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2013

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from one source, grant revenues. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

(14) Fund Balance and Net Position

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

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

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

(2) RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS:

- (A) Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position.

The governmental funds balance sheet includes a reconciliation between fund balances of total governmental funds and net position of governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that long-term liabilities, including bonds payable are not due and payable in the current period and therefore are not reported in the funds. The details of this \$431,594,343 difference follow:

Bonds Payable	\$ 392,169,300
Net OPEB Obligation	11,151,371
Compensated Absences and Longevity	27,131,858
Accrued Interest Payable	1,502,816
Unamortized Bond Premiums and Discounts	<u>(361,002)</u>
Net adjustment to reduce fund balance of governmental funds to arrive at net position of governmental activities	<u>\$ 431,594,343</u>

CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2013

(B) Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities.

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net change in fund balances of total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The details of this \$(4,442,350) difference are as follows:

Capital Outlay	\$ 11,373,342
Depreciation Expense	<u>(15,815,692)</u>
Net adjustment to increase net changes in fund balance of total governmental funds to arrive at change in net position of governmental activities	<u>\$ (4,442,350)</u>

Another element of that reconciliation states that the issuance of long-term debt provides current financial resources to governmental funds while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. The details of this \$(300,368,613) difference are as follows:

Principal Repayments	
Bonds Payable	\$ 32,066,000
Notes Payable	3,214,900
Internal Pool Borrowing	1,334,738
Debt Proceeds	(337,755,000)
Discount on Bonds	<u>770,749</u>
Net adjustment to increase net changes in fund balance of total governmental funds to arrive at changes in net position of governmental activities	<u>\$ (300,368,613)</u>

Another element of the reconciliation states that 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. The details of this \$(4,386,536) difference are as follows:

Accrued Interest Payable	\$ (900,899)
Amortization of Bond Discounts and Premiums	107,431
Other Post-Employment Benefits	(1,207,575)
Compensated Absences and Longevity Pay	<u>(2,385,493)</u>
Net adjustment to decrease net changes in fund balance of total governmental funds to arrive at changes in net position of governmental activities	<u>\$ (4,386,536)</u>

(3) STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY:

At September 30, 2013, the following fund of the City had a deficit balance:

<u>Special Revenue Fund:</u>	
Intergovernmental Revenue	\$ (3,265,697)

The deficit in the Intergovernmental Revenue Fund is expected to be eliminated by future grant revenues.

CITY OF FORT LAUDERDALE, FLORIDA

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September 30, 2013

(4) RESTRICTED ASSETS:

Restricted assets at September 30, 2013 are as follows:

	Water and Sewer	Nonmajor Enterprise Funds			Total
		Sanitation	Parking System	Airport	
Bond Construction Funds	\$ 39,184,728	\$ -	\$ -	\$ -	\$ 39,184,728
Debt Service Reserves	17,251,990	-	-	-	17,251,990
Renewal and Replacement	3,000,000	-	44,788	-	3,044,788
Federal Aviation Authority Projects	-	-	-	1,689,820	1,689,820
Customer Deposits	5,879,086	1,041,444	40,813	120,632	7,081,975
	<u>\$ 65,315,804</u>	<u>\$ 1,041,444</u>	<u>\$ 85,601</u>	<u>\$ 1,810,452</u>	<u>\$ 68,253,301</u>

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

	Water and Sewer	Nonmajor Enterprise Funds			Total
		Sanitation	Parking System	Airport	
Cash and Cash Equivalents	\$ 43,693,882	\$ 1,041,444	\$ 85,601	\$ 1,810,452	\$ 46,631,379
Investments	21,621,922	-	-	-	21,621,922
	<u>\$ 65,315,804</u>	<u>\$ 1,041,444</u>	<u>\$ 85,601</u>	<u>\$ 1,810,452</u>	<u>\$ 68,253,301</u>

(5) 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 debt service, capital projects, permanent, and enterprise funds.

In accordance with Section 218.415, Florida Statutes, the City's Investment Policy applies to all cash and investments held or controlled by the City and shall be identified as "general operating funds" of the City with the exception of the City's pension and cemetery funds. The policy was adopted on September 4, 2001 and subsequently amended on September 17, 2013.

Permitted investments, asset allocation limits, issuer limits, credit rating requirements and maturity limits are detailed in the policy in order to protect the City's cash and investments. The current policy allows for the purchase of the following investments: U.S. government securities, U.S. government agency securities, federal instrumentalities, interest-bearing time deposits or saving accounts, repurchase agreements, commercial paper, corporate notes, bankers' acceptances, state or local government taxable or tax-exempt debt, City of Fort Lauderdale debt obligations, registered investment companies (money market mutual funds), and intergovernmental investment pools. As of September 30, 2013, the total cash and investments for the City of Fort Lauderdale's primary government, was \$461,620,973.

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CASH AND CASH EQUIVALENTS

Custodial Credit Risk – Deposits

Custodial credit risk for deposits is the risk in the event of the failure of a depository financial institution, a government may not be able to recover deposits. Monies placed on deposit with financial institutions in the form of demand deposits, time deposits or certificate of deposits are defined as public deposits. The City's investment policy requires that the City's public deposits be held in a State Qualified Public Depository as defined in Section 280.02, Florida Statutes. At September 30, 2013, \$90,043,995 was exposed to custodial credit risk because it was uninsured and collateralized with securities held by the pledging financial institutions' trust department, but not in the City's name.

As of September 30, 2013, the bank balances totaled \$91,556,743, of which \$90,800,369 was deposited in a State Qualified Public Depository and \$756,374 was insured by the Federal Depository Insurance Corporation (FDIC). Cash on hand totaled \$57,157. The carrying value of cash is \$90,221,249..

INVESTMENTS

The City's investment holdings are organized into six portfolios. Three portfolios are governed by the City's Investment Policy (the City's Portfolios): Surplus Funds Pooled Investments, Water and Sewer Construction Portfolio, and General Obligation Capital Project Portfolio. The remaining three portfolios, the Cemetery Perpetual Care Fund, the Police and Firefighters' Retirement System Fund, and the General Employees' Retirement System Fund are controlled by their respective policies.

In accordance with GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools," all investments are reported at fair value. Compositions of the portfolios as of September 30, 2013 are:

Portfolio No. 1 Surplus Funds Pooled Investments, \$341,886,334

The pooled investments portfolio consists of investments in U.S. Government Securities, U.S. Government Agency Securities, Federal Instrumentalities, corporate obligations, including government guaranteed, asset and mortgage backed securities, Wells Fargo Money Market Account, and Florida Municipal Investment Trust. There was no interest receivable on this portfolio at September 30, 2013.

The remaining proceeds of several long-term debt issues are a part of this portfolio. All of these funds are in the Florida Municipal Investment Trust, which complies with each individual debt issue's investment requirements. There was no interest receivable on these long-term debt issues at September 30, 2013.

2010A Special Obligation Bonds	\$	318,324
1997 General Obligation Construction		14,940
2010B Special Obligation Bonds		4,790,202
2011A Special Obligation Bonds		4,370,612
1998C Excise Tax Improvement Bonds		1,026,074
	\$	<u>10,520,152</u>

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Portfolio No. 2 Water and Sewer Construction Portfolio, \$21,621,922

This portfolio includes investments of the Water and Sewer Enterprise Fund. As of September 30, 2013, there was \$21,621,922 in the Florida Municipal Investment Trust. There was no interest receivable on this portfolio at September 30, 2013.

Portfolio No. 3 General Obligation Capital Projects Portfolio, \$13,848,213

The General Obligation Bonds, Series 2011A proceeds may be invested by the City in such investments as are permitted by applicable law. These proceeds are in Regions Bank and Fidelity Institutional Government Money Market Fund. No interest receivable on this portfolio existed at September 30, 2013.

Portfolio No. 4 Cemetery Perpetual Care Fund, \$23,211,841

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

As of September 30, 2013 this portfolio consisted of investments in money market funds, corporate obligations, common stock and preferred stock. Interest receivable on this portfolio at September 30, 2013 was \$92,216.

Portfolio No. 5 Police and Firefighters' Retirement System Fund, \$721,411,997

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

As of September 30, 2013 investments of this portfolio include U.S. government securities, U.S. government agency securities, federal instrumentalities, mutual funds, corporate obligations, municipal bonds, real estate, venture capital and partnerships and common stock. Interest receivable on this portfolio at September 30, 2013 was \$2,264,819.

Portfolio No. 6 General Employees' Retirement System Fund, \$553,080,382

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

As of September 30, 2013 this portfolio consists of investments in U.S. government securities, U.S. government agency securities, federal instrumentalities, money market funds, corporate obligations, common stock and real estate. Interest receivable on this portfolio at September 30, 2013 was \$856,793.

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Interest Rate Risk

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

Portfolio No. 1A <u>Surplus Funds Pooled Investments</u>	<u>Fair Value</u>	<u>Weighted Average Maturity</u>
U.S. Treasury Securities	\$ 13,342,778	0.50
Federal Instrumentalities		
Federal Farm Credit Bank	17,671,395	0.19
Federal Home Loan Mortgage Company	8,082,006	0.23
Federal National Mortgage Association	9,168,925	0.17
Mortgage Backed Securities Pass-Through	2,097,524	0.08
Corporate Obligations	21,757,009	0.60

Portfolio No. 1B <u>Surplus Funds Pooled Investments</u>	<u>Fair Value</u>	<u>Weighted Average Maturity</u>
U.S. Treasury Securities	\$ 25,610,746	1.53
U.S. Government Agency		
US Dept. of Housing & Urban Development	365,900	2.42
Federal Instrumentalities	499,614	0.30
Federal Farm Credit Bank	2,519,179	3.26
Federal Home Loan Bank	1,598,475	3.40
Federal Home Loan Mortgage Company	1,307,423	3.11
Federal National Mortgage Association	9,736,306	1.63
Mortgage Backed Securities Pass-Through	130,173	1.81
Collateralized Mortgage Obligations	893,481	2.79
Municipal Bonds	4,634,739	1.67
Corporate Obligations	18,101,132	1.90
Foreign Government Agency	495,894	1.97

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Portfolio No. 1C <u>Surplus Funds Pooled Investments</u>	<u>Fair Value</u>	<u>Weighted Average Maturity</u>
U.S. Treasury Securities	\$ 1,574,144	2.62
Federal Instrumentalities		
Federal Farm Credit Bank	9,001,400	0.51
Federal Home Loan Bank	5,530,133	0.84
Federal Home Loan Mortgage Company	9,393,301	0.81
Federal National Mortgage Association	9,225,216	1.53
Collateralized Mortgage Obligations*	2,225,784	1.44
Municipal Bonds	7,833,431	1.67
Corporate Obligations	18,978,773	1.57

* Weighted average life is used to calculate CMO WAM

Portfolio No. 1D <u>Surplus Funds Pooled Investments</u>	<u>Fair Value</u>	<u>Weighted Average Maturity</u>
Federal Instrumentalities		
Federal Home Loan Bank	\$ 6,349,083	2.50
Federal Home Loan Mortgage Company	4,759,861	1.25
Federal National Mortgage Association	34,214,739	1.98
Mortgage Backed Securities Pass-Through	4,198,161	2.51
Corporate Obligations	20,039,054	3.66

Portfolio No. 4 <u>Cemetery Perpetual Care Fund</u>	<u>Fair Value</u>	<u>Weighted Average Maturity</u>
Corporate Obligations	\$ 4,726,969	11.26

Portfolio No 5 <u>Police and Firefighters' Retirement System Fund</u>	<u>Fair Value</u>	<u>Weighted Average Maturity</u>
Agincourt Bond Fund (aggregate) *	\$ 102,722,266	4.07
Boyd (aggregate)	91,853,205	4.08

Portfolio No. 6 <u>General Employees' Retirement System Fund</u>	<u>Fair Value</u>	<u>Weighted Average Maturity</u>
Debt Investment (aggregate) *	\$ 71,866,711	5.25

*The aggregate debt investments of Portfolios No. 5 and No. 6 include U.S. treasury securities, federal instrumentalities, corporate obligations and other bonds.

Credit Risk

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

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Portfolio No. 1 Surplus Funds Pooled Investments

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

Corporate Notes

Corporate notes 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, 2013, \$78,875,968 of the City's investments was in corporate issues. These issues met or exceeded the minimum rating requirements at the time of purchase.

Federal Instrumentalities

Although the City's investment policy states no rating requirement for federal instrumentalities, all investments of this type were rated AA+ by Standard & Poor's or Aaa by Moody's Investor Service. This portfolio held \$135,482,914 in this type of investment.

Portfolio No. 2 Water and Sewer Construction Portfolio

Investments in this portfolio are not required to have a rating per the City's investment policy.

Portfolio No. 3 General Obligation Capital Projects Portfolio

This portfolio has \$13,848,213 invested in Fidelity Institutional Government Money Market Fund, which has a AAAM rating.

Portfolio No. 4 Cemetery Perpetual Care Fund

This portfolio's investment policy requires investments in corporate bonds or notes to be rated A or better by a nationally recognized rating service. All of these investments met the policies requirement at September 30, 2013.

Portfolio No. 5 Police and Firefighters' Retirement System Fund

As permitted by GASB 40, interest rate risk and credit risk are managed in this portfolio in the aggregate by asset class. The portfolio includes two investment grade core bond funds, Agincourt and Boyd Watterson.

Portfolio No. 6 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, 2013.

Custodial Credit Risk

The custodial credit risk for investments is the risk that, in the event of the failure of the counter-party to the transaction, a government may not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

The Wachovia Money Market Account is covered under Section 280.02, Florida Statutes, as a deposit in a State Qualified Public Depository. All other portfolio investments were held with third-party custodians as required by their respective investment policies.

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Concentration of Credit Risk

GASB 40, requires disclosure of investments in any one issuer that represent five percent or more of total investments, excluding investments issued or explicitly guaranteed by the U.S. government, investments in mutual funds, external investment pools, and other pooled investments. Per this disclosure requirement, none of City's investments were with any one single issuer that represents 5% or more of all of the City's portfolios which total \$395,230,025.

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, 2013. As of September 30, 2013, the City's portfolios consisted of the following:

Portfolio No. 1A Investments	Amount	Percent of Portfolio
U.S. Treasury Securities	\$ 13,342,778	18.21%
Federal Instrumentalities		
Federal Farm Credit Bank	17,671,395	24.11
Federal Home Loan Mortgage Company	8,082,006	11.03
Federal National Mortgage Association	9,168,925	12.51
Mortgage Backed Securities Pass-Through*	2,097,524	2.86
Corporate Obligations	21,757,009	29.68

Portfolio No. 1B Investments	Amount	Percent of Portfolio
U.S. Treasury Securities	\$ 25,610,746	38.01%
U.S. Agency Securities		
US Dept. of Housing & Urban Development	365,900	0.54
Federal Instrumentalities	499,614	0.74
Federal Farm Credit Bank	2,519,179	3.74
Federal Home Loan Bank	1,598,475	2.37
Federal Home Loan Mortgage Company	1,307,423	1.94
Federal National Mortgage Association	9,736,306	14.45
Mortgage Backed Securities Pass-Through*	130,173	0.19
Collateralized Mortgage Obligations	893,481	1.33
Municipal Bonds	4,634,739	6.88
Corporate Obligations	18,101,132	26.86
Foreign Government Agency	495,894	0.74

*Mortgage Backed Securities are a subcomponent of Instrumentalities; Assets Backed Securities are Obligations.

Portfolio No. 1C Investments	Amount	Percent of Portfolio
U.S. Treasury Securities	\$ 1,574,144	2.47%
Federal Instrumentalities		
Federal Farm Credit Bank	9,001,400	14.12
Federal Home Loan Bank	5,530,133	8.67
Federal Home Loan Mortgage Company	9,393,301	14.73
Federal National Mortgage Association	9,225,216	14.47
Collateralized Mortgage Obligations	2,225,784	3.49
Municipal Bonds	7,833,431	12.29
Corporate Obligations	18,978,773	29.76

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Portfolio No. 1D Investments	Amount	Percent of Portfolio
Federal Instrumentalities		
Federal Home Loan Bank	\$ 6,349,083	9.13%
Federal Home Loan Mortgage Company	4,759,861	6.84
Federal National Mortgage Association	34,214,739	49.19
Mortgage Backed Securities Pass-Through*	4,198,161	6.04
Corporate Obligations	20,039,054	28.81

Portfolio No. 4 Cemetery Perpetual Care Fund	Amount	Percent of Portfolio
Fixed Income Securities		
Corporate Obligations	\$ 4,726,969	20.36%

Portfolio No. 5 Police and Firefighters' Retirement System Fund	Amount	Percent of Portfolio
Fixed Income Securities		
U.S. Treasury Securities	\$ 49,158,591	6.81%
Federal Instrumentalities:		
Federal National Mortgage Assoc	16,006,149	2.22
Federal Home Loan Mortgage Corp	6,523,703	0.90
Corporate Obligation	115,584,938	16.02
Other Bonds	7,302,090	1.01

Portfolio No. 6 General Employees' Retirement System Fund	Amount	Percent of Portfolio
Fixed Income Securities		
U.S. Treasury Securities	\$ 3,664,629	0.66%
Federal Instrumentalities:		
Federal National Mortgage Assoc	19,901,782	3.60
Federal Home Loan Mortgage Corp	13,854,892	2.51
Corporate Obligations	29,879,347	5.40

Foreign Currency Risk

GASB 40 requires governments to disclose deposits or investments exposed to foreign currency risk. Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. The City's exposure to foreign currency risk denominated in currency other than U.S. dollars are as follows:

Portfolio No 5 Police and Firefighters' Retirement System Fund	Currency	Maturity	Value
Thornburg Intl Equity	Various	Not Applicable	\$ 55,992,493

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(6) 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, 2012, upon which the fiscal year 2013 levy was based, was approximately \$23.7 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 2013 were 4.1193 mills for operations and 0.2149 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, 2013 were approximately 99.8% of the total tax levy.

(7) RECEIVABLES:

Accounts receivable in the governmental funds at September 30, 2013 are summarized as follows:

	<u>Primary Government</u>		<u>Total</u>
	<u>Governmental</u>	<u>Business-type</u>	
Accounts Receivable:			
Trade Accounts Receivable	\$ 32,450,538	\$ 18,229,869	\$ 50,680,407
Property Taxes	3,389,351	-	3,389,351
Unbilled Receivables	216,589	5,302,216	5,518,805
Assessments Receivable	981,754	158,659	1,140,413
	<u>37,038,232</u>	<u>23,690,744</u>	<u>60,728,976</u>
Less: Allowances for Uncollectibles	(25,947,641)	(6,437,962)	(32,385,603)
Accounts receivable, net	<u>\$ 11,090,591</u>	<u>\$ 17,252,782</u>	<u>\$ 28,343,373</u>

	<u>Governmental Activities</u>			
	<u>Nonmajor</u>			<u>Total</u>
	<u>General Fund</u>	<u>Funds</u>	<u>Internal Service</u>	
Accounts Receivable:				
Trade Accounts Receivable	\$ 6,933,506	\$ 25,509,630	\$ 7,402	\$ 32,450,538
Property Taxes	3,257,629	131,722	-	3,389,351
Unbilled Receivables	216,589	-	-	216,589
Assessments Receivable	-	981,754	-	981,754
	<u>10,407,724</u>	<u>26,623,106</u>	<u>7,402</u>	<u>37,038,232</u>
Less: Allowances for uncollectibles	(717,327)	(25,227,911)	(2,403)	(25,947,641)
Accounts receivable, net	<u>\$ 9,690,397</u>	<u>\$ 1,395,195</u>	<u>\$ 4,999</u>	<u>\$ 11,090,591</u>

The City's enterprise funds provide water, sewer, sanitation and stormwater services to residents in the City. Customers routinely receive services in advance during the ordinary course of business; however, customers' deposits are available to be applied against amounts owed. Accounts receivable in the enterprise funds at September 30, 2013 are summarized as follows:

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BASIC FINANCIAL STATEMENTS

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	Business-type Activities		
	Water and Sewer	Nonmajor Enterprise Funds	Total
Accounts Receivable:			
Trade Accounts Receivable	\$ 14,444,447	\$ 3,785,422	\$ 18,229,869
Unbilled Receivables	4,685,874	616,342	5,302,216
Assessments Receivable	143,276	15,383	158,659
	<u>19,273,597</u>	<u>4,417,147</u>	<u>23,690,744</u>
Less: Allowances for uncollectibles	(4,789,928)	(1,648,034)	(6,437,962)
Accounts receivable, net	<u>\$ 14,483,669</u>	<u>\$ 2,769,113</u>	<u>\$ 17,252,782</u>

(8) INTER-FUND RECEIVABLES, PAYABLES AND TRANSFERS:

Individual inter-fund receivable and payable balances at September 30, 2013 follow:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>	<u>Advances From Other Funds</u>	<u>Advances To Other Funds</u>
<u>Governmental Funds</u>				
General Fund	\$ 3,665,420	\$ -	\$ -	\$ 25,000
<u>Nonmajor Governmental Funds</u>				
Intergovernmental Revenue Fund	-	3,596,481	-	-
Community Redevelopment Agency Fund	-	-	25,000	-
Excise Tax Construction 1998C	-	265	-	-
General Obligation Construction 2005 and 2011A Fund	-	5,781	-	-
Perpetual Care	-	62,893	-	-
	<u>3,665,420</u>	<u>3,665,420</u>	<u>25,000</u>	<u>25,000</u>
<u>Enterprise Funds</u>				
Water and Sewer Fund	<u>6,200,232</u>	-	-	-
	<u>6,200,232</u>	-	-	-
<u>Fiduciary Funds</u>				
General Employees' Pension Fund	-	2,129,920	-	-
Police and Firefighters' Pension Fund	-	4,070,312	-	-
	-	<u>6,200,232</u>	-	-
	<u>\$ 9,865,652</u>	<u>\$ 9,865,652</u>	<u>\$ 25,000</u>	<u>\$ 25,000</u>

The payables to the Water and Sewer Fund from the pension trust funds totaling \$6,200,232 were for operating expenses of the funds paid by the City. The Intergovernmental Revenue Fund payables to the General Fund totaling \$3,596,481 represent short-term borrowings that will be repaid using grant receipts. The General Obligation Construction 2005 and 2011A Fund amount due to the General Fund is for short-term borrowings until a drawdown is made from the 2011A General Obligation Bond proceeds. The \$25,000 advance to the Community Redevelopment Agency (CRA) Fund from the General Fund represents a short-term loan for the creation of a new CRA Plan for the New Middle River-South Middle River-Sunrise Boulevard CRA area.

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The composition of inter-fund transfers for the year ended September 30, 2013 was as follows:

	Transfers In								Total
	Nonmajor Governmental Funds					Enterprise Funds			
<u>Transfers Out</u>	<u>General</u>	<u>Special Obligation</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Internal Service Funds</u>	<u>Water and Sewer Fund</u>	<u>Nonmajor Enterprise Funds</u>	
Governmental Funds									
General Fund	\$ -	\$ 15,036,621	\$ 3,905,410	\$ 3,575,916	\$ 1,169,199	\$ 77,513	\$ -	\$ -	\$ 23,764,659
	-	15,036,621	3,905,410	3,575,916	1,169,199	77,513	-	-	23,764,659
Nonmajor Governmental Funds									
Special Revenue Funds	820,924	956,348	-	1,785,904	5,355,069	-	-	-	8,918,245
Capital Projects Funds	685,133	-	2,954,293	-	-	49,304	-	-	3,688,730
Internal Service Funds		1,382,147	-	397,235		66,804	5,795,770	5,608,790	13,250,746
	1,506,057	2,338,495	2,954,293	2,183,139	5,355,069	116,108	5,795,770	5,608,790	25,857,721
Enterprise Funds									
Water and Sewer Fund	-	3,859,717	-	-	-	-	-	-	3,859,717
Nonmajor Enterprise Funds	369,867	1,707,754	375,000	-	-	-	-	-	2,452,621
	369,867	5,567,471	375,000	-	-	-	-	-	6,312,338
	<u>\$ 1,875,924</u>	<u>\$ 22,942,587</u>	<u>\$ 7,234,703</u>	<u>\$ 5,759,055</u>	<u>\$ 6,524,268</u>	<u>\$ 193,621</u>	<u>\$ 5,795,770</u>	<u>\$ 5,608,790</u>	<u>\$ 55,934,718</u>

The City transfers funds from the General Fund and the Community Redevelopment Agency special revenue fund to the debt service funds to meet debt service requirements. Funds are provided from the corresponding revenues pledged for those purposes. Transfers from the General Fund to the Community Redevelopment Agency (CRA) special revenue fund represent tax increment revenues derived from appreciation of the tax bases in the redevelopment areas. Funding for non-debt financed governmental capital projects is provided through transfers from the General Fund. Other transfers to the capital projects funds provide funding for specific projects within the Community Investment program. Of the \$5,355,069 transfer to the capital projects funds from the special revenue funds, \$4,691,204 represents the capital projects portion of the CRA's Special Revenue Fund that was reclassified into a capital projects fund. Transfers of \$11,404,560 from the Vehicle Rental Fund to the enterprise funds, represents an asset reallocation of vehicles and equipment to the fund of ownership.

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**NOTES TO THE FINANCIAL STATEMENTS
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(9) CAPITAL ASSETS:

Capital Asset activity for governmental and business-type activities for the year ended September 30, 2013 was as follows:

	Beginning <u>Balance</u>	<u>Additions</u>	<u>Deletions</u>	Ending <u>Balance</u>
Governmental activities:				
Capital assets not being depreciated				
Land	\$ 64,771,615	\$ -	\$ -	\$ 64,771,615
Construction in progress	40,401,381	13,484,067	31,647,458	22,237,990
Total capital assets not being depreciated	<u>105,172,996</u>	<u>13,484,067</u>	<u>31,647,458</u>	<u>87,009,605</u>
Capital assets being depreciated				
Buildings	146,133,092	7,116,282	-	153,249,374
Improvements	91,968,442	23,510,565	-	115,479,007
Infrastructure	20,138,537	-	-	20,138,537
Machinery, Equipment and Vehicles	161,084,023	4,905,656	67,711,005	98,278,674
Total capital assets being depreciated	<u>419,324,094</u>	<u>35,532,503</u>	<u>67,711,005</u>	<u>387,145,592</u>
Less accumulated depreciation for:				
Buildings	51,342,672	6,124,413	-	57,467,085
Improvements	52,997,411	6,473,379	-	59,470,790
Infrastructure	4,336,058	1,094,699	-	5,430,757
Machinery, Equipment and Vehicles	131,946,145	6,205,386	61,681,903	76,469,628
Total accumulated depreciation	<u>240,622,286</u>	<u>19,897,877</u>	<u>61,681,903</u>	<u>198,838,260</u>
Total capital assets being depreciated, net	<u>178,701,808</u>	<u>15,634,626</u>	<u>6,029,102</u>	<u>188,307,332</u>
Governmental activities capital assets, net	<u>\$ 283,874,804</u>	<u>\$ 29,118,693</u>	<u>\$ 37,676,560</u>	<u>\$ 275,316,937</u>
	Beginning <u>Balance</u>	<u>Additions</u>	<u>Deletions</u>	Ending <u>Balance</u>
Business-type activities:				
Capital assets not being depreciated				
Land	\$ 32,035,535	\$ 120,000	\$ -	\$ 32,155,535
Construction in progress*	59,615,921	14,134,408	42,864,676	30,885,653
Total capital assets not being depreciated	<u>91,651,456</u>	<u>14,254,408</u>	<u>42,864,676</u>	<u>63,041,188</u>
Capital assets being depreciated				
Buildings	261,414,744	8,606,943	263,355	269,758,332
Improvements	816,801,536	33,822,233	90,088	850,533,681
Machinery, Equipment and Vehicles	46,285,960	5,120,984	14,405,940	37,001,004
Total capital assets being depreciated	<u>1,124,502,240</u>	<u>47,550,160</u>	<u>14,759,383</u>	<u>1,157,293,017</u>
Less accumulated depreciation for:				
Buildings	89,826,535	7,579,358	201,747	97,204,146
Improvements	176,537,906	25,361,460	65,369	201,833,997
Machinery, Equipment and Vehicles	37,540,447	2,643,285	12,517,368	27,666,364
Total accumulated depreciation	<u>303,904,888</u>	<u>35,584,103</u>	<u>12,784,484</u>	<u>326,704,507</u>
Total capital assets being depreciated, net	<u>820,597,352</u>	<u>11,966,057</u>	<u>1,974,899</u>	<u>830,588,510</u>
Business-type activities capital assets, net	<u>\$ 912,248,808</u>	<u>\$ 26,220,465</u>	<u>\$ 44,839,575</u>	<u>\$ 893,629,698</u>

* Current year additions include \$3,864,484 of interest costs incurred and capitalized during the year.

During fiscal year 2013, the City completed a comprehensive physical inventory. The City had not performed a physical inventory of capital assets for several years and assets under the City's current capital assets threshold (\$5,000) were deleted.

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

Governmental Activities	
General Government	\$ 1,802,262
Public Safety	5,333,037
Physical Environment	162,909
Transportation	1,061,059
Economic Environment	42,136
Culture and Recreation	7,414,289
Capital Assets held in the City's internal service funds are charged to general government	4,082,185
	<u>\$ 19,897,877</u>
Business-type activities	
Water and Sewer	\$ 29,477,976
Sanitation	441,842
Parking System	1,260,369
Airport	3,488,421
Stormwater	915,496
	<u>\$ 35,584,104</u>

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

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

(10) INVESTMENT IN JOINT VENTURE:

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

The City collects all revenues and pays all operating expenses for the garage and determines the allocation to each of the participants monthly. The increase in net position for the year of \$926,197 was derived exclusively from operations. The equity interests of the City, the PACA and the DDA totaled \$789,437, \$990,664 and \$538,488, respectively at September 30, 2013. Separate financial statements for the joint venture are available from the City's Finance Department.

CITY OF FORT LAUDERDALE, FLORIDA

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(11) 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, employment practices, public officials' liability, general liability, automobile liability, police professional liability, and certain medical benefits. The City has obtained Florida Municipal Insurance Trust for workers' compensation claims in excess of \$1.0 million for employees with statutory limits per occurrence. Property insurance has been purchased for City structures with a standard deductible of \$50,000, a named windstorm deductible of \$5,000,000 per loss on both the utility and non-utility property programs, and a flood deductible of \$500,000 or \$50,000 per location, depending on the location. Commercial, specific, stop-loss insurance is also purchased for medical benefits claims in excess of \$250,000. The City also has coverage for employment practices liability with a \$150,000 deductible, public officials' liability coverage with a \$100,000 deductible and a \$4 million combined coverage limit for both policies. Settlements have not exceeded the retention for each of the past nine 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, 2013 of \$33,767,056 (discounted at 3.0%) 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, 2012 and 2013 follow:

	<u>Medical Benefits</u>	<u>Other</u>	<u>Total</u>
Balance September 30, 2011	\$ 2,393,039	\$ 31,293,695	\$ 33,686,734
New Claims and Changes in Estimates	22,806,457	7,208,920	30,015,377
Claim Payments	<u>(22,504,858)</u>	<u>(7,532,013)</u>	<u>(30,036,871)</u>
Balance September 30, 2012	2,694,638	30,970,602	33,665,240
New Claims and Changes in Estimates	19,059,871	7,472,324	26,532,195
Claim Payments	<u>(19,309,443)</u>	<u>(7,120,936)</u>	<u>(26,430,379)</u>
Balance September 30, 2013	<u>\$ 2,445,066</u>	<u>\$ 31,321,990</u>	<u>\$ 33,767,056</u>

(12) LONG-TERM DEBT:

Bonds outstanding at September 30, 2013 mature in varying amounts during succeeding fiscal years through 2041. Interest rates on fixed rate debt follow: 2.0% to 5.0% on general obligation bonds, 2.43% to 2.98% on special obligation loans, 4.1% on special obligation bonds, 2.0% to 5.0% on water and sewer revenue bonds, and 2.1% to 2.9% 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, 2013, funds available met the debt service requirements for revenue bonds.

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The annual requirements to pay Governmental Activities principal and interest on the bonds, notes and loans outstanding at September 30, 2013 (in thousands) follow:

Year Ending September 30	Governmental Activities					
	General		Special		Special	
	Obligation Bonds		Obligation Loans		Obligation Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2014	\$ 3,200	\$ 1,647	\$ 2,740	\$ 672	\$ 15,070	\$ 11,291
2015	3,275	1,571	2,811	601	15,230	11,130
2016	3,385	1,471	2,884	528	15,470	10,889
2017	3,490	1,375	2,958	454	15,770	10,590
2018	1,035	1,294	3,036	377	16,130	10,227
2019-2023	5,710	5,911	9,083	870	94,655	43,277
2024-2028	6,825	4,794	2,252	137	86,680	25,812
2029-2033	8,350	3,269	-	-	62,270	5,865
2034-2038	6,690	1,413	-	-	-	-
2039-2041	3,170	273	-	-	-	-
Total	<u>\$ 45,130</u>	<u>\$ 23,018</u>	<u>\$ 25,764</u>	<u>\$ 3,639</u>	<u>\$ 321,275</u>	<u>\$ 129,081</u>

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

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, 2013, the City had no conduit debt outstanding.

On June 16, 2005, the City sold \$20,000,000 in General Obligation Bonds, Series 2005 to provide a portion of the cost of constructing new or improving certain existing fire-rescue facilities within the City. The bond provides for semi-annual principal and interest payments with a final maturity on July 1, 2035. As of September 30, 2013, the City's liability for the bonds totaled \$16,640,000.

On October 29, 2010, the City issued a \$14,015,000 Special Obligation Refunding Bond, Series 2010A and a \$10,095,000 Special Obligation Refunding Bond, Series 2010B. The Series 2010A was the refunding of Special Obligation Refunding Bond, Series 2008A. This refinancing reduced the interest rate from 5.14% to 2.43%. The September 1, 2020 maturity date remained unchanged. The Series 2010B provides for semi-annual payments at a rate of 2.66%, maturing on June 1, 2022. As of September 30, 2013, the City's liability for the bonds totaled \$16,725,300.

The Series 2010B proceeds were used to reissue the City's Special Obligation Note, Series 2008B which had a principal balance of \$10,051,200. The issued debt in the amount of \$10,095,000 was for both the outstanding principal plus the cost of issuance. As of September 30, 2013, the City's liability for the 2010B loan totaled \$7,828,200.

The City has pledged legally available non-ad valorem revenues to repay the Special Obligation Refunding Bonds, Series 2010A and 2010B. The non-ad valorem revenue used for the bonds consists of utility taxes, franchise taxes, licenses and permits, fines and forfeitures, intergovernmental, charges for services, and other. For the current year, principal and interest of \$2,976,585, was paid. Non-ad valorem revenues were \$164,902,335.

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On September 9, 2011 the City issued Special Obligation Note, Series A for \$7,218,000 and Special Obligation Note, Series B for \$2,546,000. The proceeds for Series A are being used to finance certain governmental capital improvements. Series B proceeds are financing the 800MHZ microwave equipment. The Series A note provides for semi-annual interest payments at a rate of 2.98% and annual principal payments until maturity in 2027. The Series B note provides for semi-annual interest payments at a rate of 2.45% and annual principal payments until maturity in 2019. As of September 30, 2013, the City's liability for the loans totaled \$9,039,000.

The City has pledged legally available non-ad valorem revenues to repay the Special Obligation Note, Series A and B. The non-ad valorem revenue used for the bonds consists of utility taxes, franchise taxes, licenses and permits, fines and forfeitures, intergovernmental, charges for services, and other. For the current year, principal and interest of \$992,567, was paid. Non-ad valorem revenues were \$164,902,335.

On September 28, 2011 the City issued General Obligation Bonds, Series 2011A for \$20,000,000 and General Obligation Refunding Bonds, Series 2011B for \$13,980,000. The proceeds of Series A were used to finance upgrades to existing fire-rescue facilities and construction of new facilities. Series B proceeds were used to refund the City's General Obligation Refunding Bonds, Series 2002. The Series A bonds provide for semi-annual interest payments at an average rate of 3.45% and annual principal payments until maturity in 2041. The Series B bonds provide for semi-annual interest payments at an average rate of 2.58% and semi-annual principal payments until maturity in 2017. As of September 30, 2013, the City's liability for the bonds totaled \$28,490,000.

On October 3, 2012, the City issued Taxable Special Obligation Bonds, Series 2012 for \$337,755,000. The proceeds of Series 2012 were used to discharge a portion of the Unfunded Actuarial Accrued Liabilities (UAAL) of the pension plans, including, without limitation, a partial repayment to the City of its contribution to the Police and Firefighters' Pension Plan in fiscal year 2012 to prefund a portion of its UAAL for Fiscal Year 2013. The Series 2012 bonds provide for semi-annual interest payments at an average rate of 4.13% and annual principal payments until maturity in 2032. As of September 30, 2013, the City's liability for the bonds totaled \$321,275,000.

The City has designated revenues to repay the Taxable Special Obligation Bonds, Series 2012. The designated revenue used for the bonds consists of communications services tax, public services tax, guaranteed entitlement revenues, and business tax revenues. For the current year, principal and interest of \$24,948,852, was paid. Designated revenues were \$42,043,556.

The annual requirements to pay business-type activities principal and interest on the bonds, notes and loans outstanding at September 30, 2013 (in thousands) follow:

Year Ending September 30	Business-type Activities			
	Water and Sewer Revenue Bonds		State Revolving Fund Loans	
	Principal	Interest	Principal	Interest
2014	\$ 9,590	\$ 16,590	\$ 4,753	\$ 1,812
2015	9,945	16,252	4,869	1,697
2016	10,340	15,870	4,987	1,579
2017	10,735	15,473	5,108	1,458
2018	11,185	15,027	5,232	1,334
2019-2023	63,675	67,185	28,126	4,702
2024-2028	79,865	50,894	23,532	1,261
2029-2033	101,320	30,418	-	-
2034-2038	72,355	6,669	-	-
Total	<u>\$ 369,010</u>	<u>\$ 234,378</u>	<u>\$ 76,607</u>	<u>\$ 13,843</u>

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

In order to take advantage of low interest rates, the City is participating in the State of Florida revolving loan program to finance sewer system capital improvements and had five loans outstanding as of September 30, 2013. 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 in approximately three years from date of issue. The first loan authorized in fiscal year 2003 was for \$8,882,659, carries an interest rate of 2.9% and provides for semi-annual principal and interest payments beginning in May 2007. As of September 30, 2013, the City's liability for this loan totaled \$6,557,801.

On June 29, 2004 a second loan agreement was entered into for \$20,350,400, carrying an interest rate of 2.71% and providing for semi-annual principal and interest payments beginning in May 2006. The loan principal was increased to \$22,407,342 on January 3, 2005. The loan principal was decreased to \$22,244,216 on August 17, 2010. As of September 30, 2013, the City's liability for this loan totaled \$15,284,683.

On May 5, 2005 the City entered into its third loan agreement for \$7,256,416, which carries an interest rate of 2.19% and provides for semi-annual principal and interest payments beginning in November 2006. The loan principal was increased to \$19,116,208 on August 23, 2005. The loan principal was decreased to \$17,384,060 on April 30, 2010. As of September 30, 2013, the City's liability for this loan totaled \$11,781,475.

On March 3, 2006 the City entered into its fourth loan agreement for \$20,393,500, which carries an interest rate of 2.1% and provides for semi-annual principal and interest payments beginning in May 2008. The loan principal was increased to \$40,619,300 on October 6, 2006. The additional principal amount of \$20,225,800 carried an interest rate of 2.24%. On February 15, 2008, the loan principal was decreased to \$35,606,400, with no effect on the interest rate. The loan principal was increased to \$45,334,292 in March 2009. The addition carries an interest rate of 2.65%. The loan principal was decreased to \$44,902,893 on September 20, 2011. As of September 30, 2013, the City's liability for this loan totaled \$35,068,028.

On February 11, 2008 the City entered into its fifth loan agreement for \$10,032,200, which carries an interest rate of 2.24% and provides for semi-annual principal and interest payments beginning in November 2008. The loan principal was decreased to \$10,000,000 on September 20, 2011. As of September 30, 2013, the City's liability for this loan totaled \$7,914,779.

On September 19, 2006, the City sold \$100,000,000 of Water and Sewer Revenue Bonds, Series 2006. The proceeds are being used to finance certain improvements and upgrades to the City's water and sewer system. The issue provides for semi-annual principal and interest payments with interest rates ranging from 4% to 4.25% and a final maturity on September 1, 2028. As of September 30, 2013, the City's liability for these bonds totaled \$89,670,000.

On February 21, 2008, the City sold \$155,000,000 of Water and Sewer Revenue Bonds, Series 2008. The proceeds are being used to finance certain improvements and upgrades to the City's water and sewer system. The issue provides for semi-annual principal and interest payments with interest rates ranging from 4% to 5% and a final maturity on September 1, 2028. As of September 30, 2013, the City's liability for these bonds totaled \$138,820,000.

CITY OF FORT LAUDERDALE, FLORIDA

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On June 10, 2010 the City sold \$82,300,000 of Water and Sewer Revenue Bonds, Series 2010. The proceeds are being used to finance certain improvements and upgrades to the City’s water and sewer system. The issue provides for semi-annual principal and interest payments with interest rates ranging from 3% to 5% and a final maturity on September 1, 2038. As of September 30, 2013, the City’s liability for these bonds totaled \$77,090,000.

On May 3, 2012 the City sold \$64,585,000 Water and Sewer Revenue Refunding Bonds, Series 2012. The Series 2012 was the refunding of the Series 2003 with an aggregate principal amount of \$4,349,805. The gross saving of the refunding was \$9,747,132, with a net present value savings of \$7,347,279. The issue provides for semi-annual principal and interest payments with interest rates ranging from 2% to 5% and a final maturity on September 1, 2028. This refinancing reduced the interest rate from 3.5% to 2%. As of September 30, 2013, the City’s liability for these bond totaled \$63,430,000.

Following is a summary of the changes in the City’s long-term liabilities for the fiscal year ended September 30, 2013:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
General Obligation Bonds	\$ 48,255,000	\$ -	\$ (3,125,000)	\$ 45,130,000	\$ 3,200,000
Tax Increment Bonds	12,461,000	-	(12,461,000)	-	-
Special Obligation Bonds	-	337,755,000	(16,480,000)	321,275,000	15,070,000
Special Obligation Loans	28,979,200	-	(3,214,900)	25,764,300	2,740,400
Unamortized Bond Premiums and Discounts	517,178	(770,749)	(107,431)	(361,002)	-
Estimated Claims Payable	33,665,240	26,532,195	(26,430,379)	33,767,056	9,405,157
Net OPEB Obligations	10,082,676	4,937,019	(3,388,217)	11,631,478	-
Compensated Absences and Longevity	25,237,396	17,514,114	(14,392,045)	28,359,465	4,842,719
Total Governmental Activities	\$ 159,197,690	\$ 385,967,579	\$ (79,598,972)	\$ 465,566,297	\$ 35,258,276
Business-type Activities:					
Revenue Bonds	\$ 378,355,000	\$ -	\$ (9,345,000)	\$ 369,010,000	\$ 9,590,000
State Revolving Fund Loans	81,247,757	-	(4,640,991)	76,606,766	4,763,063
Unamortized Bond Premiums and Discounts	11,443,759	-	(922,079)	10,521,680	-
Landfill Post-Closure Costs	1,019,371	-	(34,414)	984,957	34,206
Net OPEB Obligations	2,608,475	1,391,976	(902,442)	3,098,009	-
Compensated Absences and Longevity	4,062,929	3,268,531	(2,765,833)	4,565,627	858,645
Total Business-type Activities	\$ 478,737,291	\$ 4,660,507	\$ (18,610,759)	\$ 464,787,039	\$ 15,245,914

Internal service funds predominantly serve the governmental funds. Accordingly, their long-term liabilities totaling \$35.3 million are included as part of the above totals for governmental activities. Also, for the governmental activities, compensated absences and net OPEB obligations are generally liquidated by the General Fund.

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(13) LANDFILL POST-CLOSURE COSTS:

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

The consent decree provided for payment of expenses associated with the remediation, promoted cost effective response actions, allocated management and financial responsibilities and resolved claims for cost recovery between the parties. The consent decree was validated on December 28, 1999, allowing site remediation to commence. The agreement with the Wingate Superfund Group created a trust fund for collection and disbursement of funds for the remediation and limited the City's share of remediation costs to \$8,325,000, excluding ancillary costs. The Second Five-Year Review Report was issued by the USEPA in July 2011. Monitoring data suggest that cleanup levels are being achieved and O&M procedures are currently maintaining the effectiveness of the remedy. The remedy currently protects human health and the environment in the short term because the landfill cap construction is complete and the required institutional controls (ground water 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, 2013, the liability is \$984,957 to provide for estimated post closure care costs.

(14) FUND BALANCES:

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

- (A) Nonspendable - includes fund balance amounts that cannot be spent because they are either not in spendable form or legal or contractually required to be maintained intact.
- (B) Restricted – includes fund balance amounts that are constrained to be spent only for specific purposes which are externally imposed by creditors, grantors, contributors or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation.
- (C) Committed – includes unrestricted fund balance amounts that can only be used for specific purposes pursuant to internal constraints imposed by the City's Code of Ordinances which can only be established, modified or rescinded through the passage of ordinances by the City Commission, the City's highest level of decision making authority.
- (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.

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

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

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

The details of individual governmental fund balances by category at September 30, 2013 follow:

	General	Special Obligation Bonds	Nonmajor Governmental				Total
			Special Revenue	Debt Service	Capital Projects	Permanent	
Nonspendable							
Inventories	\$ 40,019	\$ -	\$ -	\$ -	\$ 6,750	\$ -	\$ 46,769
Prepaid Pension Contributions	13,274,563	-	-	-	-	-	13,274,563
Advances to Other Funds	25,000	-	-	-	-	-	25,000
Endowments	-	-	-	-	-	12,457,466	12,457,466
Restricted For							
Debt Service	-	14,207,767	-	608,265	-	-	14,816,032
Inventories	-	-	10,231,537	-	-	-	10,231,537
Community Redevelopment	-	-	5,005,340	-	40,702,762	-	45,708,102
Building Code Enforcement	-	-	15,943,022	-	-	-	15,943,022
Law Enforcement	-	-	2,445,598	-	-	-	2,445,598
Capital Projects	-	-	-	-	27,553,361	-	27,553,361
Transportation	-	-	-	-	1,159,151	-	1,159,151
Endowments	-	-	-	-	-	10,592,617	10,592,617
Other Purposes	204,044	-	37,343	-	-	-	241,387
Committed To							
Grants and Special Programs	509,216	-	-	-	-	-	509,216
Beach Improvements	-	-	453,443	-	-	-	453,443
Assigned To							
Law Enforcement	-	-	1,048,346	-	-	-	1,048,346
Beach Improvements	-	-	20,635	-	-	-	20,635
Capital Projects	-	-	-	-	5,111,297	-	5,111,297
Transportation	-	-	-	-	215,346	-	215,346
Other Post Employment Benefits	4,000,000	-	-	-	-	-	4,000,000
Subsequent Year's Expenditures	812,365	-	-	-	-	-	812,365
Unassigned	39,748,283	-	(6,272,275)	-	-	-	33,476,008
Total Fund Balances	\$ 58,613,490	\$ 14,207,767	\$ 28,912,989	\$ 608,265	\$ 74,748,667	\$ 23,050,083	\$ 200,141,261

The Intergovernmental Revenue Fund had negative unassigned fund balance of \$6.3 million. This is mainly attributed to the reclassification of unavailable grant revenues to deferred inflows of resources.

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(15) EMPLOYEE RETIREMENT SYSTEMS:

The City's pension plans are presented in accordance with GASB Statement No. 25, "Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans", AGSB Statement No. 27, "Accounting for Pensions by State and Local Governmental Employers", and GASB Statement No. 50, "Pension Disclosures". The objective of these statements, prepared on the accrual basis of accounting, is to enhance the understandability and usefulness of pension information included in the financial statements of state and local governmental employers. Member and City contributions are recognized when due. Benefits and refunds are recognized when due and payable in accordance with the terms of the plans. Plan investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. The fair value of real estate investments is based on independent appraisals.

A) Defined Benefit Plans - Plan Descriptions and Funding Policies

General Employees' Retirement System

The General Employees' Retirement System is a single-employer defined benefit plan administered by an eight-member board of trustees, which covers City employees, except police and firefighters. Through collective bargaining with the general, supervisory and professional City employees, a new single-employer defined contribution pension plan was established for Teamster Union employees hired on or after October 1, 2007, Supervisory Union employees hired on or after November 7, 2007, and all other Non-Union employees hired on or after February 20, 2008. The General Employees Retirement System was then closed to new entrants. Under Ordinance No. C-11-34, adopted on December 6, 2011, a Bonus Incentive Program was offered to members eligible for either early or normal retirement as of December 1, 2011. Eligible members were granted 30 additional months of service for both benefit and eligibility purposes if, during the election period from December 7, 2011 through February 1, 2012, they elect to retire between December 14, 2011 and March 16, 2012. There were 134 members who elected to retire under the Bonus Incentive Program. The impact of the Bonus Incentive Program reflects the replacement of 20% of the members who retired under the program with promotions of the highest-paid remaining active members. The salaries of expected promoted members were increased by 5%. The City's payroll for employees covered by the plan after the plan change applicable to the September 30, 2012 actuarial valuation was approximately \$58,373,000. The total City payroll at that time was approximately \$163,886,000. As of the valuation date, employee membership data related to the pension plan was as follows:

Retirees and beneficiaries currently receiving benefits	1322
Terminated employees entitled to benefits but not yet receiving them	117
Fully, partially and non-vested active plan participants	985
Participants in DROP	22

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.

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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 274%.

Police and Firefighters' Retirement System

The Police and Firefighters' Retirement System is a single-employer defined benefit plan administered by an eight-member board of trustees, which covers all police and firefighters. The City's payroll for employees covered by the plan applicable to the December 31, 2012 actuarial valuation was approximately \$69,706,576. The total City payroll at that time was approximately \$161,783,300. As of the valuation date, employee membership data related to the pension plan was as follows:

Retirees and beneficiaries currently receiving benefits	887
Terminated employees entitled to benefits but not yet receiving them	20
Fully, partially and non-vested active plan participants	785
Participants in DROP	85

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

Employees hired on or before April 18, 2010 contribute 8% of their earnings to the plan. Employees hired after April 18, 2010 contribute 8.5% of their earnings to the plan. In addition, contributions in the amount of \$6,352,818 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 December 31 each year. For the current year, the City and State of Florida contribution rates as percentages of annual covered payroll were 288.2% and 9.7%, respectively.

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Annual Pension Cost, Net Pension Asset and Funding Status

Annual Pension Cost (APC) is a measure of the periodic cost of an employer's participation in a defined benefit pension plan. The APC for the General Employees and Police and Firefighters' plans for the last three fiscal years follow:

Fiscal Year Ended In:	General Employees'			
	APC	Amount	Percent Contributed	NPA
2013	\$ 13,560,634	\$ 159,943,525	1179%	\$ (146,382,891)
2012	22,369,549	22,369,549	100%	-
2011	21,498,801	21,498,801	100%	-

Fiscal Year Ended In:	Police and Firefighters'			
	APC	Amount	Percent Contributed	NPA
2013	\$ 17,799,540	\$ 188,241,999	1058%	\$ (170,442,459)
2012	30,684,942	30,684,942	100%	-
2011	30,441,767	30,441,767	100%	-

The City's net pension asset (NPA) related to the plans for the fiscal year ended September 30, 2013 is as follows:

	General Employees'	Police and Firefighters'	Total NPA
Annual Required Contribution	\$ 13,560,634	\$ 17,799,540	\$ 31,360,174
Contributions Made	159,943,525	188,241,999	348,185,524
Increase in NPA	(146,382,891)	(170,442,459)	(316,825,350)
NPA at the Beginning of the Year	-	-	-
NPA at the End of the Year	\$ (146,382,891)	\$ (170,442,459)	\$ (316,825,350)

The current funding status (in millions) for the General Employees' and Police and Firefighters' plans as of the most recent valuation dates follows:

Pension Plan	Valuation Date	Actuarial Value of Plan Assets	Actuarial Accrued Liability (AAL) Entry Age	Unfunded AAL (UAAL)	Funded Ratio	Annual Covered Payroll	UAAL as a % of Covered Payroll
General Employees'	09/30/12	\$ 500.0	551.3	51.3	90.7%	\$ 58.3	88.0%
Police and Firefighters'	12/31/12	692.5	732.8	40.3	94.5%	68.9	58.6%

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Actuarial Methods and Assumptions

Actuarial methods and significant actuarial assumptions used to determine the annual required contributions for the current year follow:

	<u>General Employees'</u>	<u>Police and Firefighters'</u>
Valuation Date	September 30, 2011	December 31, 2011
Actuarial Cost Method	Entry Age	Entry Age
Amortization Method	Level Percent Closed	Level Percent Closed
Remaining Amortization Period	12-30 Years	11-20 Years
Asset Valuation Method	Five year smoothed market	20% Write-Up method
Actuarial Assumptions:		
Investment Rate of Return	7.75% Including 3.25% Inflation	7.75% Including 3.25% Inflation
Projected Salary Increases	4.00% - 9.50%	3.25% - 10.75%
Cost-of-Living Adjustments (COLA)	Ad Hoc COLA's are granted with City Commission approval if investment earnings exceeded the funding assumptions in the prior year.	A COLA, limited to the change in the CPI, is granted each year to the extent it can be funded by the net experience gains during the prior year.

The actuarial methods and assumptions used to determine the funding status for the General Employees' Retirement System remained unchanged. However, the Police and Firefighters' Retirement System changed the investment rate of return to 7.50%, including 2.75% inflation. Three-year historical trend information is presented in required supplemental information schedules following these notes to show whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability (see page 84). In addition, the General Employees' and Police and Firefighters' Retirement Systems issue separate financial statements that can be obtained from the board of trustees. The statements are issued annually.

B. Defined Contribution Plans

General Employees Defined Contribution Plan

The General Employees Defined Contribution Plan is a single-employer defined contribution plan administered by the City, which covers all City employees hired on or after October 1, 2007, except police and fire. The City's current year payroll for employees covered by the plan was approximately \$12,433,000. The total City payroll for the year was approximately \$158,475,000.

The City contribution requirement of 9% on earnings of participants was paid on a biweekly basis and amounted to \$1,120,368 for the current year. Employee contributions are neither required nor permitted under the plan. Employees become fully vested in the plan upon entry. These benefit provisions and all other requirements are established by City ordinance.

General Employees Special Class Plan

The General Employees Special Class Plan is a single-employer defined contribution plan administered by the City. It is available to City employees (except police and firefighters) as an alternative to participation in the General Employees' Retirement System. The City's current year payroll for

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employees covered by the plan was approximately \$46,900. The total City payroll for the year was approximately \$158,475,000.

The City contribution requirement of 21.51% on earnings of participants was paid on a biweekly basis and amounted to \$15,356 for the current year. Employee contributions are neither required nor permitted under the plan. Employees become fully vested in the plan upon entry. These benefit provisions and all other requirements are established by City ordinance. This plan is no longer available to new entrants.

Non-classified Employees Retirement Plan

The Non-classified Employees Retirement Plan is a single-employer defined contribution plan administered by the City, which covers certain non-classified City employees who have elected not to participate in the City's General Employees' Retirement System. The City's current year payroll for employees covered by the plan was approximately \$2,771,000. The total City payroll for the year was approximately \$158,475,000.

The City contribution requirement of 19.89% on earnings of participants was paid on a biweekly basis and amounted to \$568,200 for the current year. Employee contributions are neither required nor permitted under the plan. Employees become fully vested in the plan upon entry. These benefit provisions and all other requirements are established by City ordinance. Effective October 1, 2012 the plan was closed to new entrants.

(16) OTHER POST-EMPLOYMENT BENEFITS:

The City's Other Post-employment Benefits (OPEB) is presented in accordance with GASB Statement 45, "Accounting and Financial Reporting by Employers for Post-employment Benefits Other Than Pensions". The provisions of this pronouncement were implemented prospectively with the actuarially determined liability of \$43,578,232 at the October 1, 2007 date of transition being amortized over 30 years. Accordingly, for financial statement purposes, this liability is not reported at the transition date.

Benefit Description and Funding Policy

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. 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.

Benefit provisions and City contribution requirements are established and may be amended by the City Commission through collective bargaining. As of September 30, 2013, there were 664 retired employees receiving a monthly benefit with an additional 2,096 employees eligible for participation in the future. Payments totaled \$4,290,664 for the year, of which retiree implicit subsidies amounted to \$1,759,708 of that total.

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Annual OPEB Cost, Funding Status and Funding Progress

Annual OPEB Cost (AOC) is a measure of the periodic cost of an employer's participation in a defined benefit OPEB plan. Details of the City's AOC and Net OPEB Obligation (NOO) for the year ended September 30, 2013 follow:

Annual Required Contribution	\$ 6,377,000
Interest on NOO	476,000
Amortization of NOO	(524,000)
Annual OPEB Cost (AOC)	<u>6,329,000</u>
Actual Contributions Made	<u>(4,290,664)</u>
Increase in NOO	2,038,336
NOO Beginning of Year	<u>12,691,151</u>
NOO End of Year	<u>\$ 14,729,487</u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed and the net OPEB obligation for the last three fiscal years follow:

Fiscal Year Ended In:	<u>AOC</u>	<u>Contribution</u>	<u>Percent Contributed</u>	<u>NOO</u>
2013	\$ 6,329,000	\$ 4,290,664	67.8%	\$ 14,729,487
2012	6,021,000	2,847,607	47.3%	12,691,151
2011	6,316,000	2,841,073	45.0%	9,517,758

As of the September 30, 2013, the date of the most recent valuation, the actuarial accrued liability for benefits was \$67,243,000 and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability of \$67,243,000. The payroll for active participating employees for that period was approximately \$138,748,958 and the unfunded actuarial accrued liability as a percentage of payroll was 48.5%.

Actuarial Methods and Assumptions

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Amounts determined regarding the funding status of benefits and the annual required contributions of the City are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. Projections of benefits for financial reporting purposes are based on the substantive plan and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefits between the City and participants. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

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Following are the actuarial methods and significant actuarial assumptions used to determine the annual required contributions for the current year and the information disclosed above about the plan's funded status. The City's current year contribution is based upon a valuation done for the plan as of September 30, 2011.

Actuarial Cost Method	Projected Unit Credit
Amortization Method	Closed
Remaining Amortization Period	25 Years
Investment Rate of Return/ Discount Rate	4.0%
Projected Salary Increases	3.5%
Medical Trend Rate	7.5%
Rate of Inflation	2.5%

Three year historical trend information is presented in a required supplementary information schedule following these notes (see page 85). Separately issued financial statements for the benefits are not available.

(17) DEFERRED COMPENSATION PLAN:

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

(18) OPERATING LEASES:

On September 1, 1962, the City entered into a lease agreement as lessor with Bahia Mar Yachting Center, Inc. (Bahia Mar) for the purpose of constructing and operating a restaurant, lounge, yacht club, motel/hotel, convention hall, marine facilities and other similar businesses. The cost of the property at the inception of the lease was \$552,000. On June 30, 1994, this lease was assumed by RAHN Bahia Mar, LTD. and, as amended, will terminate on August 31, 2062, at which time, all additions to the property originally leased to Bahia Mar will revert to the City. The lease agreement provides for a minimum guaranteed annual rental of \$300,000 per year. In addition, the City receives contingent rentals (\$606,388 in 2013) based upon escalating percentages of gross receipts for the duration of the agreement. Minimum future rentals on this lease as of September 30, 2013 follow:

Fiscal Year Ending in:	Bahia Mar Lease
2014	\$ 300,000
2015	300,000
2016	300,000
2017	300,000
2018	300,000
Later Years	13,200,000
	<u>\$ 14,700,000</u>

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The City has various aviation leases and non-aviation land leases, which are accounted for as operating leases in the Airport Fund. The cost and carrying amount of the property at the inception of the leases were \$2,677,713. Minimum future rentals on these leases as of September 30, 2013 follow:

Fiscal Year Ending in:	Aviation Leases	Land Leases	Total
2014	\$ 2,150,405	\$ 2,236,946	\$ 4,387,351
2015	2,241,939	2,236,946	4,478,885
2016	2,239,256	2,236,946	4,476,202
2017	2,190,237	2,236,946	4,427,183
2018	2,102,303	2,236,946	4,339,249
Later Years	33,414,645	45,351,463	78,766,108
	<u>\$ 44,338,785</u>	<u>\$ 56,536,193</u>	<u>\$ 100,874,978</u>

(19) COMMITMENTS AND CONTINGENT LIABILITIES:

The City has outstanding encumbrances in the governmental funds, as well as, other significant commitments in the various enterprise funds. The following is a summary of these commitments at September 30, 2013:

<u>Governmental Funds</u>		
General Fund		\$ 812,365
Nonmajor Governmental Funds		
Special Revenue Funds		
Law Enforcement Confiscated Property Fund		98,245
Community Redevelopment Agency Fund		35,280
Beach Business Improvement District		24,050
Building Fund		483,314
		<u>640,889</u>
Capital Projects Funds		
General Capital Projects Fund		1,341,536
General Obligation Construction 2005 and 2011A Fund		231,647
Florida Intergovernmental Construction 2002 Fund		8,548
Gas Tax		92,979
Tax Increment Construction 2004 Fund		988
Special Obligation Construction 2008B Fund		677,381
Excise Tax Construction 1998C		72,464
Special Obligation Construction 2011B		337,029
Community Redevelopment Agency Projects Fund		24,546,406
		<u>27,308,978</u>
<u>Enterprise Funds</u>		
Water and Sewer		5,212,389
Nonmajor Enterprise Funds		
Sanitation Fund		721,255
Parking System Fund		7,886,489
Airport Fund		314,567
Stormwater Fund		479,791
		<u>9,402,102</u>
		<u>\$ 43,376,723</u>

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On September 23, 2010, the Federal Emergency Management Agency (FEMA) was notified by the Office of Inspector General, U. S. Department of Homeland Security, after their review of costs claimed for Hurricane Wilma and Hurricane Katrina for the City of Fort Lauderdale, \$15.1 million was deemed questionable.

The City received a package dated May 8, 2012 from the State of Florida Division of Emergency Management showing its intent for the City to repay over \$10,000,000. The City filed an appeal letter dated July 5th, 2012 which was mailed to the State. In FY2012, the City recognized a liability of \$1,104,070, the original amount FEMA had stated needed to be returned for debris.

In a letter dated December 20, 2013 to the Florida Division of Emergency Management from the U.S. Department of Homeland Security, the State was notified the appeal was denied. The City was notified in a letter dated January 17, 2014 from Florida Division of Emergency Management that the appeal of \$9,957,555 was denied. The City has recognized an additional liability of \$8,853,485 in the general fund. The City has 60 days to appeal and intends to file a second appeal. The City firmly believes that the reimbursements from FEMA were justified and has the documentation to support this claim.

The City has not received FEMA reimbursement in the amount of \$654,351 for several eligible projects. To be conservative the City has established a 100% allowance for this receivable thus not reflecting it in the Intergovernmental Revenue Fund financial statements. The establishment of this allowance for uncollectible accounts is not due to the ineligibility of the request but rather due to the uncertainty of FEMA making any additional payments on these disasters.

In FY 2012, the City recognized a liability of \$582,851 in HOME Program funds that did not meet eligibility requirements. The City repaid the liability amount to its HOME line-of-credit account at the Department of Housing and Urban Development in December 2013.

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

(20) SHORT-TERM DEBT:

The City entered into a financial arrangement for a special, limited obligation note with a financial institution in the amount of \$30,000,000 to prefund the FY 2013 annual required contribution (ARC) for the Police and Firefighters' Pension Plan. The short term note interest rate was 1.4% and the debt was paid off on October 15, 2012.

Following is a summary of the City's short-term liabilities for the fiscal year ended September 30, 2013:

	Beginning Balance	Additions	Reductions	Ending Balance
Governmental Activities:				
Notes Payable	\$ 30,000,000	\$ -	\$ (30,000,000)	\$ -

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(21) FORT LAUDERDALE COMMUNITY REDEVELOPMENT AGENCY:

Pursuant to Florida Statute 163.387, listed below is a summary of the sources and amounts of deposits to, and the purpose and amounts of withdrawals from the Community Redevelopment Agency Funds (CRA) for the fiscal year ended September 30, 2013:

	<u>Deposits</u>	<u>Withdrawals</u>
Source of deposits:		
Tax increment revenues	\$ 7,213,072	
Investment income	130,894	
Other	56,834	
Purpose of withdrawals:		
Debt service – principal		\$ 12,461,000
Debt service – interest		131,645
Salaries and benefits		905,493
Professional services		160,242
Leases and rentals		186,489
Utilities and communication		21,227
Advertising		533,286
Industry development		2,040,258
Administrative service fees		1,114
Other contractual services		669,332
Insurance premiums		3,025
Office supplies		2,964
Dues and subscriptions		70,407
Miscellaneous		10,761
	<u>\$ 7,400,800</u>	<u>\$ 17,197,243</u>

(22) DERIVATIVE INSTRUMENTS:

The City has adopted GASB 53 to account for oil future contracts to hedge variability in future cash flows resulting from volatility in gas and diesel fuel prices. Because the fuel hedge is an effective hedge as defined by GASB 53, the unrealized gain (loss) on the fuel hedge is reported on the statement of net position. 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 hedging instruments affected are weekly fuel hedge contracts with a notional amount of 42,000 gallons each with an index of New York Harbor Ultra Low Sulfur Diesel as listed on the NYMEX. As of September 30, 2013, the City had entered into five future contracts. The contracts were purchased on September 18, 2013 and the termination dates range from 30 to 120 days. On average, it costs the City \$32 to acquire a fuel hedge contract. The aggregate fuel hedge contracts cover a rolling 18-month period.

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).

There is no termination or interest rate risk.

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NOTES TO THE FINANCIAL STATEMENTS
September 30, 2013

(23) CHANGE IN ACCOUNTING PRINCIPLE

During the fiscal year ended September 30, 2013, the City implemented the requirements of GASB Statement No. 63 (GASB 63), "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position" and GASB Statement No. 65 (GASB 65), "Items Previously Reported as Assets and Liabilities". GASB 63 is effective for the City's fiscal year ending September 30, 2013 and provides a new statement of net position format to report all assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position (which is the net residual amount of the other elements). This Statement requires that deferred outflows of resources and deferred inflows of resources be reported separately from assets and liabilities. This Statement also amends certain provisions of GASB Statement No. 34 and related pronouncements to reflect the residual measure in the statement of financial position as net position, rather than net assets. As such, the City modified its government-wide and proprietary and fiduciary funds financial statement presentation to incorporate these requirements. GASB 65 is effective for the City's fiscal year ended September 30, 2014, with earlier application being encouraged. The City has implemented this statement retroactively as of its fiscal year ended September 30, 2013. This Statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. This Statement also provides other financial reporting guidance related to the impact of the financial statement elements deferred outflows of resources and deferred inflows of resources, such as changes in the determination of the major fund calculations and limiting the use of the term deferred in financial statement presentations.

During the fiscal year, the City adopted GASB 65, this changed the treatment of debt issuance costs, the classification of related prepaid insurance, and classification of deferred amounts on refunding. With the exception of prepaid insurance, debt issuance costs related to services provided for the issuance of new debt should be expensed as incurred. As such, prior period adjustments were recorded in the Governmental and Business-type Activities and Water and Sewer Fund to account for the accruals from the prior year. The effect of the restatement on net position is presented below:

	<u>Water and Sewer Fund</u>	<u>Business-type Activities Total</u>
Business-type Activities		
Net Position, September 30, 2012 as previously reported	\$ 518,662,889	\$ 667,010,712
Restatement for:		
Deferred Bond Issuance Costs	(5,383,639)	(5,383,639)
Deferred Refunding Amounts	(483,161)	(483,161)
Restated Net Position, October 1, 2012	<u>\$ 512,796,089</u>	<u>\$ 661,143,912</u>

Total net effect on income for the year ended September 30, 2012, for the Water and Sewer Fund and Business-type Activities was a net decrease of \$5,866,800.

Governmental Activities	
Net Position, September 30, 2012 as previously reported	\$ 383,303,160
Restatement for:	
Deferred Bond Issuance Costs	(444,532)
Deferred Refunding Amounts	39,485
Restated Net Position, October 1, 2012	<u>\$ 382,898,113</u>

Total net effect on income for the year ended September 30, 2012, for the Governmental Activities was a net decrease of \$405,047.

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2013

(24) NEW ACCOUNTING PRONOUNCEMENTS

In March 2012, the GASB issued GASB Statement 66, "Technical Corrections – 2012, an amendment of GASB Statements No. 10 and No. 62". The objective of this Statement is to improve accounting and financial reporting for a governmental financial reporting entity by resolving conflicting guidance that resulted from the issuance of two pronouncements, Statements No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions", and GASB Statement No. 62, "Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements". This Statement amends GASB Statement No. 10, by removing the provision that limits fund-based reporting of an entity's risk financing activities to the general fund and the internal service fund type. As a result, governments should base their decisions about fund type classification on the nature of the activity to be reported, as required in GASB Statement No. 54 and GASB Statement No. 34. This Statement also amends GASB Statement No. 62 by modifying the specific guidance on accounting for (1) operating lease payments that vary from a straightline basis, (2) the difference between the initial investment (purchase price) and the principal amount of a purchased loan or group of loans, and (3) servicing fees related to mortgage loans that are sold when the stated service fee rate differs significantly from a current (normal) servicing fee rate. These changes clarify how to apply Statement No. 13, Accounting for Operating Leases with Scheduled Rent Increases, and result in guidance that is consistent with the requirements in Statement No. 48, Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues, respectively. The provisions of this Statement are effective for the City's fiscal year ended September 30, 2014, with earlier application being encouraged.

In June 2012, the GASB issued Statement No. 67, "Financial Reporting for Pension Plans". This Statement replaces the requirements of GASB Statement No. 25 and Statement No. 50 as they relate to pension plans that are administered through trusts or similar arrangements meeting certain criteria. The Statement builds upon the existing framework for financial reports of defined benefit pension plans, which includes a statement of fiduciary net position (the amount held in a trust for paying retirement benefits) and a statement of changes in fiduciary net position. GASB Statement No. 67 enhances note disclosures and RSI for both defined benefit and defined contribution pension plans. GASB Statement No. 67 also requires the presentation of new information about annual money-weighted rates of return in the notes to the financial statements and in 10-year RSI schedules. The provisions of this Statement are effective for the City's Pension Fund fiscal year ending September 30, 2014. Management has not determined what impact, if any, this GASB statement might have on its financial statements.

In June 2012, the GASB issued Statement No. 68, "Accounting and Financial Reporting for Pensions". This Statement replaces the requirements of GASB Statement No. 27 and Statement No. 50, as they relate to governments that provide pensions through pension plans administered as trusts or similar arrangements that meet certain criteria. GASB Statement 68 requires governments providing defined benefit pensions to recognize their longterm obligation for pension benefits as a liability for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits. The Statement also enhances accountability and transparency through revised and new note disclosures and required supplementary information (RSI). The provisions of this Statement are effective for the City's financial year ending September 30, 2015.

CITY OF FORT LAUDERDALE, FLORIDA

BASIC FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2013

In January 2013, the GASB issued Statement No. 69, "Government Combinations and Disposals of Government Operations". This Statement establishes accounting and financial reporting standards related to government combinations and disposals of government operations. This Statement requires the use of carrying values to measure the assets and liabilities in a government merger. This Statement also requires measurements of assets acquired and liabilities assumed generally to be based upon their acquisition values. This Statement also provides guidance for transfers of operations that do not constitute entire legally separate entities and in which no significant consideration is exchanged. This Statement defines the term operations for purposes of determining the applicability of this Statement and requires the use of carrying values to measure the assets and liabilities in a transfer of operations. This Statement provides accounting and financial reporting guidance for disposals of government operations that have been transferred or sold. This Statement requires disclosures to be made about government combinations and disposals of government operations to enable financial statement users to evaluate the nature and financial effects of those transactions. The provisions of this Statement are effective for the City's fiscal year ended September 30, 2015, with earlier application being encouraged.

In April 2013, the GASB issued Statement No. 70, "Accounting and Financial Reporting for Nonexchange Financial Guarantees". The objective of this Statement is to improve accounting and financial reporting by state and local governments that extend and receive nonexchange financial guarantees. This Statement requires a government that extends a nonexchange financial guarantee to recognize a liability when qualitative factors and historical data, if any, indicate that it is more likely than not that the government will be required to make a payment on the guarantee. This liability should be reported until legally released as an obligor. This Statement also requires a government that is required to repay a guarantor for making a payment on a guaranteed obligation or legally assuming the guaranteed obligation to continue to recognize a liability until legally released as an obligor. When released as an obligor, the government should recognize revenue as a result of being relieved of the obligation. This Statement also provides additional guidance for intra-entity nonexchange financial guarantees involving blended component units by specifying the information required to be disclosed by governments that extend nonexchange financial guarantee as well as new information to be disclosed by governments that receive nonexchange financial guarantees. The provisions of this Statement are effective for the City's fiscal year ended September 30, 2014, with earlier application being encouraged.

In November 2013, the GASB issued Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date". The objective of this Statement is to address an issue regarding application of the transition provisions of Statement No. 68. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability. This Statement amends paragraph 137 of Statement No. 68 to require that, at transition, a government recognize a beginning deferred outflow of resources for its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability. Statement No. 68, as amended, continues to require that beginning balances for other deferred outflows of resources and deferred inflows of resources related to pensions be reported at transition only if it is practical to determine all such amounts. The provisions of this Statement are required to be applied simultaneously with the provisions of Statement No. 68 and are effective for the City's financial year ending September 30, 2015.

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



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***REQUIRED
SUPPLEMENTARY
INFORMATION***

CITY OF FORT LAUDERDALE, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

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CITY OF FORT LAUDERDALE, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

**SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended September 30, 2013**

	Budgeted Amounts		Actual Amounts	Variance Positive (Negative)
	Original	Final		
REVENUES				
Taxes:				
Ad Valorem	\$ 93,930,068	\$ 93,930,068	\$ 94,603,070	\$ 673,002
Utility Service	35,346,075	35,346,075	35,881,608	535,533
Franchise Fees	16,400,000	16,400,000	15,380,127	(1,019,873)
Insurance Premium	4,882,276	4,882,276	6,352,818	1,470,542
Total Taxes	150,558,419	150,558,419	152,217,623	1,659,204
Licenses and Permits:				
Business Tax Receipts	2,796,000	2,796,000	2,965,445	169,445
Other Licenses and Permits	304,670	304,670	223,320	(81,350)
Total Licenses and Permits	3,100,670	3,100,670	3,188,765	88,095
Intergovernmental Revenues:				
State				
State Revenue Sharing	6,294,272	6,294,272	5,803,699	(490,573)
Half Cent Sales Tax	9,522,666	9,522,666	9,711,686	189,020
State Other	863,900	863,900	629,925	(233,975)
Local				
Florida Inland Navigation District	-	20,000	20,000	-
County Shared Gas Tax	1,972,387	1,972,387	1,892,288	(80,099)
County Business Tax Receipts	127,750	127,750	165,794	38,044
Total Intergovernmental Revenues	18,780,975	18,800,975	18,223,392	(577,583)
Charges for Services:				
General Government Charges	1,315,512	1,315,512	1,607,320	291,808
Public Safety Charges				
Police Service Fees	253,958	253,958	231,422	(22,536)
Alarm Fees	1,229,276	1,229,276	1,003,290	(225,986)
Fire Fees	1,787,333	1,787,333	1,978,527	191,194
EMS Transport Fees	7,822,542	7,822,542	8,178,397	355,855
Culture/Recreation Charges				
Auditorium	1,453,058	1,453,058	1,113,835	(339,223)
Stadium	40,000	40,000	82,372	42,372
Swimming Pools	763,609	763,609	790,922	27,313
Tennis Courts	712,138	712,138	607,979	(104,159)
Parks	532,600	532,600	412,201	(120,399)
Docks	2,831,221	2,831,221	3,024,545	193,324
Program Fees	1,098,281	1,098,281	1,045,526	(52,755)
Special Events	30,000	30,000	42,468	12,468
Miscellaneous	274,471	274,471	291,401	16,930
Total Charges for Services	20,143,999	20,143,999	20,410,205	266,206
Fines and Forfeitures:				
Court Fines and Forfeitures	1,550,000	3,261,161	2,604,967	(656,194)
Code Enforcement Fines	528,961	528,961	1,126,793	597,832
Other Fines and Forfeitures	55,000	55,000	63,845	8,845
Total Fines and Forfeitures	2,133,961	3,845,122	3,795,605	(49,517)
Miscellaneous Revenue:				
Assessments and Other Fees	20,075,000	20,075,000	20,604,881	529,881
Investment Income	567,000	567,000	421,137	(145,863)
Rents and Concession	2,858,763	2,858,763	3,074,052	215,289
Interfund Service Charges	40,864,419	40,864,419	40,416,731	(447,688)
Other Miscellaneous	3,356,525	3,368,125	3,505,832	137,707
Total Miscellaneous Revenue	67,721,707	67,733,307	68,022,633	289,326
Total Revenues	262,439,731	264,182,492	265,858,223	1,675,731

Continued

CITY OF FORT LAUDERDALE, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - GENERAL FUND For the Year Ended September 30, 2013

	Budgeted Amounts		Actual Amounts	Variance Positive (Negative)
	Original	Final		
EXPENDITURES				
General Government:				
City Attorney	\$ 3,324,082	\$ 3,419,844	\$ 3,177,339	\$ 242,505
City Auditor	824,323	827,323	733,242	94,081
City Clerk	1,081,736	1,197,390	1,064,881	132,509
City Commission	1,063,613	1,066,828	1,030,530	36,298
City Manager	4,283,168	4,286,272	4,236,649	49,623
Finance	6,637,944	6,608,592	6,066,070	542,522
Human Resources	2,132,968	2,126,758	1,964,256	162,502
Parks and Recreation	4,557,903	4,800,887	5,011,658	(210,771)
Transportation and Mobility	1,282,571	2,337,571	1,920,714	416,857
Sustainable Development	2,635,291	2,666,757	2,658,606	8,151
Other General Government	12,408,802	13,129,214	21,611,603	(8,482,389)
Total General Government	40,232,401	42,467,436	49,475,548	(7,008,112)
Public Safety:				
Code Enforcement	2,642,924	2,794,572	2,721,293	73,279
Fire-Rescue	65,043,123	63,910,662	62,392,957	1,517,705
Police	88,412,838	92,981,085	90,541,791	2,439,294
Other Public Safety	-	20,000	37,041	(17,041)
Total Public Safety	156,098,885	159,706,319	155,693,082	4,013,237
Physical Environment:				
Parks and Recreation	125,909	125,909	134,663	(8,754)
Public Works	5,547,585	5,801,737	5,824,063	(22,326)
Total Physical Environment	5,673,494	5,927,646	5,958,726	(31,080)
Transportation:				
Parks and Recreation	3,752,918	4,034,636	4,046,102	(11,466)
Public Works	(42,191)	-	-	-
Total Transportation	3,710,727	4,034,636	4,046,102	(11,466)
Economic Environment:				
Sustainable Development	1,034,342	1,160,079	844,939	315,140
Parks and Recreation	213,673	339,809	435,495	(95,686)
Total Economic Environment	1,248,015	1,499,888	1,280,434	219,454
Culture/Recreation:				
Business Enterprises	(34,189)	-	-	-
Parks and Recreation	28,376,453	29,863,623	29,577,797	285,826
Total Culture/Recreation	28,342,264	29,863,623	29,577,797	285,826
Debt Service				
Interest and Fiscal Charges	351,167	351,167	351,167	-
Total Debt Service	351,167	351,167	351,167	-
Total Expenditures	235,656,953	243,850,715	246,382,856	(2,532,141)
Excess (Deficiency) of Revenues Over Expenditures	26,782,778	20,331,777	19,475,367	(856,410)

Continued

CITY OF FORT LAUDERDALE, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

**SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended September 30, 2013**

	Budgeted Amounts		Actual Amounts	Variance Positive (Negative)
	Original	Final		
OTHER FINANCING SOURCES (USES)				
Transfers In:				
Misc Fed./State/County	\$ -	\$ 172,670	\$ 172,670	\$ -
Building Permit	648,254	648,254	648,254	-
Special Obligation Bonds	16,114,538	-	-	-
Additional Gas Tax	-	685,133	685,133	-
Parking Enterprises	-	369,867	369,867	-
Total Transfers In	16,762,792	1,875,924	1,875,924	-
Transfers Out:				
Community Redevelopment Agency Fund	(3,914,956)	(3,914,956)	(3,905,410)	9,546
Miscellaneous Grants Fund	(455,656)	(372,951)	-	372,951
Special Obligation Bonds Fund	(19,494,241)	(15,036,621)	(15,036,621)	-
Special Obligation Loans Fund	(3,545,271)	(3,545,271)	(3,575,916)	(30,645)
General Capital Projects Fund	(884,000)	(1,169,199)	(1,169,199)	-
Central Services Fund	-	(77,513)	(77,513)	-
Total Transfers Out	(28,294,124)	(24,116,511)	(23,764,659)	351,852
Total Other Financing Sources (Uses)	(11,531,332)	(22,240,587)	(21,888,735)	351,852
Net Change in Fund Balances	15,251,446	(1,908,810)	(2,413,368)	(504,558)
Fund Balance - Beginning of Year	48,437,308	45,384,192	57,269,677	3,393,017
Encumbrances at September 30, 2012	2,944,816	2,944,816	2,944,816	-
Fund Balance - End of Year	\$ 66,633,570	\$ 46,420,198	\$ 57,801,125	\$ 2,888,459

CITY OF FORT LAUDERDALE, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

**SCHEDULE OF FUNDING PROGRESS - EMPLOYEE RETIREMENT SYSTEMS
LAST THREE FISCAL YEARS
(IN MILLIONS)**

GENERAL EMPLOYEES' RETIREMENT SYSTEM

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Liability (AAL) Projected Unit Cost	Unfunded AAL (UAAL)	Funded Ratio	Annual Covered Payroll	UAAL as a % of Covered Payroll
09/30/12	\$ 500.0	\$ 551.3	\$ 51.3	90.7%	\$ 58.3	88.0%
09/30/11	355.7	536.7	181.0	66.3	60.6	298.7
09/30/10	353.5	499.9	146.4	70.7	71.4	205.0

POLICE AND FIREFIGHTERS' RETIREMENT SYSTEM

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Liability (AAL) Projected Unit Cost	Unfunded AAL (UAAL)	Funded Ratio	Annual Covered Payroll	UAAL as a % of Covered Payroll
12/31/12	\$ 692.5	\$ 733.3	\$ 40.8	94.4%	\$ 69.7	58.5%
12/31/11	669.4	724.1	54.7	92.4	65.3	83.8
12/31/10	482.2	674.2	192.0	71.5	62.6	306.7

CITY OF FORT LAUDERDALE, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

**SCHEDULE OF FUNDING PROGRESS – OTHER POST-EMPLOYMENT BENEFITS
LAST THREE FISCAL YEARS
(IN MILLIONS)**

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Liability (AAL) Projected Unit Cost	Unfunded AAL (UAAL)	Funded Ratio	Annual Covered Payroll	UAAL as a % of Covered Payroll
09/30/12	\$ -	\$ 67.2	\$ 67.2	0.0%	\$ 134.6	49.93%
09/30/11	-	65.2	65.2	0.0	141.9	45.95
09/30/10	-	62.2	62.2	0.0	140.1	44.40

CITY OF FORT LAUDERDALE, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION:

(A) Budgetary Data

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

- (1) Prior to August 1, the City Manager submits to the City Commission a proposed operating budget for the fiscal year commencing on October 1. The operating budget includes proposed expenditures and the means of financing them.
- (2) Public hearings are conducted.
- (3) Prior to October 1, the budget is legally enacted.
- (4) The level of control (level at which expenditures may not exceed budget) is the department. The City Manager is authorized to transfer budgeted amounts within departments of any fund. The City Commission must approve any revisions that alter the total expenditures of any department.
- (5) Annual budgets are adopted for all governmental and proprietary funds except the Intergovernmental Revenue, State Housing Initiative Partnership and Law Enforcement Confiscated Property special revenue funds and the capital project funds. The original and final budgets, as presented, include re-appropriated encumbrances of the prior year. The budgets have been adopted on a basis consistent with GAAP with the following exceptions: Budgetary expenditures include GAAP expenditures adjusted for encumbrances at September 30, 2013 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.

(B) Comparison of Budget to Actual Results

As discussed above, certain adjustments are necessary to compare actual data on a GAAP versus budget basis. Adjustments necessary to compare the fund balances of the General Fund at year-end follow:

Statement of revenues, expenditures and changes in fund balance – page 24	\$ 58,613,490
Basis of accounting adjustments encumbrances as of September 30, 2013	<u>(812,365)</u>
Statement of revenues, expenditures and changes in fund balance – budget and actual – page 81	<u>\$ 57,801,125</u>

General Fund had an excess of actual expenditures over budget for the year in the following departments;

Other General Government	\$ 8,482,389
Parks and Recreation Department	57,892
Public Works Department	22,326

***COMBINING
FINANCIAL
STATEMENTS***

Nonmajor Governmental Funds

Special Revenue Funds

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

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

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

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

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

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

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

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

Debt Service Funds

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

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

Special Obligation 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 Bonds Fund – to accumulate monies for payment of the Series 2003 and 2004 Tax Increment Revenue Bonds with remaining principal and interest due in varying amounts until maturity in 2013.

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 1997 – to account for the acquisition or construction of parks and recreation facilities financed through the issuance of long-term debt.

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

Excise Tax Construction Fund 1998C – to account for the acquisition or construction of, or improvements to, major capital facilities financed through the issuance of long-term debt.

Florida Intergovernmental Construction Fund 2002 – to account for the acquisition or construction of, or improvements to, major capital facilities financed through the issuance of long-term debt.

Tax Increment Construction Fund 2004 – to account for the acquisition or construction of major capital facilities in the City's Community Redevelopment Area financed through the issuance of tax increment revenue bonds.

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

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

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

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

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

Permanent Fund

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

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

CITY OF FORT LAUDERDALE, FLORIDA

COMBINING FINANCIAL STATEMENTS

**COMBINING BALANCE SHEET
ALL NONMAJOR GOVERNMENTAL FUNDS
September 30, 2013**

	Special Revenue Funds			
	Law Enforcement Confiscated Property	Community Redevelopment Agency	State Housing Initiative Partnership	Intergovern- mental Revenue
ASSETS				
Cash and Cash Equivalents	\$ 3,549,373	\$ 2,264,943	\$ 711,508	\$ -
Investments	-	2,886,400	-	-
Accounts Receivable (Net)	-	2,356	-	279,364
Accrued Interest Receivable	-	-	-	-
Due from Other Governments	2,097	-	-	9,799,036
Inventory	-	7,208,292	16,667	3,006,578
Total Assets	\$ 3,551,470	\$ 12,361,991	\$ 728,175	\$ 13,084,978
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 39,094	\$ 94,108	\$ 17,162	\$ 2,934,886
Accrued Liabilities	14,668	29,251	-	35,610
Due to Other Governments	-	-	-	1,133,274
Due to Other Funds	-	-	-	3,596,481
Advances from Other Funds	-	25,000	-	-
Deposits	3,764	-	-	4,566
Unearned Revenue	-	-	694,346	1,907,783
Total Liabilities	57,526	148,359	711,508	9,612,600
Deferred Inflows				
Unavailable Grant Revenues	-	-	-	6,738,075
Total Deferred Inflows	-	-	-	6,738,075
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	2,445,598	12,213,632	16,667	3,006,578
Committed	-	-	-	-
Assigned	1,048,346	-	-	-
Unassigned	-	-	-	(6,272,275)
Total Fund Balances	3,493,944	12,213,632	16,667	(3,265,697)
Total Liabilities, Deferred Inflows, and Fund Balances	\$ 3,551,470	\$ 12,361,991	\$ 728,175	\$ 13,084,978

CITY OF FORT LAUDERDALE, FLORIDA

COMBINING FINANCIAL STATEMENTS

Special Revenue Funds			Debt Service Funds		Capital Project Funds
Beach Business Improvement District	Building	School Crossing Guards	General Obligation Bonds	Special Obligation Loans	General Capital Projects
\$ 478,174	\$ 16,367,150	\$ 107,594	\$ 598,925	\$ 5,864	\$ 5,342,913
-	-	-	-	-	-
-	-	-	131,722	-	981,753
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	6,750
\$ 478,174	\$ 16,367,150	\$ 107,594	\$ 730,647	\$ 5,864	\$ 6,331,416
\$ 4,000	\$ 118,177	\$ 70,251	\$ -	\$ -	\$ 306,626
-	149,606	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	156,345	-	-	-	60,895
96	-	-	128,246	-	845,848
4,096	424,128	70,251	128,246	-	1,213,369
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	6,750
-	15,943,022	37,343	602,401	5,864	-
453,443	-	-	-	-	-
20,635	-	-	-	-	5,111,297
-	-	-	-	-	-
474,078	15,943,022	37,343	602,401	5,864	5,118,047
\$ 478,174	\$ 16,367,150	\$ 107,594	\$ 730,647	\$ 5,864	\$ 6,331,416

Continued

CITY OF FORT LAUDERDALE, FLORIDA

COMBINING FINANCIAL STATEMENTS

**COMBINING BALANCE SHEET
ALL NONMAJOR GOVERNMENTAL FUNDS - Continued
September 30, 2013**

	Capital Projects Funds			
	General Obligation Construction 1997	General Obligation Construction 2005 and 2011A	Excise Tax Construction 1998C	Florida Intergovern- mental Construction 2002
ASSETS				
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
Investments	14,940	13,848,213	1,026,338	318,324
Accounts Receivable (Net)	-	-	-	-
Accrued Interest Receivable	-	-	-	-
Due from Other Governments	-	-	-	-
Inventory	-	-	-	-
Total Assets	\$ 14,940	\$ 13,848,213	\$ 1,026,338	\$ 318,324
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 1,244	\$ 193,483	\$ -	\$ -
Accrued Liabilities	-	-	-	-
Due to Other Governments	-	-	-	-
Due to Other Funds	-	5,781	265	-
Advances from Other Funds	-	-	-	-
Deposits	-	-	-	-
Unearned Revenue	-	-	-	-
Total Liabilities	1,244	199,264	265	-
Deferred Inflows				
Unavailable Grant Revenues	-	-	-	-
Total Deferred Inflows	-	-	-	-
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	13,696	13,648,949	1,026,073	318,324
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	13,696	13,648,949	1,026,073	318,324
Total Liabilities, Deferred Inflows, and Fund Balances	\$ 14,940	\$ 13,848,213	\$ 1,026,338	\$ 318,324

CITY OF FORT LAUDERDALE, FLORIDA

COMBINING FINANCIAL STATEMENTS

Capital Projects Funds						Permanent	Total Nonmajor Governmental Funds
Tax Increment Construction 2004	Special Obligation Construction 2008B	Special Obligation Construction 2011A	Community Redevelopment Agency Projects	Gas Tax	Parks Impact Fee Projects	Perpetual Care	
\$ 36,335	\$ -	\$ -	\$ 40,783,101	\$ 1,374,497	\$ 3,634,330	\$ -	\$ 75,254,707
-	4,790,202	4,370,612	-	-	-	23,211,841	50,466,870
-	-	-	-	-	-	-	1,395,195
-	-	-	-	-	-	92,216	92,216
-	-	-	-	-	-	-	9,801,133
-	-	-	-	-	-	-	10,238,287
\$ 36,335	\$ 4,790,202	\$ 4,370,612	\$ 40,783,101	\$ 1,374,497	\$ 3,634,330	\$ 23,304,057	\$ 147,248,408
\$ 36,335	\$ 72,034	\$ 172,507	\$ 80,339	\$ -	\$ 4,284	\$ 191,081	\$ 4,335,611
-	-	-	-	-	-	-	229,135
-	-	-	-	-	-	-	1,133,274
-	-	-	-	-	-	62,893	3,665,420
-	-	-	-	-	-	-	25,000
-	-	-	-	-	-	-	225,570
-	-	-	-	-	-	-	3,576,319
36,335	72,034	172,507	80,339	-	4,284	253,974	13,190,329
-	-	-	-	-	-	-	6,738,075
-	-	-	-	-	-	-	6,738,075
-	-	-	-	-	-	12,457,466	12,464,216
-	4,718,168	4,198,105	40,702,762	1,159,151	3,630,046	10,592,617	114,278,996
-	-	-	-	-	-	-	453,443
-	-	-	-	215,346	-	-	6,395,624
-	-	-	-	-	-	-	(6,272,275)
-	4,718,168	4,198,105	40,702,762	1,374,497	3,630,046	23,050,083	127,320,004
\$ 36,335	\$ 4,790,202	\$ 4,370,612	\$ 40,783,101	\$ 1,374,497	\$ 3,634,330	\$ 23,304,057	\$ 147,248,408

CITY OF FORT LAUDERDALE, FLORIDA

COMBINING FINANCIAL STATEMENTS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES
ALL NONMAJOR GOVERNMENTAL FUNDS
For Fiscal Year Ended September 30, 2013**

	Special Revenue Funds			
	Law Enforcement Confiscated Property	Community Redevelopment Agency	State Housing Initiative Partnership	Intergovern- mental Revenue
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	-	7,213,072	551,164	16,088,591
Charges for Services	231,260	-	-	-
Fines and Forfeitures	478,572	-	-	-
Miscellaneous Revenues				
Assessments and Other Fees	-	-	-	-
Investment Income	8,533	39,574	82,152	1,396
Rents and Concessions	-	-	-	162,853
Other Miscellaneous	29,072	56,834	127,072	686,122
Total Revenues	747,437	7,309,480	760,388	16,938,962
EXPENDITURES				
Current:				
General Government	-	-	-	6,214
Public Safety	1,054,940	-	-	1,108,934
Physical Environment	-	-	-	759,127
Transportation	-	-	-	871,162
Economic Environment	-	2,559,797	1,050,430	14,866,542
Culture/Recreation	-	-	-	125,898
Debt Service:				
Principal Retirement	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Capital Outlay	220,749	-	-	6,337,742
Total Expenditures	1,275,689	2,559,797	1,050,430	24,075,619
Excess (Deficiency) of Revenues Over (Under) Expenditures	(528,252)	4,749,683	(290,042)	(7,136,657)
OTHER FINANCING SOURCES (USES)				
Transfers In	-	6,856,853	34,388	343,462
Transfers (Out)	(20,208)	(7,197,686)	-	(306,535)
Total Other Financing Sources (Uses)	(20,208)	(340,833)	34,388	36,927
Net Change in Fund Balances	(548,460)	4,408,850	(255,654)	(7,099,730)
Fund Balances - Beginning	4,042,404	7,804,782	272,321	3,834,033
Fund Balances - Ending	\$ 3,493,944	\$ 12,213,632	\$ 16,667	\$ (3,265,697)

CITY OF FORT LAUDERDALE, FLORIDA

COMBINING FINANCIAL STATEMENTS

Special Revenue Funds			Debt Service Funds			Capital Project Funds
Beach Business Improvement District	Building	School Crossing Guards	General Obligation Bonds	Special Obligation Loans	Tax Increment Revenue Bonds	General Capital Projects
\$ -	\$ -	\$ -	\$ 4,934,066	\$ -	\$ -	\$ -
-	14,186,094	-	-	-	-	-
-	-	-	-	-	-	-
-	9,976	-	-	-	-	-
-	-	745,088	-	-	-	-
648,196	-	-	-	-	-	563,551
1,246	27,593	(42)	6,632	-	-	21,102
-	-	-	-	-	-	-
-	5	-	-	-	-	89,124
<u>649,442</u>	<u>14,223,668</u>	<u>745,046</u>	<u>4,940,698</u>	-	-	<u>673,777</u>
-	-	707,703	-	-	-	4,839
-	-	-	-	-	-	-
-	6,314,579	-	-	-	-	-
-	-	-	-	-	-	-
327,571	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	3,125,000	3,214,900	12,461,000	1,334,738
-	-	-	1,724,271	754,251	132,759	-
-	39,780	-	-	-	-	2,115,545
<u>327,571</u>	<u>6,354,359</u>	<u>707,703</u>	<u>4,849,271</u>	<u>3,969,151</u>	<u>12,593,759</u>	<u>3,455,122</u>
<u>321,871</u>	<u>7,869,309</u>	<u>37,343</u>	<u>91,427</u>	<u>(3,969,151)</u>	<u>(12,593,759)</u>	<u>(2,781,345)</u>
-	-	-	-	3,973,151	1,785,904	1,303,064
-	(1,393,816)	-	-	-	-	(49,304)
-	(1,393,816)	-	-	3,973,151	1,785,904	1,253,760
<u>321,871</u>	<u>6,475,493</u>	<u>37,343</u>	<u>91,427</u>	<u>4,000</u>	<u>(10,807,855)</u>	<u>(1,527,585)</u>
<u>152,207</u>	<u>9,467,529</u>	<u>-</u>	<u>510,974</u>	<u>1,864</u>	<u>10,807,855</u>	<u>6,645,632</u>
<u>\$ 474,078</u>	<u>\$ 15,943,022</u>	<u>\$ 37,343</u>	<u>\$ 602,401</u>	<u>\$ 5,864</u>	<u>\$ -</u>	<u>\$ 5,118,047</u>

Continued

CITY OF FORT LAUDERDALE, FLORIDA

COMBINING FINANCIAL STATEMENTS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES
ALL NONMAJOR GOVERNMENTAL FUNDS - Continued
For Fiscal Year Ended September 30, 2013**

	Capital Projects Funds				
	General Obligation Construction 1997	General Obligation Construction 2005 and 2011A	Excise Tax Construction 1998C	Florida Intergovern- mental Construction 2002	Tax Increment Construction 2004
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-	-
Intergovernmental Revenues	-	-	-	-	-
Charges for Services	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-
Miscellaneous Revenues					
Assessments and Other Fees	-	-	-	-	-
Investment Income	6	1,572	413	130	3,245
Rents and Concessions	-	-	-	-	-
Other Miscellaneous	-	-	-	-	-
Total Revenues	6	1,572	413	130	3,245
EXPENDITURES					
Current:					
General Government	72	1,754	54	2	2,133
Public Safety	-	-	-	-	-
Physical Environment	-	-	-	-	-
Transportation	-	-	-	-	-
Economic Environment	-	-	-	-	-
Culture/Recreation	-	-	-	-	-
Debt Service:					
Principal Retirement	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
Capital Outlay	(3,681)	1,512,440	127,712	(14,025)	674,998
Total Expenditures	(3,609)	1,514,194	127,766	(14,023)	677,131
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,615	(1,512,622)	(127,353)	14,153	(673,886)
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	-	-	-
Transfers (Out)	-	-	-	-	(2,951,443)
Total Other Financing Sources (Uses)	-	-	-	-	(2,951,443)
Net Change in Fund Balances	3,615	(1,512,622)	(127,353)	14,153	(3,625,329)
Fund Balances - Beginning	10,081	15,161,571	1,153,426	304,171	3,625,329
Fund Balances - Ending	\$ 13,696	\$ 13,648,949	\$ 1,026,073	\$ 318,324	\$ -

CITY OF FORT LAUDERDALE, FLORIDA

COMBINING FINANCIAL STATEMENTS

Capital Projects Funds					Permanent		
Special Obligation Construction 2008B	Special Obligation Construction 2011A	Community Redevelopment Agency Projects	Gas Tax	Parks Impact Fee Projects	Perpetual Care	Total Nonmajor Governmental Funds	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	4,934,066
-	-	-	-	-	-	-	14,186,094
-	-	-	740,000	-	-	-	24,592,827
-	-	-	-	-	-	-	241,236
-	-	-	-	-	-	-	1,223,660
-	-	-	-	3,049,850	-	-	4,261,597
2,828	3,048	88,074	3,459	4,832	1,737,495	-	2,033,288
-	-	-	-	-	-	-	162,853
-	-	-	-	-	578,095	-	1,566,324
<u>2,828</u>	<u>3,048</u>	<u>88,074</u>	<u>743,459</u>	<u>3,054,682</u>	<u>2,315,590</u>	-	<u>53,201,945</u>
1,526	238	1,295	-	61	-	-	725,891
-	-	-	-	-	-	-	2,163,874
-	-	-	-	-	855,772	-	7,929,478
-	-	-	-	-	-	-	871,162
-	-	-	-	-	-	-	18,804,340
-	-	-	-	-	-	-	125,898
-	-	-	-	-	-	-	20,135,638
-	-	-	-	-	-	-	2,611,281
<u>1,045,378</u>	<u>2,284,877</u>	<u>1,365,260</u>	<u>69,804</u>	<u>126,301</u>	<u>70,814</u>	-	<u>15,973,694</u>
<u>1,046,904</u>	<u>2,285,115</u>	<u>1,366,555</u>	<u>69,804</u>	<u>126,362</u>	<u>926,586</u>	-	<u>69,341,256</u>
<u>(1,044,076)</u>	<u>(2,282,067)</u>	<u>(1,278,481)</u>	<u>673,655</u>	<u>2,928,320</u>	<u>1,389,004</u>	-	<u>(16,139,311)</u>
-	-	5,221,204	-	-	-	-	19,518,026
-	-	(2,850)	(685,133)	-	-	-	(12,606,975)
-	-	<u>5,218,354</u>	<u>(685,133)</u>	-	-	-	<u>6,911,051</u>
<u>(1,044,076)</u>	<u>(2,282,067)</u>	<u>3,939,873</u>	<u>(11,478)</u>	<u>2,928,320</u>	<u>1,389,004</u>	-	<u>(9,228,260)</u>
<u>5,762,244</u>	<u>6,480,172</u>	<u>36,762,889</u>	<u>1,385,975</u>	<u>701,726</u>	<u>21,661,079</u>	-	<u>136,548,264</u>
<u>\$ 4,718,168</u>	<u>\$ 4,198,105</u>	<u>\$ 40,702,762</u>	<u>\$ 1,374,497</u>	<u>\$ 3,630,046</u>	<u>\$ 23,050,083</u>	-	<u>\$ 127,320,004</u>



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Nonmajor Enterprise Funds and Internal Service Funds

Enterprise Funds

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

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

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

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

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

Internal Service Funds

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

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

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

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

CITY OF FORT LAUDERDALE, FLORIDA

COMBINING FINANCIAL STATEMENTS

COMBINING STATEMENT OF NET POSITION NONMAJOR PROPRIETARY FUNDS September 30, 2013

	Sanitation	Parking System	Airport	Stormwater	Total Nonmajor Enterprise Funds
ASSETS					
Current Assets:					
Cash and Cash Equivalents	\$ 10,937,059	\$ 17,759,062	\$ 21,393,016	\$ 15,943,442	\$ 66,032,579
Restricted Cash and Cash Equivalents	1,041,444	40,813	120,632	-	1,202,889
Accounts Receivable - (Net)	1,531,868	-	-	1,237,245	2,769,113
Due from Other Governments	223,107	-	65,149	154,999	443,255
Prepaid Items	-	-	214,870	-	214,870
Total Current Assets	13,733,478	17,799,875	21,793,667	17,335,686	70,662,706
Noncurrent Assets:					
Restricted Assets:					
Cash and Cash Equivalents	-	44,788	1,689,820	-	1,734,608
Total Restricted Assets	-	44,788	1,689,820	-	1,734,608
Investment in Joint Venture	-	789,437	-	-	789,437
	-	789,437	-	-	789,437
Capital Assets:					
Land	1,006,568	14,679,983	2,677,713	6,052,071	24,416,335
Construction in Progress	-	531,293	1,286,915	692,664	2,510,872
Building	685,014	28,173,662	9,241,518	-	38,100,194
Improvements	2,010,482	4,416,289	47,680,064	13,234,938	67,341,773
Machinery, Equipment and Vehicles	1,166,977	5,822,537	1,654,714	873,796	9,518,024
Less: Accumulated Depreciation	(2,232,187)	(25,109,275)	(30,178,997)	(5,658,560)	(63,179,019)
Total Capital Assets (Net)	2,636,854	28,514,489	32,361,927	15,194,909	78,708,179
Total Noncurrent Assets	2,636,854	29,348,714	34,051,747	15,194,909	81,232,224
Total Assets	16,370,332	47,148,589	55,845,414	32,530,595	151,894,930
LIABILITIES					
Current Liabilities:					
Accounts Payable	610,280	341,511	343,335	191,857	1,486,983
Accrued Liabilities	122,631	134,521	40,447	51,754	349,353
Unearned Revenues	-	-	-	228,097	228,097
Compensated Absences Payable	91,128	67,234	32,531	42,994	233,887
Estimated Landfill Post-Closure Costs	34,206	-	-	-	34,206
Current Liabilities Payable from Restricted Assets:					
Deposits	1,041,444	40,813	120,632	-	1,202,889
Total Current Liabilities	1,899,689	584,079	536,945	514,702	3,535,415
Noncurrent Liabilities:					
Net OPEB Obligation	430,955	457,660	109,249	145,675	1,143,539
Compensated Absences Payable	345,683	379,454	218,317	191,763	1,135,217
Estimated Landfill Post-Closure Costs	950,751	-	-	-	950,751
Total Noncurrent Liabilities	1,727,389	837,114	327,566	337,438	3,229,507
Total Liabilities	3,627,078	1,421,193	864,511	852,140	6,764,922
NET POSITION					
Net Investment in Capital Assets	2,636,854	28,514,489	32,361,927	15,194,909	78,708,179
Restricted:					
Renewal and Replacement	-	44,788	-	-	44,788
Capital Improvements	-	-	1,689,820	-	1,689,820
Unrestricted	10,106,400	17,168,119	20,929,156	16,483,546	64,687,221
Total Net Position	\$ 12,743,254	\$ 45,727,396	\$ 54,980,903	\$ 31,678,455	\$ 145,130,008

CITY OF FORT LAUDERDALE, FLORIDA

COMBINING FINANCIAL STATEMENTS

**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
NONMAJOR PROPRIETARY FUNDS
For Fiscal Year Ended September 30, 2013**

	Sanitation	Parking System	Airport	Stormwater	Total Nonmajor Enterprise Funds
Operating Revenues:					
Charges for Services	\$ 14,891,175	\$ 11,692,106	\$ 3,605,011	\$ 5,452,140	\$ 35,640,432
Equity in Joint Venture	-	78,191	-	-	78,191
Private Collectors Operating Fees	3,442,317	-	-	-	3,442,317
Parking Citations	-	2,562,335	-	-	2,562,335
Land Leases	-	-	3,519,899	-	3,519,899
Miscellaneous Income	4,956,979	182,971	629,774	13,838	5,783,562
Total Operating Revenues	23,290,471	14,515,603	7,754,684	5,465,978	51,026,736
Operating Expenses:					
Personal Services	4,829,089	4,656,774	1,398,468	1,927,665	12,811,996
Material, Supplies, and Operating expenses	13,199,729	7,420,671	6,212,650	3,108,189	29,941,239
Depreciation	441,842	1,260,369	3,488,421	915,496	6,106,128
Total Operating Expenses	18,470,660	13,337,814	11,099,539	5,951,350	48,859,363
Operating Income (Loss)	4,819,811	1,177,789	(3,344,855)	(485,372)	2,167,373
Nonoperating Revenues (Expenses):					
Interest Income	50,300	38,114	115,606	(26,228)	177,792
Intergovernmental Revenues	-	-	255,748	49,767	305,515
Gain (Loss) on Disposal	(25,582)	(35,548)	(80,301)	(29,688)	(171,119)
Total Nonoperating Revenues (Expenses)	24,718	2,566	291,053	(6,149)	312,188
Income Before Contributions and Transfers	4,844,529	1,180,355	(3,053,802)	(491,521)	2,479,561
Capital Contributions	-	-	256,408	33,032	289,440
Transfers In	3,145,943	391,225	741,153	1,330,469	5,608,790
Transfers Out	(678,009)	(1,331,595)	(167,705)	(275,312)	(2,452,621)
Change in Net Position	7,312,463	239,985	(2,223,946)	596,668	5,925,170
Total Net Position - Beginning	5,430,791	45,487,411	57,204,849	31,081,787	139,204,838
Total Net Position - Ending	\$ 12,743,254	\$ 45,727,396	\$ 54,980,903	\$ 31,678,455	\$ 145,130,008

CITY OF FORT LAUDERDALE, FLORIDA

COMBINING FINANCIAL STATEMENTS

**COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
For Fiscal Year Ended September 30, 2013**

	Sanitation	Parking System	Airport	Stormwater	Total Nonmajor Enterprise Funds
Cash Flows from Operating Activities					
Receipts from Customers and Users	\$ 23,251,024	\$ 14,437,831	\$ 7,765,684	\$ 5,338,382	\$ 50,792,921
Payments to Suppliers	(9,480,483)	(2,624,439)	(3,413,212)	(868,493)	(16,386,627)
Payments to Employees	(4,648,502)	(4,526,340)	(1,279,265)	(1,926,331)	(12,380,438)
Payments to Other Funds	(3,968,438)	(4,724,366)	(3,094,161)	(2,155,094)	(13,942,059)
Net Cash Provided (Used) by Operating Activities	5,153,601	2,562,686	(20,954)	388,464	8,083,797
Cash Flows from Noncapital Financing Activities					
Intergovernmental Revenues	-	-	1,306,860	49,767	1,356,627
Transfers (to) from Other Funds	2,467,934	(940,370)	573,448	1,055,157	3,156,169
Net Cash Provided (Used) by Noncapital Financing Activities	2,467,934	(940,370)	1,880,308	1,104,924	4,512,796
Cash Flows from Capital and Related Financing Activities					
Acquisition/Construction of Capital Assets	(738,608)	(1,149,475)	(1,096,898)	(768,795)	(3,753,776)
Contributions	-	-	256,408	148,055	404,463
Investment in Joint Venture	-	126,660	-	-	126,660
Net Cash (Used) Provided by Capital and Related Financing Activities	(738,608)	(1,022,815)	(840,490)	(620,740)	(3,222,653)
Cash Flows from Investing Activities					
Interest Income on Investments	50,300	38,114	115,606	(26,228)	177,792
Net Cash (Used) Provided by Investing Activities	50,300	38,114	115,606	(26,228)	177,792
Net Increase (Decrease) in Cash and Cash Equivalents	6,933,227	637,615	1,134,470	846,420	9,551,732
Cash and Cash Equivalents at Beginning of Year	5,045,276	17,207,048	22,068,998	15,097,022	59,418,344
Cash and Cash Equivalents at End of Year	\$ 11,978,503	\$ 17,844,663	\$ 23,203,468	\$ 15,943,442	\$ 68,970,076

Continued

CITY OF FORT LAUDERDALE, FLORIDA

COMBINING FINANCIAL STATEMENTS

**COMBINING STATEMENT OF CASH FLOWS - Continued
NONMAJOR PROPRIETARY FUNDS
For Fiscal Year Ended September 30, 2013**

	Sanitation	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)	\$ 4,819,811	\$ 1,177,789	\$ (3,344,855)	\$ (485,372)	\$ 2,167,373
Depreciation	441,842	1,260,369	3,488,421	915,496	6,106,128
Equity in Earnings on Unconsolidated Joint Venture	-	(78,191)	-	-	(78,191)
Change in Assets and Liabilities:					
(Increase) in Accounts Receivable	(11,430)	-	-	(151,890)	(163,320)
(Increase) Decrease in Due from Other Governments	(60,234)	695	-	-	(59,539)
(Increase) in Prepaid Expenses	-	-	(214,869)	-	(214,869)
Increase (Decrease) in Accounts Payable	(214,778)	71,865	(79,854)	84,602	(138,165)
Increase (Decrease) in Accrued Liabilities	19,247	(851)	6,631	15,571	40,598
Increase in Unearned Revenues	-	-	-	24,294	24,294
Increase (Decrease) in Deposits	32,217	(275)	11,000	-	42,942
Increase in Net OPEB Obligation	137,028	78,728	27,315	38,143	281,214
Increase (Decrease) in Compensated Absences and Longevity	24,312	52,557	85,257	(52,380)	109,746
(Decrease) in Landfill Post-Closure Costs	(34,414)	-	-	-	(34,414)
Total Adjustments	333,790	1,384,897	3,323,901	873,836	5,916,424
Net Cash Provided (Used) by Operating Activities	\$ 5,153,601	\$ 2,562,686	\$ (20,954)	\$ 388,464	\$ 8,083,797

CITY OF FORT LAUDERDALE, FLORIDA

COMBINING FINANCIAL STATEMENTS

**COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
September 30, 2013**

	City Insurance	Central Services	Vehicle Rental	Total
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$ 37,074,247	\$ 2,560,206	\$ 13,142,965	\$ 52,777,418
Accounts Receivable (Net)	60	4,939	-	4,999
Inventory	-	2,319	-	2,319
Deposits	125,000	-	-	125,000
Total Current Assets	37,199,307	2,567,464	13,142,965	52,909,736
Capital Assets:				
Buildings	-	-	962,879	962,879
Improvements Other Than Building	-	652,462	724,255	1,376,717
Machinery, Equipment and Vehicles	176,385	6,627,179	47,055,843	53,859,407
Construction in Progress	-	186,838	-	186,838
Less Accumulated Depreciation	(113,985)	(6,058,922)	(37,829,671)	(44,002,578)
Total Capital Assets (Net)	62,400	1,407,557	10,913,306	12,383,263
DEFERRED OUTFLOWS				
Accumulated Decrease in Fair Value of				
Derivative Instruments	-	-	6,502	6,502
Total Deferred Outflows	-	-	6,502	6,502
Total Assets and Deferred Outflows	37,261,707	3,975,021	24,062,773	65,299,501
LIABILITIES				
Current Liabilities:				
Accounts Payable	361,086	561,296	943,311	1,865,693
Accrued Liabilities	39,007	202,570	7,608	249,185
Derivative Instruments	-	-	6,502	6,502
Compensated Absences Payable	25,157	149,509	1,711	176,377
Estimated Claims Payable	9,405,157	-	-	9,405,157
Total Current Liabilities	9,830,407	913,375	959,132	11,702,914
Noncurrent Liabilities:				
Net OPEB Obligation	72,837	382,996	24,274	480,107
Compensated Absences Payable	118,753	730,789	12,842	862,384
Estimated Claims Payable	24,361,899	-	-	24,361,899
Total Noncurrent Liabilities	24,553,489	1,113,785	37,116	25,704,390
Total Liabilities	34,383,896	2,027,160	996,248	37,407,304
NET POSITION				
Net Investment in Capital Assets	62,400	1,407,557	10,913,306	12,383,263
Unrestricted	2,815,411	540,304	12,153,219	15,508,934
Total Net Position	\$ 2,877,811	\$ 1,947,861	\$ 23,066,525	\$ 27,892,197

CITY OF FORT LAUDERDALE, FLORIDA

COMBINING FINANCIAL STATEMENTS

**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
For Fiscal Year Ended September 30, 2013**

	City Insurance	Central Services	Vehicle Rental	Total
Operating Revenues:				
Charges for Services	\$ 29,737,968	\$ 15,316,150	\$ 17,002,240	\$ 62,056,358
Miscellaneous Revenues	12,365	58,036	537,754	608,155
Total Operating Revenues	29,750,333	15,374,186	17,539,994	62,664,513
Operating Expenses:				
Personal Services	1,273,661	7,781,786	336,744	9,392,191
Current Expenses	39,691,798	5,343,367	12,457,586	57,492,751
Depreciation	10,400	417,933	3,653,852	4,082,185
Total Operating Expenses	40,975,859	13,543,086	16,448,182	70,967,127
Operating Income (Loss)	(11,225,526)	1,831,100	1,091,812	(8,302,614)
Nonoperating Revenues (Expenses)				
Interest Income	94,644	2,875	45,807	143,326
Gain (Loss) on Disposal	(2,717)	-	(259,841)	(262,558)
Total Nonoperating Revenues (Expenses)	91,927	2,875	(214,034)	(119,232)
Income (Loss) Before Transfers	(11,133,599)	1,833,975	877,778	(8,421,846)
Transfers In	12,216	181,405	-	193,621
Transfers (Out)	(146,054)	(1,582,267)	(11,522,425)	(13,250,746)
Change in Net Position	(11,267,437)	433,113	(10,644,647)	(21,478,971)
Total Net Position - Beginning	14,145,248	1,514,748	33,711,172	49,371,168
Total Net Position - Ending	\$ 2,877,811	\$ 1,947,861	\$ 23,066,525	\$ 27,892,197

CITY OF FORT LAUDERDALE, FLORIDA

COMBINING FINANCIAL STATEMENTS

**COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For Fiscal Year Ended September 30, 2013**

	City Insurance	Central Services	Vehicle Rental	Total
Cash Flows from Operating Activities				
Receipts from Customers and Users	\$ 29,750,333	\$ 15,371,990	\$ 17,549,775	\$ 62,672,098
Payments to Suppliers	(35,173,749)	(4,989,992)	(10,101,384)	(50,265,125)
Payments to Employees	(1,215,262)	(6,565,803)	(337,745)	(8,118,810)
Payments to Other Funds	(3,638,014)	-	(1,857,136)	(5,495,150)
Net Cash Provided by Operating Activities	(10,276,692)	3,816,195	5,253,510	(1,206,987)
Cash Flows from Noncapital Financing Activities				
Transfers (to) from Other Funds	(133,838)	(1,400,862)	(11,522,425)	(13,057,125)
Net Cash Provided (Used) by Noncapital Financing Activities	(133,838)	(1,400,862)	(11,522,425)	(13,057,125)
Cash Flows from Capital and Related Financing Activities				
Acquisition/Construction of Capital Assets	-	(1,408,836)	1,179,610	(229,226)
Net Cash (Used) by Capital and Related Financing Activities	-	(1,408,836)	1,179,610	(229,226)
Cash Flows from Investing Activities				
Interest Income on Investments	94,644	2,875	45,807	143,326
Net Cash Provided (Used) By Investing Activities	94,644	2,875	45,807	143,326
Net (Decrease) in Cash and Cash Equivalents	(10,315,886)	1,009,372	(5,043,498)	(14,350,012)
Cash and Cash Equivalents at Beginning of Year	47,390,133	1,550,834	18,186,463	67,127,430
Cash and Cash Equivalents at End of Year	\$ 37,074,247	\$ 2,560,206	\$ 13,142,965	\$ 52,777,418

Continued

CITY OF FORT LAUDERDALE, FLORIDA

COMBINING FINANCIAL STATEMENTS

**COMBINING STATEMENT OF CASH FLOWS - Continued
INTERNAL SERVICE FUNDS
For Fiscal Year Ended September 30, 2013**

	City Insurance	Central Services	Vehicle Rental	Total
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities				
Operating Income (Loss)	\$ (11,225,526)	\$ 1,831,100	\$ 1,091,812	\$ (8,302,614)
Depreciation	10,400	417,933	3,653,852	4,082,185
Change in Assets and Liabilities:				
(Increase) Decrease in Accounts Receivable	-	(2,196)	9,781	7,585
(Increase) in Inventories	-	(2,319)	-	(2,319)
Increase in Accounts Payable	95,392	355,694	499,066	950,152
Increase (Decrease) in Accrued Liabilities	8,244	167,098	(3,085)	172,257
Increase in Net OPEB Obligation	21,628	315,809	3,790	341,227
Increase (Decrease) in Compensated Absences and Longevity	28,527	733,076	(1,706)	759,897
Increase in Claims Payable	784,643	-	-	784,643
Total Adjustments	948,834	1,985,095	4,161,698	7,095,627
Net Cash Provided (Used) by Operating Activities	\$ (10,276,692)	\$ 3,816,195	\$ 5,253,510	\$ (1,206,987)



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Fiduciary Funds

Pension Trust Funds

The pension trust funds are used to account for the accumulation of resources to be used for retirement benefit payments to City employees.

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.

Agency Fund

Arts and Science District Garage Fund – to account for the operations of the Arts and Science District Garage.

CITY OF FORT LAUDERDALE, FLORIDA

COMBINING FINANCIAL STATEMENTS

**COMBINING STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FIDUCIARY FUNDS
September 30, 2013**

	General Employees'	Police and Firefighters'	Total Pension
ASSETS			
Cash and Cash Equivalents	\$ 3,117	\$ 29,157,143	\$ 29,160,260
Investments, at fair value:			
U.S. Treasury Securities	-	49,158,591	49,158,591
U.S. Government Agency Obligations	37,421,326	22,529,851	59,951,177
Corporate Bonds and Other Fixed Income	29,879,347	122,887,029	152,766,376
Money Market Funds	10,770,930	-	10,770,930
Mutual Funds & Other	95,068,441	64,837,178	159,905,619
Common Stock	333,864,240	124,256,408	458,120,648
Commingled Funds	43,166,098	117,384,485	160,550,583
Fund of Funds	-	97,662,285	97,662,285
Real Estate	2,910,000	66,703,677	69,613,677
Venture Capital & Partnerships	-	55,992,493	55,992,493
	<u>553,080,382</u>	<u>721,411,997</u>	<u>1,274,492,379</u>
Receivables:			
Accounts	3,058,051	137,536	3,195,587
Accrued Interest and Dividends	856,793	2,264,819	3,121,612
Contributions	-	471,260	471,260
Deposits	3,850	-	3,850
Capital Assets (Net of Accumulated Depreciation)	13,618	-	13,618
Total Assets	<u>557,015,811</u>	<u>753,442,755</u>	<u>1,310,458,566</u>
LIABILITIES			
Accounts Payable	3,018,610	1,962,462	4,981,072
Accrued Liabilities	6,882	9,595	16,477
Due to Primary Government	2,129,920	4,070,312	6,200,232
Deposits	17,402	-	17,402
Unearned Revenues	-	13,274,563	13,274,563
Total Liabilities	<u>5,172,814</u>	<u>19,316,932</u>	<u>24,489,746</u>
Net Position - Held in Trust for Pension Benefits	<u>\$ 551,842,997</u>	<u>\$ 734,125,823</u>	<u>\$ 1,285,968,820</u>

CITY OF FORT LAUDERDALE, FLORIDA

COMBINING FINANCIAL STATEMENTS

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION TRUST FIDUCIARY FUNDS
September 30, 2013**

	General Employees'	Police and Firefighters'	Total Pension
ADDITIONS			
Contributions:			
City	\$ 159,943,525	\$ 188,241,999	\$ 348,185,524
Employee	3,509,882	5,608,963	9,118,845
State	-	6,352,818	6,352,818
County	6,816	-	6,816
Total Contributions	163,460,223	200,203,780	363,664,003
Investment Income:			
Net Appreciation in Fair Value of Investments	63,877,980	67,918,600	131,796,580
Interest and Dividends	10,967,643	13,723,106	24,690,749
Other	278,442	2,867,660	3,146,102
Total Investment Earnings	75,124,065	84,509,366	159,633,431
Less: Investment Expenses			
	2,901,610	1,848,822	4,750,432
Total Investment Expenses	2,901,610	1,848,822	4,750,432
Net Investment Income	72,222,455	82,660,544	154,882,999
Other Income	28,586	14,709	43,295
Total Additions	235,711,264	282,879,033	518,590,297
DEDUCTIONS			
Benefits:			
Retirement	32,689,575	38,999,823	71,689,398
Disability	399,885	954,482	1,354,367
Death	2,755,017	3,251,866	6,006,883
Total Benefits	35,844,477	43,206,171	79,050,648
Refunds	133,231	211,617	344,848
Administrative Expense	441,784	666,941	1,108,725
Total Deductions	36,419,492	44,084,729	80,504,221
Change in Net Position	199,291,772	238,794,304	438,086,076
Net Position - Beginning of Year	352,551,225	495,331,519	847,882,744
Net Position - End of Year	\$ 551,842,997	\$ 734,125,823	\$ 1,285,968,820

CITY OF FORT LAUDERDALE, FLORIDA

COMBINING FINANCIAL STATEMENTS

**STATEMENT OF CHANGE IN ASSETS AND LIABILITIES
ARTS AND SCIENCE DISTRICT GARAGE AGENCY FUND
For Fiscal Year Ended September 30, 2013**

	<u>Balance Beginning of Period</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance End of Period</u>
ASSETS				
Cash and Cash Equivalents	\$ 18,995	\$ 1,067,698	\$ 1,078,369	\$ 8,324
Due from Other Governments	7,013	55,757	7,013	55,757
Total Assets	<u>\$ 26,008</u>	<u>\$ 1,123,455</u>	<u>\$ 1,085,382</u>	<u>\$ 64,081</u>
LIABILITIES				
Accounts Payable	\$ 14,303	\$ 63,130	\$ 14,303	\$ 63,130
Accrued Liabilities	3,339	807	3,339	807
Due to Other Governments	6,951	-	6,951	-
Compensated Absences	1,415	144	1,415	144
Total Liabilities	<u>\$ 26,008</u>	<u>\$ 64,081</u>	<u>\$ 26,008</u>	<u>\$ 64,081</u>

***OTHER FINANCIAL
INFORMATION***

CITY OF FORT LAUDERDALE, FLORIDA

OTHER FINANCIAL INFORMATION

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CITY OF FORT LAUDERDALE, FLORIDA

OTHER FINANCIAL INFORMATION

**BUDGETARY COMPARISON SCHEDULE
LAW ENFORCEMENT CONFISCATED PROPERTY
For Fiscal Year Ended September 30, 2013**

	Final Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Charges for Services	\$ -	\$ 231,260	231,260
Fines and Forfeitures	-	478,572	478,572
Miscellaneous:			
Investment Income	-	8,533	8,533
Other Miscellaneous Revenues	-	29,072	29,072
Total Revenues	-	747,437	747,437
EXPENDITURES			
Current:			
Public Safety	1,864,523	1,054,940	809,583
Capital Outlay	444,472	220,749	223,723
Total Expenditures	2,308,995	1,275,689	1,033,306
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (2,308,995)	\$ (528,252)	\$ 1,780,743
OTHER FINANCING SOURCES (USES)			
Transfers (Out)	(20,208)	(20,208)	-
Total Other Financing Sources and (Uses)	(20,208)	(20,208)	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (2,329,203)	\$ (548,460)	\$ 1,780,743

CITY OF FORT LAUDERDALE, FLORIDA

OTHER FINANCIAL INFORMATION

**BUDGETARY COMPARISON SCHEDULE
COMMUNITY REDEVELOPMENT AGENCY
For Fiscal Year Ended September 30, 2013**

	Final Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Intergovernmental Revenues	\$ 7,169,593	\$ 7,213,072	\$ 43,479
Miscellaneous:			
Investment Income	33,500	39,574	6,074
Other Miscellaneous Revenues	1,763	56,834	55,071
Total Revenues	7,204,856	7,309,480	104,624
EXPENDITURES			
Current:			
Economic Environment	3,412,934	2,559,797	853,137
Total Expenditures	3,412,934	2,559,797	853,137
Excess (Deficiency) of Revenues Over Expenditures	3,791,922	4,749,683	957,761
OTHER FINANCING SOURCES (USES)			
Transfers In	6,765,021	6,856,853	91,832
Transfers (Out)	(7,904,919)	(7,197,686)	707,233
Total Other Financing Sources and (Uses)	(1,139,898)	(340,833)	799,065
Excess (Deficiency) of Revenues and Other Financing Sources (Uses) Over (Under) Expenditures	\$ 2,652,024	\$ 4,408,850	\$ 1,756,826

CITY OF FORT LAUDERDALE, FLORIDA

OTHER FINANCIAL INFORMATION

**BUDGETARY COMPARISON SCHEDULE
STATE HOUSING INITIATIVE PARTNERSHIP
For Fiscal Year Ended September 30, 2013**

	Final Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Intergovernmental Revenues	\$ 551,164	\$ 551,164	\$ -
Miscellaneous:			
Investment Income	82,152	82,152	-
Other Miscellaneous Revenues	127,072	127,072	-
Total Revenues	760,388	760,388	-
EXPENDITURES			
Current:			
Economic Environment	1,050,430	1,050,430	-
Total Expenditures	1,050,430	1,050,430	-
Excess of Revenues Over Expenditures	(290,042)	(290,042)	-
OTHER FINANCING SOURCES (USES)			
Transfers In	-	34,388	34,388
Total Other Financing Sources and (Uses)	-	34,388	34,388
Excess (Deficiency) of Revenues and Other Financing Sources (Uses) Over (Under) Expenditures	\$ (290,042)	\$ (255,654)	\$ 34,388

CITY OF FORT LAUDERDALE, FLORIDA

OTHER FINANCIAL INFORMATION

**BUDGETARY COMPARISON SCHEDULE
BEACH BUSINESS IMPROVEMENT DISTRICT
For Fiscal Year Ended September 30, 2013**

	Final Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Miscellaneous:			
Assessments and Other Fees	\$ 633,987	\$ 648,196	\$ 14,209
Investment Income	736	1,246	510
Total Revenues	634,723	649,442	14,719
EXPENDITURES			
Current:			
Economic Environment	684,032	327,571	356,461
Total Expenditures	684,032	327,571	356,461
Excess (Deficiency) of Revenues and Other Financing Sources (Uses) Over (Under) Expenditures	\$ (49,309)	\$ 321,871	\$ 371,180

CITY OF FORT LAUDERDALE, FLORIDA

OTHER FINANCIAL INFORMATION

**BUDGETARY COMPARISON SCHEDULE
BUILDING FUND
For Fiscal Year Ended September 30, 2013**

	Final Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Licenses and Permits	\$ 10,841,785	\$ 14,186,094	\$ 3,344,309
Charges for Services	55,500	9,976	(45,524)
Miscellaneous:			
Investment Income	17,000	27,593	10,593.00
Other Miscellaneous Revenues	-	5	5
Total Revenues	10,914,285	14,223,668	3,309,383
EXPENDITURES			
Current:			
Physical Environment	7,361,672	6,314,579	1,047,093
Capital Outlay	441,000	39,780	401,220
Total Expenditures	7,802,672	6,354,359	1,448,313
Excess of Revenues Over Expenditures	3,111,613	7,869,309	4,757,696
OTHER FINANCING SOURCES (USES)			
Transfers (Out)	(1,393,816)	(1,393,816)	-
Total Other Financing Sources and (Uses)	(1,393,816)	(1,393,816)	-
Excess (Deficiency) of Revenues and Other Financing Sources (Uses) Over (Under) Expenditures	\$ 1,717,797	6,475,493	\$ 4,757,696

CITY OF FORT LAUDERDALE, FLORIDA

OTHER FINANCIAL INFORMATION

**BUDGETARY COMPARISON SCHEDULE
SCHOOL CROSSING GUARD
For Fiscal Year Ended September 30, 2013**

	Final Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Fines and Forfeitures	\$ 800,000	\$ 745,088	\$ 54,912
Miscellaneous:			
Investment Income	-	(42)	(42)
Total Revenues	800,000	745,046	54,870
EXPENDITURES			
Current:			
General Government	800,000	707,703	92,297
Total Expenditures	800,000	707,703	92,297
Excess of Revenues Over Expenditures	\$ -	\$ 37,343	\$ 147,167

CITY OF FORT LAUDERDALE, FLORIDA

OTHER FINANCIAL INFORMATION

**BUDGETARY COMPARISON SCHEDULE
GENERAL OBLIGATION BONDS DEBT SERVICE FUND
For Fiscal Year Ended September 30, 2013**

	Final Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Taxes	\$ 4,849,199	\$ 4,934,066	\$ 84,867
Miscellaneous:			
Investment Income	-	6,632	6,632
Total Revenues	4,849,199	4,940,698	91,499
EXPENDITURES			
Debt Service:			
Principal Retirement	3,125,000	3,125,000	-
Interest and Fiscal Charges	1,727,286	1,724,271	3,015
Total Expenditures	4,852,286	4,849,271	3,015
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,087)	91,427	94,514
Net Change in Fund Balance	\$ (3,087)	91,427	\$ 94,514
Fund Balance - Beginning		510,974	
Fund Balance - Ending		\$ 602,401	

CITY OF FORT LAUDERDALE, FLORIDA

OTHER FINANCIAL INFORMATION

**BUDGETARY COMPARISON SCHEDULE
SPECIAL OBLIGATION LOANS DEBT SERVICE FUND
For Fiscal Year Ended September 30, 2013**

	Final Budget	Actual Amounts	Variance with Budget - Positive (Negative)
EXPENDITURES			
Debt Service:			
Principal Retirement	\$ 3,214,900	\$ 3,214,900	\$ -
Interest and Fiscal Charges	758,251	754,251	4,000
Total Expenditures	3,973,151	3,969,151	4,000
Excess (Deficiency) of Revenues Over Expenditures	(3,973,151)	(3,969,151)	4,000
OTHER FINANCING SOURCES (USES)			
Transfers In	3,973,151	3,973,151	-
Total Other Financing Sources and (Uses)	3,973,151	3,973,151	-
Net Change in Fund Balance	\$ -	4,000	\$ 4,000
Fund Balance - Beginning		1,864	
Fund Balance - Ending		\$ 5,864	

CITY OF FORT LAUDERDALE, FLORIDA

OTHER FINANCIAL INFORMATION

**BUDGETARY COMPARISON SCHEDULE
SPECIAL OBLIGATION BONDS DEBT SERVICE FUND
For Fiscal Year Ended September 30, 2013**

	Final Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Investment Income	\$ -	\$ 37,558	\$ 37,558
Total Revenues	-	37,558	37,558
EXPENDITURES			
Current:			
General Government	146,380,930	146,380,930	-
Public Safety	173,428,479	173,428,479	-
Debt Service:			
Principal Retirement	16,480,000	16,480,000	-
Interest and Fiscal Charges	8,908,319	8,468,852	439,467
Total Expenditures	345,197,728	344,758,261	439,467
Excess (Deficiency) of Revenues Over Expenditures	(345,197,728)	(344,720,703)	477,025
OTHER FINANCING (USES)			
Transfers In	22,942,587	22,942,587	-
Debt Proceeds	337,755,000	337,755,000	-
Discounts on Bonds	(781,080)	(770,749)	10,331
Bond Issuance Cost	(1,019,973)	(998,368)	21,605
Total Other Financing (Uses)	358,896,534	358,928,470	31,936
Net Change in Fund Balance	\$ 13,698,806	14,207,767	\$ 508,961
Fund Balance - Beginning		-	
Fund Balance - Ending		\$ 14,207,767	

CITY OF FORT LAUDERDALE, FLORIDA

OTHER FINANCIAL INFORMATION

**BUDGETARY COMPARISON SCHEDULE
TAX INCREMENT REVENUE BONDS DEBT SERVICE FUND
For Fiscal Year Ended September 30, 2013**

	Final Budget	Actual Amounts	Variance with Budget - Positive (Negative)
EXPENDITURES			
Debt Service:			
Principal Retirement	\$ 12,461,000	\$ 12,461,000	\$ -
Interest and Fiscal Charges	138,429	132,759	5,670
Total Expenditures	<u>12,599,429</u>	<u>12,593,759</u>	<u>5,670</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(12,599,429)</u>	<u>(12,593,759)</u>	<u>5,670</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	<u>2,493,138</u>	<u>1,785,904</u>	<u>(707,234)</u>
Total Other Financing Sources (Uses)	<u>2,493,138</u>	<u>1,785,904</u>	<u>(707,234)</u>
Net Change in Fund Balance	<u>\$ (10,106,291)</u>	<u>(10,807,855)</u>	<u>\$ (701,564)</u>
Fund Balance - Beginning		<u>10,807,855</u>	
Fund Balance - Ending		<u>\$ -</u>	

CITY OF FORT LAUDERDALE, FLORIDA

OTHER FINANCIAL INFORMATION

**BUDGETARY COMPARISON SCHEDULE
PERPETUAL CARE FUND
For Fiscal Year Ended September 30, 2013**

	Final Budget	Actual Amounts	Variance with Budget - Positive (Negative)
REVENUES			
Miscellaneous			
Investment Income	\$ 1,365,000	\$ 1,737,495	\$ 372,495
Other Miscellaneous Revenues	600,000	578,095	(21,905)
Total Revenues	1,965,000	2,315,590	350,590
EXPENDITURES			
Current:			
Physical Environment	889,492	855,772	33,720
Capital Outlay	100,000	70,814	29,186
Total Expenditures	989,492	926,586	62,906
Excess of Revenues Over Expenditures	975,508	1,389,004	413,496
Net Change in Fund Balance	\$ 975,508	1,389,004	\$ 413,496
Fund Balance - Beginning		21,661,079	
Fund Balance - Ending		\$ 23,050,083	

CITY OF FORT LAUDERDALE, FLORIDA

OTHER FINANCIAL INFORMATION

**SCHEDULE OF SOURCES AND USES
GENERAL OBLIGATION CONSTRUCTION FUND 1997
From Inception to September 30, 2013**

	INCEPTION TO DATE
SOURCES	
Proceeds from Bond Issue (Net of \$349,330 Discount)	\$ 34,650,670
Federal Grants	
US Fish and Wildlife Service	150,000
US Department of the Interior	200,000
State of Florida	
Department of Environmental Protection	400,000
Department of Transportation	54,900
Department of Culture and Recreation	1,275,000
Other Local Units	
Broward County	1,703,152
Downtown Development Authority	4,147,557
Florida Boating Improvement Program	103,000
Florida Inland Navigation District	1,475,650
Earnings on Investments	8,320,868
Impact Fees	70,363
Contributions	328,530
Miscellaneous	550,327
Transfers from Other Funds	
Intergovernmental Revenue Fund	127,500
General Capital Projects Fund	674,228
General Obligation Construction Fund 1987	1,253,057
Sunshine State Construction Fund 1996	32,492
Parking System Fund	8,000
Total Sources	<u>55,525,294</u>
USES	
Bond Issue and Other Expenses	789,356
Cost of Municipal Improvements	
ADA Access Improvements	72,044
Bass Park	1,068,632
Carter Park	8,334,108
Croissant Park	2,099,549
D.C. Alexander Park	121,736
Dillard High School Grant	485,000
Galt Area Recreation Center	2,970,567
George English Park	2,446,569
Greenway Park	1,409
Fort Lauderdale Aquatic Complex	1,043,281
Holiday Park	11,726,096
Lauderdale Manors Park	1,630,342
Middle River Terrace Park	906,920
Mills Pond Park	457,620
Ocean Access Park	481,356
Palm Aire Village Park	2,164,159
Parks in Annexed Areas	103,266
Riverland Park	5,560,645
Riverwalk	2,726,492
Snyder Park	325,849
Streetscape Improvements	4,889,433
Tree Planting Program	234,331
Warfield Park	813,813
Floyd Hull Park	182,621
Other Park Improvements	3,249,685
Transfer to General Fund	626,719
Total Uses	<u>55,511,598</u>
FUND BALANCE - SEPTEMBER 30, 2013	<u>\$ 13,696</u>

CITY OF FORT LAUDERDALE, FLORIDA

OTHER FINANCIAL INFORMATION

**SCHEDULE OF SOURCES AND USES
GENERAL OBLIGATION CONSTRUCTION FUND 2005 AND 2011A
From Inception to September 30, 2013**

	<u>INCEPTION TO DATE</u>
SOURCES	
Proceeds from 2005 Bond Issue (Net of \$52,034 Discount)	\$ 19,947,966
Proceeds from 2011A Bond Issue (Including \$413,394 Premium)	20,413,394
Earnings on Investments	2,617,143
Total Sources	<u>42,978,503</u>
USES	
Bond Issue and Other Expenses	707,165
Cost of Municipal Improvements	
Fire Control	
Executive Airport Fire Fighting and Emergency Operations Center	6,050,721
Fire Station No. 3 Replacement	2,777,833
Fire Station No. 13 Replacement	98,556
Fire Station No. 29 Replacement	3,966,629
Fire Station No. 35 Replacement	3,620,654
Fire Station No. 46 Replacement	3,268,804
Fire Station No. 47 Replacement	4,033,510
Fire Station No. 49 Replacement	4,170,049
Fire Station No. 54 Replacement	514,273
Fire Station Southeast	19,764
Miscellaneous Costs	101,596
Total Uses	<u>29,329,554</u>
FUND BALANCE - SEPTEMBER 30, 2013	<u><u>\$ 13,648,949</u></u>

CITY OF FORT LAUDERDALE, FLORIDA

OTHER FINANCIAL INFORMATION

**SCHEDULE OF SOURCES AND USES
EXCISE TAX CONSTRUCTION FUND 1998C
From Inception to September 30, 2013**

	<u>INCEPTION TO DATE</u>
SOURCES	
Proceeds from Bond Issue (Net of \$72,204 Discount)	\$ 11,927,796
Contributions	69,789
Earnings on Investments	2,027,322
Transfers from Other Funds	
Excise Tax Construction Fund 1993	152,965
Total Sources	<u>14,177,872</u>
USES	
Bond Issue and Other Expenses	233,377
Cost of Municipal Improvements	
City Hall Annex Improvements	95,377
City Hall Improvements	503,206
General Fund Building Renovations	311,745
Parks and Recreation Infrastructure Improvements	522,195
Carter Park Improvements	302,414
Holiday Park Land Acquisition/Improvements	147,961
Neighborhood Improvements	132,730
Marine Facilities	68,371
Seawall Reconstruction	470,332
Street Improvements	1,164,544
Wingate Landfill Site Closure	6,106
Fire Rescue Department Infrastructure Improvements	1,706,187
Replacement of Fire Station No. 2	385,499
Police Department Infrastructure Improvements	2,071,008
Las Olas Dockage	237,829
Water Transportation Improvements	203,516
Northwest Seventh to Ninth Avenue Connector	158,079
Welcome Center Park	200,000
Harbordale Park	15,484
Transfers to Other Funds	
Sunshine State Construction Fund 1996	4,215,839
Total Uses	<u>13,151,799</u>
FUND BALANCE - SEPTEMBER 30, 2013	<u><u>\$ 1,026,073</u></u>

CITY OF FORT LAUDERDALE, FLORIDA

OTHER FINANCIAL INFORMATION

**SCHEDULE OF SOURCES AND USES
FLORIDA INTERGOVERNMENTAL CONSTRUCTION FUND 2002
From Inception to September 30, 2013**

	<u>INCEPTION TO DATE</u>
SOURCES	
Proceeds from Bond Issue	\$ 10,000,000
Earnings on Investments	692,610
Total Sources	<u>10,692,610</u>
USES	
Bond Issue and Other Expenses	177,399
Arbitrage Rebate	69,742
Cost of Municipal Improvements	
Building Services Center Construction	1,386,970
City Hall Air Conditioner	500,000
Police Department Infrastructure Improvements	310,264
Fire Station No. 47 Reroof and Renovations	224,304
Fire Station No. 13 Reroof and Renovations	208,500
Fire Station No. 29 Renovations	17,872
Fire Station No. 35 Rehabilitation	1,510
Modular Fire Station	13,000
Bass Park Athletic Field Renovations	207,178
Holiday Park Gym and Activity Center	331,334
Riverside Park Improvements	115,305
Carter Park Improvements	422,576
Croissant Park Athletic Field Improvements	3,871
Bayview Park Improvements	595,299
Other Parks and Recreation Infrastructure	1,160,354
War Memorial Renovations	2,508,319
Fort Lauderdale Stadium Roof Repairs	33,072
Bridge Repairs	1,332,954
Riverwalk at Marshall's Point Seawall Repairs	550,791
New River Floating Docks for Small Boats	76,017
Marine Facilities Improvements	77,119
Miscellaneous	50,536
Total Uses	<u>10,374,286</u>
FUND BALANCE - SEPTEMBER 30, 2013	<u><u>\$ 318,324</u></u>

CITY OF FORT LAUDERDALE, FLORIDA

OTHER FINANCIAL INFORMATION

**SCHEDULE OF SOURCES AND USES
TAX INCREMENT REVENUE CONSTRUCTION FUND 2004
From Inception to September 30, 2013**

	INCEPTION TO DATE
SOURCES	
Proceeds from Bond Issue	\$ 18,000,000
Earnings on Investments	2,474,338
Contributions	329,867
Miscellaneous	198
Total Sources	<u>20,804,403</u>
USES	
Bond Issue and Other Expenses	239,053
Cost of Municipal Improvements	
Sweeting Land Acquisition/Infrastructure Improvement	523,238
Sistrunk Streetscape	10,183,860
Sweeting Estates Property Acquisition	1,076,925
Mid-Town Property Acquisition	787,044
North Fork Infrastructure	688,501
Flagler Heights Property Acquisition	158,110
Flagler Heights Development Assistance	2,251,816
Progresso Neighborhood Improvements	14,854
Transfers to Other Funds	
Community Redevelopment Agency	4,451,390
Water and Sewer Fund	176,612
Stormwater Fund	253,000
Total Uses	<u>20,804,403</u>
FUND BALANCE - SEPTEMBER 30, 2013	<u>\$ -</u>

CITY OF FORT LAUDERDALE, FLORIDA

OTHER FINANCIAL INFORMATION

**SCHEDULE OF SOURCES AND USES
SPECIAL OBLIGATION CONSTRUCTION FUND 2008B
From Inception to September 30, 2013**

	INCEPTION TO DATE
SOURCES	
Proceeds from Debt Issue	\$ 10,051,200
Earnings on Investments	131,760
Total Sources	<u>10,182,960</u>
USES	
Bond Issue and Other Expenses	19,945
Cost of Municipal Improvements	
Parks and Recreation Infrastructure/Recapitalization	948,662
South Side School Restoration	1,201,991
Street Improvements	225,180
Hortt Property Acquisition and Improvements	1,374,954
Waterway Improvements	41,060
Transfers to Other Funds	
General Capital Projects Fund	1,658,000
Total Uses	<u>5,464,792</u>
FUND BALANCE - SEPTEMBER 30, 2013	<u><u>\$ 4,718,168</u></u>

CITY OF FORT LAUDERDALE, FLORIDA

OTHER FINANCIAL INFORMATION

**SCHEDULE OF SOURCES AND USES
SPECIAL OBLIGATION CONSTRUCTION FUND 2011A
From Inception to September 30, 2013**

	INCEPTION TO DATE
SOURCES	
Proceeds from Debt Issue	\$ 7,218,000
Earnings on Investments	63,851
Total Sources	<u>7,281,851</u>
USES	
Bond Issue and Other Expenses	33,087
Cost of Municipal Improvements	
City Hall Renovations	491,691
Parks and Recreation Infrastructure/Recapitalization	568,110
Neighborhood Improvements	146,776
Street Improvements	518,119
Water Transportation	146,893
Northwest 19th Street Medians	2,196
Sailboat Bend Preserve	1,990
Hortt Property Acquisition and Improvements	22,800
Orange Bowl Field at Carter Park	1,147,079
Harbordale Park Improvements	5,005
Total Uses	<u>3,083,746</u>
FUND BALANCE - SEPTEMBER 30, 2013	<u><u>\$ 4,198,105</u></u>

CITY OF FORT LAUDERDALE, FLORIDA

OTHER FINANCIAL INFORMATION

**SCHEDULE OF SOURCES AND USES
WATER AND SEWER REVENUE BOND CONSTRUCTION SERIES 2003, 2006,
2008, AND 2010
From Inception to September 30, 2013**

	<u>INCEPTION TO DATE</u>
SOURCES	
Proceeds from 2003 Bond Issue (Net of \$890,573 Discount)	\$ 89,109,427
Proceeds from 2006 Bond Issue (Including \$1,130,591 Premium)	101,130,591
Proceeds from 2008 Bond Issue (Including \$1,127,010 Premium)	156,127,010
Proceeds from 2010 Bond Issue (Including \$2,454,284 Premium)	84,754,284
Earnings on Investments	9,134,300
Transfer from Water and Sewer Regional Capital Projects Fund	797,189
Total Sources	<u>441,052,801</u>
USES	
Bond Issuance Costs	2,401,694
Debt Service Reserve	21,107,636
Cost of Municipal Improvements	
Water Treatment Plant Improvements	47,151,063
Wastewater Treatment Plant Improvements	1,960,169
Water Distribution & Sewer Systems	330,585,635
Water Collection and Storage	14,720,631
Other	5,927,667
Total Uses	<u>423,854,495</u>
BALANCE - SEPTEMBER 30, 2013	<u><u>\$ 17,198,306</u></u>



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CITY OF FORT LAUDERDALE, FLORIDA

STATISTICAL SECTION

**STATISTICAL SECTION
FISCAL YEAR ENDED SEPTEMBER 30, 2013**

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

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



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CITY OF FORT LAUDERDALE, FLORIDA

STATISTICAL SECTION

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

Schedule 1

	2004*	2005*	2006	2007	2008	2009	2010	2011	2012	2013
Governmental Activities										
Net Investment in Capital Assets	\$ 130,052,615	\$ 144,363,415	\$ 170,955,510	\$ 192,894,698	\$ 199,485,665	\$ 210,703,404	\$ 209,995,876	\$ 197,493,944	\$ 229,157,486	\$ 229,209,092
Restricted	14,041,860	14,841,251	16,093,910	17,776,682	15,771,651	16,676,117	18,730,959	101,595,733	93,174,479	112,606,985
Unrestricted	28,418,582	68,023,921	97,626,948	136,745,995	159,037,505	168,153,605	165,280,575	86,644,564	60,526,663	39,341,968
Total Governmental Activities Net Position	\$ 172,513,057	\$ 227,228,587	\$ 284,676,368	\$ 347,417,375	\$ 374,294,821	\$ 395,533,126	\$ 394,007,410	\$ 385,734,241	\$ 382,858,628	\$ 381,158,045
Business-Type Activities										
Net Investment in Capital Assets	\$ 369,661,225	\$ 384,485,191	\$ 405,589,577	\$ 434,102,107	\$ 440,451,256	\$ 450,050,617	\$ 440,499,100	\$ 463,595,323	\$ 464,782,345	\$ 457,764,458
Restricted	7,754,367	9,158,590	11,950,993	20,146,498	32,244,774	33,339,230	40,013,546	39,871,075	38,675,081	41,523,435
Unrestricted	95,613,834	114,947,489	112,468,065	109,920,156	124,040,567	129,307,321	160,208,714	167,504,551	157,686,486	164,873,395
Total Business-Type Activities Net Position	\$ 473,029,426	\$ 508,591,270	\$ 530,008,635	\$ 564,168,761	\$ 596,736,597	\$ 612,697,168	\$ 640,721,360	\$ 670,970,949	\$ 661,143,912	\$ 664,161,288
Primary Government										
Net Investment in Capital Assets	\$ 52,236,340	\$ 60,840,364	\$ 68,575,432	\$ 626,996,805	\$ 639,936,921	\$ 660,754,021	\$ 650,494,976	\$ 661,089,267	\$ 693,939,831	\$ 686,973,550
Restricted	31,098,770	35,755,470	33,270,565	37,923,180	48,016,425	50,015,347	58,744,505	141,466,808	131,849,560	154,130,420
Unrestricted	27,398,603	33,095,220	42,265,510	246,666,151	283,078,072	297,460,926	325,489,289	254,149,115	218,213,149	204,215,363
Total Primary Government Net Position	\$ 110,733,713	\$ 129,691,054	\$ 144,111,507	\$ 911,586,136	\$ 971,031,418	\$ 1,008,230,294	\$ 1,034,728,770	\$ 1,056,705,190	\$ 1,044,002,540	\$ 1,045,319,333

* Net position for governmental activities have been restated to include major prior infrastructure assets and land inventory acquired or constructed between October 1, 1979 and September 30, 2001.

CITY OF FORT LAUDERDALE, FLORIDA

STATISTICAL SECTION

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS

Schedule 2

	2004*	2005*	2006**	2007	2008	2009	2010	2011	2012	2013
Expenses										
Governmental Activities:										
General Government	\$ 33,482,611	\$ 39,432,964	\$ 86,484,280	\$ 45,029,336	\$ 43,145,739	\$ 42,893,044	\$ 41,228,117	\$ 44,571,363	\$ 40,616,650	\$ 53,453,789
Public Safety	129,213,222	131,564,761	152,861,295	154,935,987	165,091,013	166,442,120	181,863,251	187,107,876	186,551,543	176,890,393
Physical Environment	7,922,113	7,098,458	8,175,763	8,178,965	8,908,460	9,835,224	9,130,582	9,957,967	17,783,853	14,237,347
Transportation	5,553,990	6,640,660	8,506,570	6,676,614	12,463,589	7,842,119	8,455,954	7,258,157	5,272,203	6,123,784
Economic Environment	13,807,924	13,704,274	15,628,036	17,984,059	17,174,238	22,281,381	23,598,717	21,428,604	20,712,653	20,163,000
Culture/Recreation	30,451,406	32,495,037	36,251,303	37,650,692	38,828,494	40,801,321	38,792,196	41,781,558	41,690,222	39,033,256
Interest on Long-Term Debt	3,404,667	3,885,586	4,588,108	4,297,933	3,665,826	3,535,247	3,500,713	2,783,207	3,459,160	12,237,720
Total Governmental Activities Expenses	223,835,933	234,821,740	312,495,355	274,753,586	289,277,359	293,630,456	306,569,530	314,888,732	316,086,284	322,139,289
Business-Type Activities:										
Water and Sewer	56,965,953	54,575,263	64,531,717	63,316,413	68,791,000	86,644,340	80,645,935	80,320,657	117,297,963	122,377,140
Sanitation	20,413,119	19,588,475	21,168,314	19,448,837	20,944,976	21,780,670	22,585,575	20,812,922	18,942,048	18,693,306
Parking System	7,927,309	7,736,482	8,770,699	8,635,470	11,199,791	10,814,893	11,268,044	10,659,494	11,199,789	13,616,470
Airport	4,804,348	4,953,478	5,819,448	7,528,128	6,740,363	7,500,584	10,745,183	8,025,774	9,229,152	11,248,312
Stormwater	2,621,054	2,437,365	2,886,784	2,850,726	3,739,948	4,261,529	3,983,439	4,178,998	5,023,104	6,052,945
Total Business-Type Activities Expenses	90,110,729	86,853,698	100,290,178	98,928,848	107,676,130	126,740,487	125,244,737	123,997,845	161,692,056	171,988,173
Total Primary Government Expenses	\$ 313,946,662	\$ 321,675,438	\$ 412,785,533	\$ 373,682,434	\$ 396,953,489	\$ 420,370,943	\$ 431,814,267	\$ 438,886,577	\$ 477,778,340	\$ 494,127,462
Program Revenues										
Governmental Activities:										
Charges for Services:										
General Government	\$ 17,228,790	\$ 19,890,189	\$ 15,393,649	\$ 16,371,640	\$ 15,687,344	\$ 16,717,807	\$ 16,766,802	\$ 21,387,521	\$ 32,724,249	\$ 42,061,226
Public Safety	35,520,256	37,151,033	40,746,919	42,736,277	43,187,187	41,368,726	43,184,612	49,288,543	50,363,213	56,197,480
Culture/Recreation	8,110,116	7,235,956	7,506,549	8,022,930	10,357,702	7,915,653	8,383,214	8,796,433	8,913,252	11,130,441
Other Activities	6,453,435	6,496,599	7,305,792	5,597,025	6,582,097	6,823,977	5,949,294	6,454,891	7,075,575	5,399,364
Operating Grants and Contributions	17,762,611	25,273,668	68,625,286	28,738,123	26,545,136	25,520,014	32,685,788	27,940,257	31,914,087	29,449,425
Capital Grants and Contributions	8,278,248	4,239,703	18,779,777	6,088,182	5,486,309	12,038,395	5,129,927	14,329,115	7,657,685	6,005,562
Total Governmental Activities Program Revenues	93,353,456	100,287,148	158,357,972	107,554,177	107,845,775	110,384,572	112,099,637	128,196,760	138,648,061	150,243,498
Business-Type Activities:										
Charges for Services:										
Water and Sewer	70,754,315	77,193,531	75,216,166	77,983,185	84,838,237	94,554,904	105,959,129	105,395,277	105,836,231	114,751,699
Sanitation	22,187,902	22,646,422	22,837,949	23,594,514	23,061,312	20,112,154	20,206,509	22,084,671	18,821,045	23,290,471
Parking System	10,292,948	10,533,585	11,335,784	10,751,079	12,248,308	11,487,377	11,804,349	12,489,487	12,995,922	14,515,603
Airport	5,061,743	5,403,499	5,954,668	6,031,077	6,748,592	6,163,142	6,587,136	6,983,850	7,202,801	7,754,684
Stormwater	3,363,594	3,604,927	3,893,651	4,136,551	4,263,776	4,500,095	4,899,289	5,221,319	5,350,352	5,465,978
Operating Grant and Contributions	-	250,031	41,114	323,946	374,424	658,598	2,757,142	282,568	1,091,104	305,515
Capital Grants and Contributions	7,944,539	4,663,484	2,475,734	5,416,946	8,070,020	6,726,808	3,592,719	1,460,595	1,071,475	3,111,006
Total Business-Type Activities Program Revenues	119,605,041	124,295,479	121,755,066	128,237,298	139,604,669	144,203,078	155,806,273	153,917,767	152,368,930	169,194,956
Total Primary Government Program Revenues	\$ 212,958,497	\$ 224,582,627	\$ 280,113,038	\$ 235,791,475	\$ 247,450,444	\$ 254,587,650	\$ 267,905,910	\$ 282,114,527	\$ 291,016,991	\$ 319,438,454

Continued

CITY OF FORT LAUDERDALE, FLORIDA

STATISTICAL SECTION

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS

Schedule 2

	2004*	2005*	2006**	2007	2008	2009	2010	2011	2012	2013
Net (Expense)/Revenue										
Governmental Activities	\$ (130,482,477)	\$ (134,534,592)	\$ (154,137,383)	\$ (167,199,409)	\$ (181,431,584)	\$ (183,245,884)	\$ (194,469,893)	\$ (186,691,972)	\$ (177,438,223)	\$ (171,895,791)
Business-Type Activities	29,494,312	37,441,781	21,464,888	29,308,450	31,928,539	17,462,591	30,561,536	29,919,922	(9,323,126)	(2,793,217)
Total Primary Government Net Expense	\$ (100,988,165)	\$ (97,092,811)	\$ (132,672,495)	\$ (137,890,959)	\$ (149,503,045)	\$ (165,783,293)	\$ (163,908,357)	\$ (156,772,050)	\$ (186,761,349)	\$ (174,689,008)
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property taxes	\$ 89,413,561	\$ 111,654,626	\$ 124,380,246	\$ 138,197,801	\$ 128,014,149	\$ 124,802,652	\$ 113,605,675	\$ 104,294,035	\$ 96,406,857	\$ 98,984,027
Other taxes	52,232,657	52,851,298	56,034,895	57,463,229	57,390,103	57,910,367	57,795,756	55,900,742	56,578,945	57,614,553
Grants and Contributions	13,288,988	14,426,809	15,538,608	17,031,731	15,664,768	14,387,834	14,327,166	15,057,706	14,750,825	14,918,403
Investment earnings	2,602,690	5,338,898	10,256,870	14,960,660	5,496,984	5,578,518	4,318,825	1,523,212	4,602,310	2,551,761
Other	2,494,653	2,377,933	1,738,827	1,243,208	1,151,167	1,647,348	2,312,406	560,208	510,270	1,179,201
Transfers	(3,235,143)	2,600,558	3,635,718	1,043,787	591,859	157,470	584,349	1,082,900	1,713,406	(5,092,222)
Total Governmental Activities	156,797,406	189,250,122	211,585,164	229,940,416	208,309,030	204,484,189	192,944,177	178,418,803	174,562,613	170,155,723
Business-Type Activities:										
Investment Earnings	1,623,161	3,157,986	6,474,979	8,746,189	4,971,104	2,916,979	2,030,444	1,412,567	1,209,495	718,371
Transfers	3,235,143	(2,600,558)	(3,635,718)	(1,043,787)	(591,859)	(157,470)	(584,349)	(1,082,900)	(1,713,406)	5,092,222
Total Business-Type Activities	4,858,304	557,428	2,839,261	7,702,402	4,379,245	2,759,509	1,446,095	329,667	(503,911)	5,810,593
Total Primary Government	\$ 161,655,710	\$ 189,807,550	\$ 214,424,425	\$ 237,642,818	\$ 212,688,275	\$ 207,243,698	\$ 194,390,272	\$ 178,748,470	\$ 174,058,702	\$ 175,966,316
Change in Net Position										
Governmental Activities	\$ 26,314,929	\$ 54,715,530	\$ 57,447,781	\$ 62,741,007	\$ 26,877,446	\$ 21,238,305	\$ (1,525,716)	\$ (8,273,169)	\$ (2,875,610)	\$ (1,740,068)
Business-Type Activities	34,352,616	37,999,209	24,304,149	37,010,852	36,307,784	20,222,100	32,007,631	30,249,589	(9,827,037)	3,017,376
Total Primary Government	\$ 60,667,545	\$ 92,714,739	\$ 81,751,930	\$ 99,751,859	\$ 63,185,230	\$ 41,460,405	\$ 30,481,915	\$ 21,976,420	\$ (12,702,647)	\$ 1,277,308

Note: * Changes in net position for governmental activities have been restated for the following items;

For fiscal years 2004 through 2005, transportation expenses have been increased to include depreciation on major infrastructure assets acquired or constructed between October 1, 1979 and September 30, 2001.

For fiscal year 2004, public safety expenses and other taxes have been increased to include state insurance premium taxes received for contribution to the Police and Firefighters' Pension Fund.

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

Source: City of Fort Lauderdale, Finance Department

CITY OF FORT LAUDERDALE, FLORIDA

STATISTICAL SECTION

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

Schedule 3

	2010	2011	2012	2013
General Fund				
Nonspendable	\$ 58,191	\$ 15,077,422	\$28,159,409	\$ 13,339,582
Spendable				
Restricted	-	-	-	204,044
Unrestricted				
Committed	1,915,988	464,915	457,372	509,216
Assigned	19,204,828	10,915,133	10,859,209	4,812,365
Unassigned	58,525,369	36,615,702	20,738,503	39,748,283
Total General Fund	\$ 79,704,376	\$ 63,073,172	\$ 60,214,493	\$ 58,613,490
All Other Governmental Funds				
Nonspendable	\$ 10,694,362	\$ 11,272,512	\$11,879,453	\$ 12,464,216
Spendable				
Restricted	85,965,422	126,997,499	117,345,677	128,486,763
Unrestricted				
Committed	7,831,215	7,395,146	132,818	453,443
Assigned	22,433,404	19,141,809	7,190,316	6,395,624
Unassigned	-	-	-	(6,272,275)
Total All Other Governmental Funds	\$ 126,924,403	\$ 164,806,966	\$ 136,548,264	\$ 141,527,771

* Years prior to fiscal year 2010 have not been presented due to the implementation of GASB 54, which provided for new categories for classifying governmental fund balances.

CITY OF FORT LAUDERDALE, FLORIDA

STATISTICAL SECTION

CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

Schedule 4

	2004	2005	2006*	2007	2008	2009	2010	2011	2012	2013
Revenues										
Property Taxes	\$ 89,591,912	\$ 111,804,148	\$ 124,356,082	\$ 138,103,588	\$ 127,981,444	\$ 124,597,389	\$ 112,811,703	\$ 101,787,647	\$96,617,851	\$ 99,537,136
Utility Taxes	33,622,403	33,467,636	33,546,383	33,343,709	33,935,730	35,441,037	34,754,319	34,725,638	35,386,473	35,881,608
Franchise Taxes	13,433,621	14,419,408	17,250,122	18,246,991	18,192,005	18,059,429	18,224,861	16,439,174	15,871,932	15,380,127
Insurance Premium Taxes	4,105,057	3,950,276	4,216,411	5,872,529	5,262,368	4,409,901	4,816,576	4,735,930	5,320,538	6,352,818
Licenses and Permits	10,674,843	11,273,726	12,884,161	13,350,790	10,993,869	8,374,250	8,031,790	13,733,542	14,913,015	17,374,859
Intergovernmental	42,170,122	50,217,713	101,391,365	50,649,813	42,314,742	49,338,512	50,969,453	50,170,757	51,665,965	42,816,219
Charges for Services	17,545,036	17,477,001	17,877,228	19,012,859	17,792,259	16,746,172	17,858,717	19,639,134	20,400,813	20,651,441
Fines and Forfeitures	5,211,507	3,352,821	3,335,730	3,630,280	6,642,582	2,518,229	2,534,228	3,769,263	3,536,739	5,019,265
Other	35,646,682	41,631,800	48,971,095	51,638,304	50,606,239	53,414,160	52,771,901	51,915,172	67,503,130	76,084,253
Total Revenues	252,001,183	287,594,529	363,828,577	333,848,863	313,721,238	312,899,079	302,773,548	296,916,257	311,216,456	319,097,726
Expenditures										
General Government	33,259,859	40,863,171	84,404,902	44,396,739	40,491,020	40,364,222	39,618,402	40,330,403	38,769,414	196,114,107
Public Safety	130,852,791	137,496,196	156,111,515	158,659,250	165,436,737	167,391,135	176,169,662	180,280,486	180,884,679	330,274,787
Physical Environment	6,646,560	6,864,712	7,676,713	8,284,747	8,637,526	9,281,905	9,097,912	9,647,825	17,725,318	13,881,279
Transportation	3,363,483	4,433,860	4,707,323	5,070,122	3,860,924	3,795,541	3,339,100	3,316,948	3,208,041	4,917,264
Economic Environment	13,098,917	13,577,222	14,620,127	15,171,424	15,429,392	19,736,991	21,013,746	19,384,209	19,877,012	20,004,271
Culture/Recreation	26,504,866	28,079,389	30,421,782	32,358,082	33,745,058	34,400,119	32,964,316	32,001,841	33,727,300	29,536,861
Debt Service:										
Bond Principal Retirement	10,430,567	12,625,449	13,968,377	11,644,228	9,675,345	8,166,361	5,319,175	6,445,419	7,175,050	36,615,638
Interest and Fiscal Charges	3,017,822	3,327,108	4,190,646	4,605,876	3,384,245	3,252,722	2,951,548	2,634,451	2,626,852	11,431,300
Capital Outlay	26,451,998	21,036,146	26,995,740	31,152,965	20,107,032	27,490,445	20,361,391	27,951,054	29,736,544	16,894,501
Total Expenditures	253,626,863	268,303,253	343,097,125	311,343,433	300,767,279	313,879,441	310,835,252	321,992,636	333,730,210	659,670,008
Excess of Revenues Over (Under) Expenditures	(1,625,680)	19,291,276	20,731,452	22,505,430	12,953,959	(980,362)	(8,061,704)	(25,076,379)	(22,513,754)	(340,572,282)
Other Financing Sources (Uses)										
Debt Issuance	18,800,000	20,198,000	2,493,776	-	183,850	25,514,081	-	68,917,156	-	337,755,000
Discount on Bonds	-	(52,034)	-	-	-	-	-	-	-	(770,749)
Bond Issuance Costs	-	-	-	-	-	-	-	-	-	(998,368)
Transfers In	21,788,061	25,011,235	32,358,689	31,834,831	20,865,609	32,214,791	15,680,731	63,854,172	40,364,573	44,336,537
Transfers (Out)	(24,896,087)	(23,251,756)	(30,099,821)	(25,973,041)	(20,399,689)	(32,091,665)	(15,065,330)	(62,421,263)	(34,623,200)	(36,371,634)
Payments to Refunding Escrow Agent	-	-	-	-	-	-	-	-	(14,345,000)	-
Current Debt Repayment	-	-	-	-	-	(15,410,001)	-	(24,022,327)	-	-
Total Other Financing Sources	15,691,974	21,905,445	4,752,644	5,861,790	649,770	10,227,206	615,401	46,327,738	(8,603,627)	343,950,786
Net Change in Fund Balances	\$ 14,066,294	\$ 41,196,721	\$ 25,484,096	\$ 28,367,220	\$ 13,603,729	\$ 9,246,844	\$ (7,446,303)	\$ 21,251,359	\$ (31,117,381)	\$ 3,378,504
Debt Service as a Percentage of Noncapital Expenditures	5.81%	6.35%	5.69%	5.71%	4.54%	3.91%	2.79%	3.01%	3.19%	7.45%

CITY OF FORT LAUDERDALE, FLORIDA

STATISTICAL SECTION

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

Schedule 5

FISCAL YEAR	TAX ROLL YEAR**	RESIDENTIAL PROPERTY	COMMERCIAL PROPERTY	INDUSTRIAL PROPERTY	ALL OTHER PROPERTIES	TOTAL ASSESSED VALUE**	LESS: EXEMPTIONS					TOTAL TAXABLE ASSESSED VALUE	TOTAL DIRECT TAX RATE
							HOMESTEAD	GOVERNMENTAL	INSTITUTIONAL	SAVE OUR HOMES	OTHER		
2004	2003	n/a	n/a	n/a	n/a	\$ 24,566,994,298	\$ 942,970,110	\$ 1,533,662,870	\$ 588,557,357	\$ 3,224,464,200	\$ 62,994,860	\$ 18,214,344,901	5.1970
2005	2004	n/a	n/a	n/a	n/a	27,640,714,113	945,901,780	1,672,048,950	628,570,368	3,989,884,510	68,718,210	20,335,590,295	5.7698
2006	2005	\$ 23,106,467,840	\$ 5,020,317,020	\$ 1,097,981,160	\$ 3,613,345,530	32,838,111,550	957,364,860	1,959,151,830	711,100,131	5,381,892,200	76,955,680	23,751,646,849	5.4313
2007	2006	29,227,062,360	5,659,182,700	1,271,704,860	3,828,669,983	39,986,619,903	995,285,660	2,180,471,780	773,484,362	7,584,788,110	83,554,370	28,369,035,621	5.0826
2008	2007	31,911,017,420	6,676,046,380	1,371,873,980	3,977,400,822	43,936,338,602	1,002,229,190	2,601,151,780	909,169,645	7,980,212,270	122,045,892	31,321,529,825	4.2482
2009	2008	23,989,228,770	7,364,478,220	1,542,409,500	9,370,403,541	42,266,520,031	1,139,384,963	2,684,215,740	1,048,082,000	5,882,957,177	1,002,072,203	30,509,807,948	4.2495
2010	2009	19,971,276,110	7,046,764,320	1,388,063,510	9,045,911,355	37,452,015,295	1,111,967,564	2,715,484,570	1,125,944,388	3,694,693,873	1,147,579,150	27,656,345,750	4.2536
2011	2010	19,516,645,480	6,496,097,520	1,260,821,960	5,573,129,580	32,846,694,540	1,092,050,541	2,726,130,832	1,053,661,814	2,226,829,360	1,157,436,098	24,590,585,895	4.3366
2012	2011	19,725,697,430	6,328,094,510	1,268,644,800	4,417,187,842	31,739,624,582	1,065,298,485	2,713,895,113	1,052,217,075	2,160,422,730	1,257,149,858	23,490,641,321	4.2888
2013	2012	21,264,182,970	6,436,516,200	1,285,317,820	2,761,461,438	31,747,478,428	1,044,673,967	2,587,668,731	1,082,003,307	2,010,753,780	1,313,145,125	23,709,233,518	4.3342

* State Law requires that assessed values be established at 100% of estimated actual value.

** Assessed values are as of January 1 of each year.

Source: State of Florida Department of Revenue

CITY OF FORT LAUDERDALE, FLORIDA

STATISTICAL SECTION

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

Schedule 6

FISCAL YEAR	TAX ROLL	FORT LAUDERDALE			BROWARD COUNTY		OTHER TAXING AGENCIES			TOTAL CITY-WIDE	SPECIAL DISTRICTS**			
		OPERATING	DEBT SERVICE	TOTAL CITY	BROWARD COUNTY	BROWARD COUNTY SCHOOLS	S. FLORIDA WATER MGMT. DISTRICT	FLORIDA INLAND NAVIGATION DISTRICT	BROWARD CHILDREN'S SERVICES COUNCIL		DOWNTOWN DEV. AUTH. OPERATING	DEBT SERVICE	N. BROWARD HOSPITAL DISTRICT	HILLSBORO INLET
2004	2003	4.8288	0.3682	5.1970	7.1880	8.8096	0.6970	0.0385	0.3316	22.2617	0.6279	0.6000	2.5000	0.2490
2005	2004	5.4066	0.3632	5.7698	7.0230	8.2695	0.6970	0.0385	0.3920	22.1898	0.6279	0.6000	2.4803	0.1845
2006	2005	5.0924	0.3389	5.4313	6.7830	8.0623	0.6970	0.0385	0.4231	21.4352	0.6750	0.4200	2.1746	0.1845
2007	2006	4.8066	0.2760	5.0826	6.0661	7.8687	0.6970	0.0385	0.4073	20.1602	0.6150	0.4800	1.8317	0.1170
2008	2007	4.1193	0.1289	4.2482	5.2868	7.6484	0.6240	0.0345	0.3572	18.1991	0.4933	0.6089	1.6255	0.0860
2009	2008	4.1193	0.1302	4.2495	5.3145	7.4170	0.6240	0.0345	0.3754	18.0149	0.4802	0.4289	1.7059	0.0860
2010	2009	4.1193	0.1343	4.2536	5.3889	7.4310	0.6240	0.0345	0.4243	18.1563	0.4970	0.4313	1.7059	0.0860
2011	2010	4.1193	0.2173	4.3366	5.5530	7.6310	0.6240	0.0345	0.4696	18.6487	0.4970	0.4313	1.8750	0.0860
2012	2011	4.1193	0.1695	4.2888	5.5530	7.4180	0.4363	0.0345	0.4789	18.2095	0.5171	0.4489	1.8750	0.0860
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.

CITY OF FORT LAUDERDALE, FLORIDA

STATISTICAL SECTION

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

Schedule 7

TAXPAYER	TYPE OF BUSINESS	2013			2004		
		TAXABLE ASSESSED VALUE	RANK	PERCENT OF TOTAL ASSESSED VALUE	TAXABLE ASSESSED VALUE	RANK	PERCENT OF TOTAL ASSESSED VALUE
Harbor Beach Property LLC	Hospitality	\$ 130,390,930	1	0.58%	\$ 144,585,910	1	0.87%
Florida Power & Light Co	Power Energy Utility	129,907,117	2	0.58%			
401 East Las Olas LLC	Real Estate	126,075,380	3	0.56%			
Keystone-Florida Property Hold	Real Estate	116,499,590	4	0.52%	112,457,540	2	0.68%
Capri Resorts LLC	Hospitality	91,364,180	5	0.41%			
Capri Hotel LLC	Hospitality	74,339,640	6	0.33%			
FI Grande LLC	Real Estate	66,516,690	7	0.29%	98,019,710	3	0.59%
2301 SE 17 St Ltd	Hospitality	61,460,720	8	0.27%	53,042,340	8	0.32%
Bellsouth Telecommunications Inc	Telecommunication	59,611,585	9	0.26%			
Camden Summit Partnership LP	Real Estate	55,995,287	10	0.25%			
PPF Amlj 440 NE 4Th Avenue LLC	Real Estate	52,636,146	11	0.23%			
A1A Trader LLC	Hospitality	51,500,000	12	0.23%			
CTA Properties Ltd	Real Estate	51,000,000	13	0.23%			
Lauderdale River Inc	Real Estate	50,000,000	14	0.22%			
551 North Flb Marketing LLC	Real Estate	48,133,960	15	0.21%			
Ft Lauderdale Es Hotel L L C	Hospitality	47,446,640	16	0.21%			
Genesis Capital Partners Xi Ltd	Real Estate	45,000,000	17	0.20%	53,950,620	7	0.32%
Lago Mar Prop Inc	Hospitality	43,745,580	18	0.19%			
One Broward Blvd Holdings LLC	Real Estate	41,814,210	19	0.19%	57,549,140	6	0.35%
Castillo Grand L L C	Hospitality	41,725,560	20	0.18%			
Sunrise Harbour Multifamily, Inc.	Real Estate	-			80,813,860	4	0.49%
Fifth Avenue Partners Ltd.	Real Estate	-			69,693,800	5	0.42%
CFT Properties Ltd.	Real Estate	-			51,381,280	9	0.31%
Paradisio At Bridgeside LLC	Real Estate/Hotel	-			50,684,120	10	0.31%
		<u>\$ 1,385,163,215</u>		<u>6.14%</u>	<u>\$ 772,178,320</u>		<u>4.65%</u>

Source: Broward County Property Appraiser.

CITY OF FORT LAUDERDALE, FLORIDA

STATISTICAL SECTION

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

Schedule 8

FISCAL YEAR	TAXES LEVIED FOR THE FISCAL YEAR		COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS	COLLECTIONS TO DATE	
	AMOUNT	PERCENTAGE OF LEVY	AMOUNT	PERCENTAGE OF LEVY		AMOUNT	PERCENTAGE OF LEVY
2004	\$ 86,322,917	99.5	\$ 85,882,476	99.5	\$ 253,688	\$ 86,136,164	99.8
2005	108,470,506	99.4	107,872,382	99.4	265,788	108,138,170	99.7
2006	120,645,437	99.2	119,708,465	99.2	376,533	120,084,998	99.5
2007	135,607,404	99.1	134,386,183	99.1	593,130	134,979,313	99.5
2008	128,954,993	98.6	127,212,927	98.6	547,437	127,760,364	99.1
2009	125,137,680	98.6	123,421,092	98.6	1,055,614	124,476,706	99.5
2010	112,960,028	98.2	110,925,089	98.2	594,742	111,519,831	98.7
2011	100,485,419	98.4	98,916,252	98.4	203,360	99,119,612	98.6
2012	96,205,050	99.4	95,670,313	99.4	-	95,670,313	99.4
2013	97,265,832	99.8	97,055,209	99.8	-	97,055,209	99.8

Source: Broward County Revenue Collector.

CITY OF FORT LAUDERDALE, FLORIDA

STATISTICAL SECTION

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

Schedule 9

(Dollars in thousands except per Capita)

FISCAL YEAR	GOVERNMENTAL ACTIVITIES								BUSINESS-TYPE ACTIVITIES								TOTAL PRIMARY GOVERNMENT	PERCENTAGE OF PERSONAL INCOME	PER CAPITA*
	GENERAL OBLIGATION BONDS	EXCISE TAX BONDS	TAX INCREMENT BONDS	SUNSHINE STATE LOANS	FLORIDA GOVERNMENTAL LOANS	SPECIAL OBLIGATION LOANS	SPECIAL OBLIGATION BONDS	CAPITAL LEASES	WATER & SEWER BONDS	SANITATION REVENUE BONDS	STATE REVOLVING FUND LOANS	FLORIDA GOVERNMENTAL LOANS	EXCISE TAX BONDS						
2004	\$ 38,110	\$ 13,645	\$ 21,705	\$ 11,265	\$ 14,600	\$ -	\$ -	\$ 4,349	\$ 87,105	\$ 4,635	\$ 6,897	\$ -	\$ 13,645	\$ 215,956	0.34	1,197.11			
2005	53,005	11,480	20,946	8,885	12,275	-	-	7,025	85,150	4,320	19,233	-	11,480	233,799	0.34	1,305.46			
2006	47,405	9,240	19,803	7,995	11,150	-	-	5,339	83,165	3,985	36,038	-	9,240	233,360	0.34	1,279.20			
2007	41,620	6,900	18,691	7,075	10,000	-	-	3,657	180,335	3,635	61,236	-	6,900	340,049	0.51	1,898.28			
2008	39,305	3,520	17,544	6,110	9,300	-	-	2,639	331,840	3,265	72,316	-	3,520	489,359	0.69	2,703.61			
2009	36,920	-	16,352	-	-	25,433	-	9,750	325,195	2,870	89,131	-	-	505,651	0.70	2,807.61			
2010	34,465	-	15,120	-	-	24,022	-	8,425	400,610	-	89,193	-	-	571,835	0.78	3,169.82			
2011	65,900	-	13,843	-	-	31,408	-	7,111	391,805	-	84,693	-	-	594,760	0.82	3,593.72			
2012	48,255	-	12,461	-	-	28,979	-	-	378,355	-	81,248	-	-	549,298	0.72	3,305.04			
2013	45,130	-	-	-	-	25,764	321,275	-	369,010	-	76,607	-	-	837,786	1.06	4,926.27			

* See Schedule 13 for Demographic and Economic Statistics personal income for population data.

CITY OF FORT LAUDERDALE, FLORIDA

STATISTICAL SECTION

**RATIOS OF NET 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**
2004	\$ 38,110,000	\$ 733	\$ 38,109,267	0.21	225.50
2005	53,005,000	385,768	52,619,232	0.26	308.98
2006	47,405,000	586,789	46,818,211	0.20	267.07
2007	41,620,000	586,703	41,033,297	0.14	233.81
2008	39,305,000	628,769	38,676,231	0.12	215.23
2009	36,920,000	628,426	36,291,574	0.12	201.51
2010	34,465,000	328,438	34,136,562	0.12	189.23
2011	65,900,000	16,045,899	49,854,101	0.20	301.23
2012	48,255,000	510,975	47,744,025	0.20	287.27
2013	45,130,000	602,401	44,527,599	0.19	261.83

* See Schedule 5 for Assessed Value and Actual Value of Taxable Property for property value data.

** See Schedule 13 for Demographic and Economic Statistics personal income for population data.

CITY OF FORT LAUDERDALE, FLORIDA

STATISTICAL SECTION

**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES NET DEBT
September 30, 2013**

Schedule 11

GOVERNMENTAL UNIT	<u>NET DEBT OUTSTANDING</u>	<u>ESTIMATED PERCENTAGE APPLICABLE</u>	<u>ESTIMATED SHARE OF OVERLAPPING NET DEBT</u>
Debt Repaid with Property Taxes			
Downtown Development Authority	\$ 7,541,031	100.00%	\$ 7,541,031
Broward County ⁽¹⁾	301,730,000	18.69%	56,393,337
Broward County School Board ⁽¹⁾	1,888,062,000 *	18.69%	<u>352,878,788</u>
Subtotal Overlapping Debt			416,813,156
City of Fort Lauderdale Direct Debt	377,353,268	100.00%	<u>377,353,268</u>
Total Direct and Overlapping Debt			<u><u>\$ 794,166,424</u></u>

(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 (\$23,709,180,578) by the County's gross taxable property values (\$126,861,238,080).

* Debt outstanding as of June 30, 2013

Sources: Assessed value data used to estimate applicable percentages was provided by the Broward County Property Appraiser. Debt outstanding data was provided by each governmental unit.

CITY OF FORT LAUDERDALE, FLORIDA

STATISTICAL SECTION

PLEDGE REVENUE COVERAGE
LAST TEN FISCAL YEARS

Schedule 12

(Dollars in Thousands)

FISCAL YEAR	TAX INCREMENT BONDS						
	GROSS REVENUE	OPERATING EXPENSES*	NET AVAILABLE REVENUE	DEBT SERVICE		TOTAL	COVERAGE
				PRINCIPAL	INTEREST		
2004	\$ 2,964	\$ 1,416	\$ 1,548	\$ 422	\$ 367	\$ 789	1.96
2005	3,726	1,157	2,569	759	685	1,444	1.78
2006	5,190	1,926	3,264	1,143	931	2,074	1.57
2007	8,492	1,766	6,726	1,112	970	2,082	3.23
2008	8,409	1,661	6,748	1,147	717	1,864	3.62
2009	9,419	1,934	7,485	1,192	365	1,557	4.81
2010	8,877	2,101	6,776	1,232	227	1,459	4.64
2011	7,640	2,524	5,116	1,277	196	1,473	3.47
2012	7,036	2,691	4,345	1,382	167	1,549	2.81
2013	-	-	-	-	-	-	-

FISCAL YEAR	SPECIAL OBLIGATION LOANS						
	GROSS REVENUE	OPERATING EXPENSES*	NET AVAILABLE REVENUE	DEBT SERVICE		TOTAL	COVERAGE
				PRINCIPAL	INTEREST		
2004	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
2005	-	-	-	-	-	-	-
2006	-	-	-	-	-	-	-
2007	-	-	-	-	-	-	-
2008	-	-	-	-	-	-	-
2009	144,779	-	144,779	81	906	987	146.69
2010	144,696	-	144,696	1,410	1,262	2,672	54.15
2011	141,866	-	141,866	2,466	862	3,328	42.63
2012	153,629	-	153,629	2,429	547	2,976	51.62
2013	164,902	-	164,902	2,490	487	2,977	55.39

FISCAL YEAR	SPECIAL OBLIGATION BONDS						
	GROSS REVENUE	OPERATING EXPENSES*	NET AVAILABLE REVENUE	DEBT SERVICE		TOTAL	COVERAGE
				PRINCIPAL	INTEREST		
2004	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
2005	-	-	-	-	-	-	-
2006	-	-	-	-	-	-	-
2007	-	-	-	-	-	-	-
2008	-	-	-	-	-	-	-
2009	-	-	-	-	-	-	-
2010	-	-	-	-	-	-	-
2011	-	-	-	-	-	-	-
2012	-	-	-	-	-	-	-
2013	42,044	-	42,044	16,480	8,469	24,949	1.69

FISCAL YEAR	WATER AND SEWER REVENUE BONDS						
	GROSS REVENUE	OPERATING EXPENSES*	NET AVAILABLE REVENUE	DEBT SERVICE		TOTAL	COVERAGE
				PRINCIPAL	INTEREST		
2004	\$ 71,429	\$ 43,676	\$ 27,753	\$ 1,935	\$ 3,633	\$ 5,568	4.98
2005	78,777	42,007	36,770	1,955	3,594	5,549	6.63
2006	78,109	46,423	31,686	1,985	3,551	5,536	5.72
2007	82,804	48,749	34,055	2,830	7,935	10,765	3.16
2008	85,741	50,296	35,445	3,495	11,925	15,420	2.30
2009	92,071	52,576	39,495	6,645	14,821	21,466	1.84
2010	103,156	55,207	47,949	6,885	15,663	22,548	2.13
2011	105,231	50,958	54,273	8,805	17,849	26,654	2.04
2012	106,017	57,299	48,718	9,100	16,783	25,883	1.88
2013	121,076	65,202	55,874	9,345	16,874	26,219	2.13

FISCAL YEAR	STATE REVOLVING FUND LOANS							
	GROSS REVENUE	OPERATING EXPENSES*	REVENUE BOND DEBT SERVICE		NET AVAILABLE REVENUE		STATE LOANS DEBT SERVICE	
			PRINCIPAL	INTEREST	REVENUE	PRINCIPAL	INTEREST	COVERAGE
2004	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
2005	82,800	47,674	1,955	3,594	29,577	-	491	60.24
2006	82,052	54,728	1,985	3,551	21,788	77	442	41.98
2007	89,077	56,208	2,830	7,935	22,104	2,074	925	7.37
2008	90,701	57,364	3,495	11,925	17,917	3,006	1,792	3.73
2009	97,376	60,169	6,645	14,821	15,741	4,663	1,956	2.38
2010	107,784	62,466	6,885	15,663	22,770	4,286	2,138	3.54
2011	107,049	58,869	8,805	17,849	21,526	4,500	2,081	3.27
2012	107,398	75,037	9,100	16,782	6,479	3,445	1,993	1.19
2013	123,905	60,927	9,345	16,874	36,759	4,641	1,882	5.64

* Total expenses excluding depreciation and payment in lieu of taxes.

CITY OF FORT LAUDERDALE, FLORIDA

STATISTICAL SECTION

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

Schedule 13

FISCAL YEAR	FORT LAUDERDALE POPULATION	BROWARD COUNTY POPULATION	BROWARD COUNTY PERSONAL INCOME*	COUNTY PER CAPITA PERSONAL INCOME	UNEMPLOYMENT RATE
2004	169,000	1,753,000	\$ 59,615,576	\$ 34,008	4.4
2005	170,300	1,753,000	65,213,329	37,201	3.5
2006	175,300	1,751,100	65,213,329	37,241	3.1
2007	175,500	1,751,100	65,213,329	37,241	4.2
2008	179,700	1,763,600	70,454,147	39,743	6.4
2009	180,100	1,756,500	71,994,871	41,169	10.9
2010	180,400	1,742,900	73,590,969	41,974	12.1
2011	165,500	1,748,100	72,752,112	41,618	10.7
2012	166,200	1,753,162	76,133,577	43,426	8.5
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.

CITY OF FORT LAUDERDALE, FLORIDA

STATISTICAL SECTION

**PRINCIPAL EMPLOYERS
CURRENT YEAR**

Schedule 14

ESTIMATED NUMBER OF EMPLOYEES	EMPLOYER
Over 5,000	Broward County School Board Broward County Government Broward Health
2,500 - 4,999	Secor Holdings Kaplan University
1,000 - 2,499	City of Fort Lauderdale Citrix Systems SFN Group (formerly Spherion Corporation) Sun-Sentinel Co./ WSFL-TV
Under 1,000	Saveology.com Aviall Zimmerman Advertising Rick Case Automotive Group American Changer Corporation Ed Morse Automotive Group Templeton Worldwide

Note: Little reliable data currently exists on employment within the City of Fort Lauderdale. The above estimates are assembled from data provided by the Broward Alliance, Broward County Government, the Broward County School District, and the City of Fort Lauderdale's Economic Development Division. Information for prior years is unavailable.

Fort Lauderdale is a part of the diverse economy of Broward County. Service industries dominate the local employment environment. Primary sectors of the services within the City are marine-related industries, tourism, retail and wholesale trade.

CITY OF FORT LAUDERDALE, FLORIDA

STATISTICAL SECTION

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

Schedule 15

FUNCTION/PROGRAM	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Government									
Business Enterprises	8.00	8.00	10.00	10.00	10.00	10.00	10.00	51.00	-
City Commission	5.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00
City Manager	10.00	10.00	18.00	18.00	18.00	18.00	21.00	18.00	33.00
City Attorney	24.00	25.00	26.00	26.00	26.00	26.00	25.00	25.00	25.00
City Auditor	-	2.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
City Clerk	12.00	5.00	6.00	6.00	6.00	6.50	6.50	6.60	7.40
Finance	55.00	55.00	56.00	64.00	64.00	64.00	65.00	66.00	58.40
Human Resources	25.00	26.00	26.00	24.00	24.00	20.00	19.00	29.00	32.00
Information Systems	38.00	39.00	39.00	38.80	38.60	38.30	38.12	38.60	63.10
Office of Management and Budget	12.00	13.00	13.00	13.00	13.00	12.00	-	-	-
Office of Professional Standards	3.00	4.00	4.00	4.00	4.00	3.00	3.00	-	-
Procurement	12.50	12.50	12.50	11.30	11.00	11.00	11.00	-	-
Planning and Zoning	37.00	38.00	38.00	36.20	36.40	31.30	31.00	31.00	-
Public Works	62.00	59.00	61.00	52.00	52.00	36.00	48.00	115.00	53.00
Public Information	8.00	11.00	11.00	11.00	11.00	11.00	10.00	10.00	-
Public Safety									
Building Services	120.50	118.00	123.00	117.40	117.00	108.00	98.00	97.00	-
Fire Rescue	439.20	453.00	455.00	464.70	465.20	461.00	458.90	461.00	461.10
Police	667.25	719.00	712.00	693.50	696.70	702.90	696.00	673.00	673.00
Physical Environment									
Business Enterprises	1.00	1.00	1.00	1.00	1.00	1.00	1.00	-	-
Public Works	527.50	516.50	519.50	521.30	523.50	520.50	492.38	419.40	354.00
Transportation & Mobility									
Business Enterprises	13.50	13.50	13.50	14.00	14.00	16.00	16.00	16.00	6.00
Parking and Fleet Services	47.50	49.50	52.00	52.90	54.60	51.90	49.80	81.60	75.40
Police	23.00	23.00	23.00	23.00	23.00	23.00	22.00	18.00	18.00
Public Works	12.00	11.50	12.50	11.60	11.60	8.50	5.20	3.20	4.00
Arts & Science District Garage	-	-	-	-	-	5.60	8.80	-	1.50
Economic Environment									
Economic Development	16.00	18.00	21.00	21.00	21.00	20.00	18.00	19.00	130.50
Planning and Zoning	20.50	20.50	20.50	19.00	17.00	17.00	17.00	15.00	-
Culture and Recreation									
Parks and Recreation	330.00	336.50	351.75	337.00	344.40	314.90	281.40	274.80	415.80
Business Enterprises	36.50	41.50	39.50	40.20	40.70	40.40	40.20	-	-
Total	2,565.95	2,641.00	2,681.75	2,647.90	2,660.70	2,594.80	2,509.30	2,485.20	2,428.20

* Years prior to fiscal year 2005 have not been presented due to a substantial reorganization of City departments effective October 1, 2004.

Source: Annual Operating Budget Books

CITY OF FORT LAUDERDALE, FLORIDA

STATISTICAL SECTION

**OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

Schedule 16

FUNCTION/PROGRAM	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Public Safety										
Police										
911 & Non Emergency Calls Received	605,395	593,331	610,210	703,119	654,123	684,524	588,913	567,692	564,131	560,155
Citations Issued	53,039	50,443	48,368	63,897	51,470	44,140	50,541	60,677	56,457	45,976
Arrests	9,620	10,435	12,492	14,112	14,018	13,903	14,601	17,256	13,752	13,172
Parking Citations Issued (Excluding Voids)	117,482	127,370	125,200	115,371	112,485	107,092	99,786	97,922	90,960	98,804
Fire Rescue										
Total Incidents	41,007	42,258	42,891	41,066	41,778	41,416	41,468	42,378	42,642	43,959
Total Fire Incidents	865	842	917	739	645	636	521	639	578	542
Inspections Performed	17,631	18,753	20,668	18,936	20,352	16,663	16,754	20,267	24,951	19,570
Physical Environment										
Water Distribution										
Water Main Failures/Repairs	64	184	233	114	107	86	52	42	29	76
New Water Mains Construction (Feet)	23,817	23,180	23,310	22,076	22,976	21,827	19,927	20,356	22,736	22,000
Water and Wastewater Treatment										
Raw Wastewater Treated (Billions of Gallons)	13.00	13.40	13.60	13.50	13.50	14.20	12.90	12.87	15.70	14.31
Raw Water Treated (Billions of Gallons)	18.23	18.40	18.40	15.83	15.64	16.57	15.42	14.86	13.92	14.36
Sanitation										
Household Refuse Collected (Tons)	44,752	47,550	49,899	45,911	48,408	45,350	43,528	42,088	42,174	40,671
Recycling Tonnage	6,950	7,227	6,708	6,280	7,989	8,269	8,650	7,891	9,107	11,688
Culture and Recreation										
Parks and Recreation										
Pavilion Rentals	624	564	737	969	900	1,020	1,145	1,050	664	668
Learn to Swim Registrants	3,800	3,400	3,580	3,938	3,594	3,596	2,942	2,988	2,329	2,251
Youth/Sports Club Participants	n/a	n/a	590	700	1,122	1,664	1,200	1,750	2,451	3,141
Summer Camp Registrants	n/a	n/a	740	808	1,317	1,284	1,010	1,058	1,897	2,059

Source: Various City departments

CITY OF FORT LAUDERDALE, FLORIDA

STATISTICAL SECTION

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

Schedule 17

FUNCTION/PROGRAM	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Government										
City Buildings	112	112	112	112	112	112	112	112	112	112
Public Safety										
Police										
Police Stations	1	1	1	1	1	1	1	1	1	1
Marked Units (cars, vans, trailers, bomb van)	-	-	310	408	408	414	420	405	420	393
Unmarked Units (cars)	-	-	199	209	209	214	214	229	223	237
Fire Rescue										
Fire Stations	12	12	12	13	11	11	11	10	10	10
Fire Apparatus	-	-	20	20	20	20	20	20	20	20
Ambulances	-	-	20	20	20	20	20	19	19	20
Physical Environment										
Public Works - Water and Sewer										
Fire Hydrants	5,107	5,204	5,288	5,352	5,352	5,352	5,420	5,621	5,804	5,872
Water Mains (miles)	751	751	750	750	750	750	757	782	786	786
Water Plants (2) - capacity per day (million gallons)	90	90	90	90	82	82	82	82	82	82
Wastewater Plant - capacity per day (million gallons)	56	56	56	56	56	56	56	56	56	56
Sanitary Sewers (miles)	488	481	467	503	503	503	546	577	585	621
Storm Drainage (miles)	216	216	149	149	149	149	160	163	170	171
Storm and Wastewater Pumping Stations	150	150	150	153	153	153	198	208	208	213
Transportation										
Public Works - Road and Street Facilities										
Streets (miles)	497	497	497	497	497	497	497	498	500	500
Sidewalks (miles)	312	312	312	312	312	312	312	312	325	425
Bridges	51	51	51	51	51	51	51	51	51	52
Community Bus	-	-	3	11	11	11	3	3	32	3
Parking and Fleet Services										
City Maintained Parking Spaces	9,214	9,214	9,214	9,078	9,078	9,224	9,438	9,506	9,347	10,923
City Parking Garages	4	4	4	4	4	4	4	4	4	4
Meters (single and multi-space)			2,580	2,641	2,495	2,104	2,477	2,104	2,496	2,326
Culture and Recreation										
Public Beach (miles)	5	5	5	5	5	5	5	5	5	5
Municipal Swimming Pools	9	15	15	15	14	13	13	13	12	13
Public Parks (acres)	-	-	766	766	744	756	786	786	786	876
War Memorial Auditorium (Seating Capacity)	2,110	2,110	2,110	2,110	2,110	2,110	2,110	2,110	2,110	2,110
Lockhart Stadium (Seating Capacity)	19,500	19,500	19,500	19,500	19,500	18,800	19,500	19,500	19,500	19,500
Fort Lauderdale Stadium (Seating Capacity)	8,340	8,340	8,340	8,340	8,340	8,340	8,340	8,340	8,340	8,340
Fort Lauderdale Aquatic Complex (Seating Capacity)	2,330	2,330	2,540	2,540	2,540	2,540	2,465	1,840	1,740	1,740
Bahia Mar Yachting Center - Municipal Yacht Slips	200	200	200	200	200	200	200	200	219	250

Source: Various City departments and the budget book

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

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

We have audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Fort Lauderdale, Florida (the "City") as of and for the year ended September 30, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated March 13, 2014. Our report includes a reference to other auditors who audited the financial statements of the City of Fort Lauderdale General Employees' Retirement System, as described in our report on the City's financial statements. This report includes our consideration of the results of the other auditors' testing of internal control over financial reporting and compliance and other matters that are reported on separately by those other auditors. However, this report, insofar as it relates to the results of the other auditors, is based solely on the reports of the other auditors.

Internal Control Over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we and the other auditors identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We and the other auditors consider the deficiency described in the accompanying schedule of findings and questioned costs as finding 2012-3 to be a material weakness.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We and the other auditors consider the deficiencies described in the accompanying schedule of findings and questioned costs as findings 2012-4 and 2012-6 to be significant deficiencies.

Compliance and Other Matters

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

The City's Responses to Findings

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

Purpose of this Report

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



Crowe Horwath LLP

Fort Lauderdale, Florida
March 13, 2014

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

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

Report on Compliance for Each Major Federal Program and State Project

We have audited the City of Fort Lauderdale, Florida's (the "City") compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* and the requirements described in the *Department of Financial Services' State Projects Compliance Supplement*, that could have a direct and material effect on each of the City's major federal programs and state projects for the year ended September 30, 2013. The City'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.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal programs and state projects based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and Chapter 10.550, *Rules of the Auditor General*. Those standards, OMB Circular A-133, and Chapter 10.550, *Rules of the Auditor General*, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program or state project occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program and State Project

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the year ended September 30, 2013.

Report on Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program and state project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and state project and to test and report on internal control over compliance in accordance with OMB Circular A-133 and Chapter 10.550, *Rules of the Auditor General*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133 and Chapter 10.550, *Rules of the Auditor General*. Accordingly, this report is not suitable for any other purpose.



Crowe Horwath LLP

Fort Lauderdale, Florida
March 13, 2014

CITY OF FORT LAUDERDALE, FLORIDA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE

YEAR ENDED SEPTEMBER 30, 2013

Federal/State Grantor, Pass-through Grantor Federal Programs/State Projects	CFDA# CSFA #	Contract/ Grant Number	Financial Project Number	Expenditures	Transfer to Subrecipient
I. CASH FEDERAL FINANCIAL ASSISTANCE					
U. S. Department of Agriculture:					
Indirect Programs:					
Summer Food Service Program for Children					
Passed Through Florida Department of Education					
FY13 Summer Food Service Program for Children	10.559	04-0987	N/A	\$ 98,199	\$ -
Total U. S. Department of Agriculture				<u>98,199</u>	<u>-</u>
U.S. Department of Commerce:					
Indirect Programs:					
Coastal Zone Management Administration Awards					
Passed Through South Florida Regional Planning Council					
Pilot Implementation of Adaptation Action Areas	11.419	CO905	N/A	5,008	-
Total U. S. Department of Commerce				<u>5,008</u>	<u>-</u>
U.S. Department of Housing and Urban Development:					
Direct Programs:					
Community Development Block / Entitlement Grants	14.218		N/A	2,673,153	776,061
Community Development Block / Entitlement Grants - NSP	14.218	B-08-MN-12-0007	N/A	374,826	-
Community Development Block / Entitlement Grants - NSP3	14.218	B-11-MN-12-0007	N/A	1,546,370	-
Total CFDA # 14.218				<u>4,594,349</u>	<u>776,061</u>
Emergency Solutions Grant Program	14.231		N/A	131,970	121,916
Home Investment Partnerships Program	14.239		N/A	1,668,700	-
Housing Opportunities for Persons with AIDS	14.241	FLH12-F004	N/A	9,153,862	8,946,437
Total U.S. Department of Housing and Urban Development				<u>15,548,881</u>	<u>9,844,414</u>
U.S. Department of Justice:					
Direct Programs:					
Bulletproof Vest Partnership Program					
FY 2012 Program	16.607	N/A	N/A	8,148	-
				<u>8,148</u>	<u>-</u>
Public Safety Partnership and Community Policing Grants					
American Recovery and Reinvestment Act					
COPS Hiring Recovery Program	16.710	2009-RJ-WX-0025	N/A	370,992	-
				<u>370,992</u>	<u>-</u>
Indirect Programs:					
Edward Byrne Memorial Justice Assistance Grant Program					
Passed Through Florida Department of Law Enforcement					
Operation Trend Buster	16.738	2013-JAGC-BROW-5-D7-23:	N/A	71,849	-
Passed Through Broward Sheriff's Office					
2010 Edward Byrne Justice Assistance Grant (JAG)	16.738	2010-DJ-BX-0414	N/A	43,513	-
2011 Edward Byrne Justice (JAG) - Local Solicitation	16.738	2011-DJ-BX-2512	N/A	29,449	-
2012 Edward Byrne Justice (JAG) - Local Solicitation	16.738	2012-DJ-BX-0035	N/A	77,359	-

CITY OF FORT LAUDERDALE, FLORIDA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE (continued)

YEAR ENDED SEPTEMBER 30, 2013

Federal/State Grantor, Pass-through Grantor Federal Programs/State Projects	CFDA# CSFA #	Contract/ Grant Number	Financial Project Number	Expenditures	Transfer to Subrecipient
American Recovery and Reinvestment Act					
Recovery Act - Edward Byrne Memorial Justice Assistance Grant					
Passed Through Broward Sheriff's Office					
2009 Byrne Justice Assistance Grant - Recovery Funds	16.804	2009-SB-B9-3324	N/A	\$ 205	\$ -
Total Justice Assistance Grant Cluster				222,375	-
Direct Programs:					
Paul Coverdell Forensic Sciences Improvement Grant Program					
2011 FLPD Latent Print Analysis Backlog Reduction	16.742	2011-CD-BX-0072	N/A	144,057	-
Total U.S. Department of Justice				<u>745,572</u>	<u>-</u>
U.S. Department of Transportation:					
Direct Programs:					
Federal Transit_Capital Investment Grant					
Shuttles/PM Admin - Beach Shuttle Program	20.500	FTA-G11	FL-03-0291-00	120,116	-
Indirect Programs:					
Passed Through Broward County					
Convention Connection Shuttle Service	20.500	N/A	N/A	173,916	-
				294,032	-
Direct Programs:					
Airport Improvement Program					
Rehabilitate Taxiway E Design	20.106	3-12-0024-026-2012	425762-1-94-01	227,924	-
				227,924	-
Indirect Programs:					
Highway Planning and Construction					
Passed Through Florida Department of Transportation					
Flagler Drive Greenway & Bicycle Facilities	20.205	AQA68	418029-1-58-01	57,554	-
NW 24th Ave from SR-838/Sunrise	20.205	AQJ71	425712-1-58-01	67,678	-
SE 15 Avenue / North and South Bridge #865767 and #865768	20.205	AQ813	230734-1-58-01	3,909,725	-
				4,034,957	-
Total U.S. Department of Transportation				<u>4,556,913</u>	<u>-</u>
U.S. Department of Energy:					
Direct Programs:					
American Recovery and Reinvestment Act					
Energy Efficiency and Conservation Block Grant Program (EECBG)					
Fort Lauderdale, FL Energy Efficiency Block Grant - Recovery	81.128	DE-EE0000776	N/A	750,571	-
Total U.S. Department of Energy				<u>750,571</u>	<u>-</u>

CITY OF FORT LAUDERDALE, FLORIDA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE (continued)

YEAR ENDED SEPTEMBER 30, 2013

Federal/State Grantor, Pass-through Grantor Federal Programs/State Projects	CFDA# CSFA #	Contract/ Grant Number	Financial Project Number	Expenditures	Transfer to Subrecipient
U.S. Department of Homeland Security:					
Indirect Programs:					
Hazard Mitigation Grant					
Passed Through Florida Division of Emergency Management					
Fort Lauderdale, Police Department, Wind Retrofit Project	97.039	09HM-37-11-16-02-052	DR-1609-42-R	\$ 23,273	\$ -
Emergency Management Performance Grant				23,273	-
Passed Through Florida Division of Emergency Management					
Fiscal Year 2012 Emergency Management Performance Grant	97.042	14-CI-58-11-16-02-	N/A	4,478	-
				4,478	-
Homeland Security Grant Program					
Fiscal Year 2010 SHSGP - CERT	97.067	11-CI-A6-11-16-02-407	2010-SS-TO-0092	6,750	-
Fiscal Year 2011 SHSGP - Citizen Corps	97.067	13-CC-24-11-16-02-253	N/A	9,565	-
Fiscal Year 10 Metropolitan Medical Response	97.067	11-DS-A3-11-16-02-400	2010-SS-TO-0092	296,590	-
Fiscal Year 11 Metropolitan Medical Response	97.067	13-DS-25-11-16-02-314	N/A	282	-
Fiscal Year 2011 SHSGP - Citizen Corps	97.067	13-CC-24-11-16-02-253	N/A	4,421	-
Fiscal Year 2010 SHSGP - Citizen Corps	97.067	11-CC-A6-11-16-02-353	N/A	3,037	-
Passed Through City of Miramar					
FY 2008 Urban Area Security Initiative (UASI) Grant Program	97.067	09-DS-48-11-16-02-448	N/A	8,227	-
FY 2009 Urban Area Security Initiative (UASI) Grant Program	97.067	11-DS-32-11-16-02-017	N/A	1,179	-
FY 2010 Urban Area Security Initiative (UASI) Grant Program	97.067	11-DS-A1-11-16-02-487	N/A	398,777	-
FY 2010 Urban Area Security Initiative (UASI) Grant Program	97.067	11-DS-A1-11-16-02-487	N/A	92,991	-
FY 2008 Urban Area Security Initiative (UASI) Grant Program	97.067	09-DS-48-11-16-02-448	N/A	6,758	-
FY 2009 Urban Area Security Initiative (UASI) Grant Program	97.067	11-DS-32-11-16-02-017	N/A	1,624	-
FY 2010 Urban Area Security Initiative (UASI) Grant Program	97.067	11-DS-A1-11-16-02-487	N/A	56,250	-
Passed Through City of Miami					
FY 2011 Urban Area Security Initiative (UASI) Grant Program	97.067	12-DS-22-11-23-02-236	N/A	39,288	-
				925,739	-
Total U.S. Department of Homeland Security				953,490	-
II. NON CASH FEDERAL FINANCIAL ASSISTANCE					
U.S. Department of Homeland Security:					
Passed Through Florida Division of Emergency Management					
Passed Through City of Miami					
FY 2008 & 2009 Urban Area Security Initiative (UASI) Grant Program					
Volvo Construction equipment - Lightsource Light Tower	97.067			39,590	-
6" Thompson Pump with Canopy	97.067			46,214	-
MMG205 (IT4) Diesel Generators with Tandem Trailer	97.067			116,214	-
				202,018	-
Total Expenditures of Federal Awards				\$ 22,860,652	\$ 9,844,414

CITY OF FORT LAUDERDALE, FLORIDA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE (continued)

YEAR ENDED SEPTEMBER 30, 2013

Federal/State Grantor, Pass-through Grantor Federal Programs/State Projects	CFDA# CSFA #	Contract/ Grant Number	Financial Project Number	Expenditures	Transfer to Subrecipient
III. STATE FINANCIAL ASSISTANCE					
Florida Department of Environmental Protection:					
Direct Projects:					
Statewide Surface Water Restoration and Wastewater Projects					
Fort Lauderdale River Oaks Preserve Stormwater Project	37.039	LP06101	N/A	\$ 33,032	\$ -
Total Florida Department of Environmental Protection				<u>33,032</u>	<u>-</u>
Florida Housing Finance Corporation:					
Direct Projects:					
State Housing Initiative Partnership Program (SHIP)	52.901	N/A	N/A	628,103	-
State Housing Initiative Partnership Program (SHIP)	52.901	N/A	N/A	422,327	-
Total Florida Housing Finance Corporation				<u>1,050,430</u>	<u>-</u>
Florida Department of Transportation					
Direct Projects:					
Aviation Development Grants					
Rehabilitation of Taxiways C & D	55.004	APZ37	420763-1-94-01	112,550	-
Design Customs Building & Apron	55.004	APO91	420767-1-94-01	23,754	-
Construct Customs Building & Apron at Ft Lauderdale Executiv	55.004	AQM69	422462-1-94-01	4,729	-
Rehab Taxilane Charlie	55.004	AQP93	423949-1-94-01	130,535	-
Design Rehab Taxiway E & Improve Taxiway Entrances	55.004	AQP92	425762-1-94-01	12,662	-
				<u>284,230</u>	<u>-</u>
Total Florida Department of Transportation				<u>284,230</u>	<u>-</u>
Florida Department of Health					
Indirect Projects:					
State EMS County Grant Awards					
Passed Through Broward County					
Video Laryngoscopes	64.005	11-OMETS -8261-01- (12)	N/A	39,950	-
Total Florida Department of Health				<u>39,950</u>	<u>-</u>
Total Expenditures of State Financial Assistance				<u>\$ 1,407,642</u>	<u>\$ -</u>

See accompanying notes.

CITY OF FORT LAUDERDALE, FLORIDA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE

YEAR ENDED SEPTEMBER 30, 2013

1. General

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance (the Schedule) presents the activity of all federal awards programs and state financial assistance projects of the City of Fort Lauderdale, Florida (the City), for the year ended September 30, 2013. Federal awards programs and state financial assistance projects received directly, as well as passed through other government agencies, are included on the Schedule.

2. Basis of Accounting

The accompanying Schedule is presented using the modified accrual basis of accounting, except for proprietary funds, which are presented on the accrual basis. Under the modified accrual basis, revenue is recognized if it is both measurable and available for use during the fiscal year and expenditures are recognized in the period liabilities are incurred, if measurable. Under the accrual basis, expenditures are recognized in the period liabilities are incurred.

3. Program Clusters

OMB Circular A-133 defines a cluster of programs as a grouping of closely related programs that share common compliance requirements. Based on this definition, similar programs are presented accordingly.

4. Contingency

The grant revenue amounts received are subject to audit and adjustment. If any expenditures or expenses are disallowed by the grantor agencies as a result of such an audit, any claim for reimbursement to the grantor agencies would become a liability of the City. In the opinion of management, all grant expenditures are in compliance with the terms of the grant agreements and applicable federal and state laws and regulations.

5. HOME Program

The City was locked out of the Integrated Disbursement Information System (IDIS) for the Home Investment Partnerships program (HOME) in FY13. Per a letter dated November 26th, 2013 from the Department of Housing and Urban Development (HUD), the City can resume drawdowns once the City repays its HOME line-of-credit account at HUD for the ineligible activities in prior years and the City make adjustments in the IDIS system. These non-compliance issues span from 1992-2006. HUD was repaid \$540,547 in December 2013.

CITY OF FORT LAUDERDALE, FLORIDA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE

YEAR ENDED SEPTEMBER 30, 2013

The Department of Housing and Urban Development received the repayment from the City and posted it to the IDIS in January. After the financial staff at the city's Housing and Community Development division (HCD) makes the necessary adjustments to the ineligible activities in IDIS, HOME funding will be available for commitment and drawdown. The City foresees completion of the necessary tasks by March 1, 2014.

The City was also required to pay the HOME program \$42,304 into its local bank account. The monies were recorded in FAMIS index code HM08RET, sub-object N900. The funds were for ineligible activities in which program income (\$12,000) was reported used, and/or ineligible activities in which the draw amount included HUD expired funding.

6. Non-Cash and Federal Insurance

The City did receive non-cash assistance in the current fiscal year.

CITY OF FORT LAUDERDALE, FLORIDA
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 YEAR ENDED SEPTEMBER 30, 2013

SECTION I - SUMMARY OF INDEPENDENT AUDITOR'S RESULTS

FINANCIAL STATEMENTS

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified	Yes
Significant deficiency(ies) identified not considered to be material weakness(es)	Yes
Noncompliance material to financial statements noted	No

FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

Type of auditor's report issued on compliance for major federal programs and state projects	Unmodified
Internal control over major federal programs and state projects:	
Material weakness(es) identified	No
Significant deficiency(ies) identified not considered to be material weakness(es)	None reported
Audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133, Section 215.97, <i>Florida Statutes</i> and Chapter 10.550, <i>Rules of the Auditor General</i>	No

Identification of major federal programs and state projects:

<u>Federal Awards</u>	<u>Name of Federal Program/State Project</u>
CFDA Number	
14.231	Emergency Solutions Grant Program
14.239	Home Investment Partnerships Program
14.241	Housing Opportunities for Persons with AIDS
20.106	Airport Improvement Program
20.205	Highway Planning and Construction - Passed Through Florida Department of Transportation
81.128	ARRA - Energy Efficiency and Conservation Block Grant Program (EECBG)

State Financial Assistance

CSFA Number	
52.901	State Housing Initiative Partnership Program (SHIP)

Dollar threshold used to distinguish between Type A and Type B programs/projects:	
Federal	\$685,820
State	\$300,000

Auditee qualified as low-risk No

CITY OF FORT LAUDERDALE, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED SEPTEMBER 30, 2013

SECTION II - FINANCIAL STATEMENT FINDINGS

Material Weakness

2012-3	FAMIS User Administrative Procedures
Criteria:	User access within the general ledger application should ensure proper segregation of duties. Users with significant financial reporting responsibilities should not also have administrator access within the general ledger application.
Condition:	During or review of FAMIS access, we noted three users with application administrator access who also have significant financial reporting responsibilities.
Context:	Not applicable
Cause:	Limitations with FAMIS make it difficult to segregate these responsibilities without creating inefficiencies.
Effect:	This combination of access allows users to bypass system and financial reporting controls, which increases the risk of inappropriate activity by those users.
Recommendation:	We recommend that those users be removed as administrators within FAMIS and that going forward, individuals with significant financial reporting responsibilities not be granted application administrator access within FAMIS.
Management's Response:	<p>The Finance Department recognizes the control deficiency and has implemented mitigating controls to address this material weakness.</p> <ol style="list-style-type: none">1. Reduced the number of FAMIS administrators to two users.2. Required each administrator to generate a log of all changes made in FAMIS.3. Assigned responsibility for reviewing, comparing and approving the log against a FAMIS table maintenance report to a Finance employee who does not have significant financial reporting responsibilities. <p>The table maintenance report shows all changes made the previous day by all system users of FAMIS. These steps outlined above provide adequate controls to address this finding.</p>

CITY OF FORT LAUDERDALE, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED SEPTEMBER 30, 2013

SECTION II - FINANCIAL STATEMENT FINDINGS

Significant Deficiency

2012-4	(Reported in 2011 as PY-3) Calculation of Compensated Absences
Criteria:	Controls over the process of calculating the liability for compensated absences should be designed and operating effectively to ensure that the amounts recorded in the financial statements are an accurate representation of the amounts actually due to employees as of the end of the fiscal year.
Condition:	The City's policy is to accrue sick leave at the pay rate in effect at the time the hours are earned. Sick leave used is paid at the employee's current pay rate at the time of use. Accordingly, the calculation of the unused sick leave liability is based on different pay rates depending on when the hours were earned. The calculation is performed manually using a spreadsheet.
Context:	Not applicable
Cause:	The City is unable to electronically track the unused sick liability for certain employees because of system limitations.
Effect:	This calculation is performed manually and can be cumbersome depending on an employee's length of service, which increases the potential for errors in the calculation of the unused sick liability as of the end of each fiscal year.
Recommendation:	The City should review the mechanics of the unused sick leave liability calculation and determine whether the process can be automated in order to alleviate the need for manual calculations.
Management's Response:	The City has reviewed the data and process for the sick leave payout calculations and determined that it is not possible to automate the process, given the current data storage and payroll systems. The City is in the process of working with a consultant to develop a Request for Proposal (RFP) for an Enterprise Resource Planning (ERP) solution to replace the current payroll system, which should improve the processing of such calculations in the future. Also, the City has simplified the computation of sick leave payouts for two Employee Groups (Police Officers and Sergeants; and Police Lieutenants and Captains) through their Collective Bargaining Agreements (CBA). For these employee groups, future sick leave payout calculations will be based on 28% of total hours at the final rate of pay. The CBAs for the remaining unions are open for negotiations, which will include discussion of these calculations.

CITY OF FORT LAUDERDALE, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED SEPTEMBER 30, 2013

SECTION II - FINANCIAL STATEMENT FINDINGS

Significant Deficiency

2012-6 IT Controls

Criteria: Information systems controls should reasonably assure that electronic information is not compromised by unauthorized access to systems and that access is granted only as needed for individuals within the entity to perform their assigned responsibilities while maintaining adequate segregation of duties.

Condition: We noted the following with respect to the City's information systems:

SumTotal (formerly Cyborg)

During our review of Cyborg access we noted the following:

- Four active terminated employee accounts were noted to have access to modify source code within the application.
- One employee with two active accounts with elevated access rights that no longer requires the use of the additional user, account which increases the risk of inappropriate or unauthorized access on the system.
- Two employees with user accounts having access to source code and the UNIX account allowing them to both modify source code and move changes into production. In addition, there are no production monitoring controls. The lack of controls increases the risk of inappropriate or unauthorized changes being moved into production.
- Ten accounting users have access to modify source code within the system. Only authorized IT employees should have the ability to modify source code.

Cash Cloud

We noted one individual user account and one group account that have administrator access allowing them to modify source code and move changes into production. In addition, there are no production monitoring controls in place to detect inappropriate activity. We also noted the same employee is an application administrator, Windows administrator and a database administrator, allowing the individual full access to the application, operating system and database.

CITY OF FORT LAUDERDALE, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED SEPTEMBER 30, 2013

SECTION II - FINANCIAL STATEMENT FINDINGS

Significant Deficiency

2012-6 IT Controls (Continued)

Context: Not applicable

Cause: See Condition

Effect: See Condition

Recommendation: Our recommendations are as follows:

SumTotal (formerly Cyborg)

We recommend that management improve the user administration process to ensure that user access is restricted to only those employees that require such access for their job responsibility and to ensure that terminated employees are removed in a timely manner. Additionally, management should implement controls to restrict users from having the ability to modify source code and move changes into production and also implement monitoring controls to track changes that are moved into production.

Cash Cloud

We recommend that management restrict users from having the ability to modify source code and move changes into production. Additionally, management should implement monitoring controls to track changes that are moved into production to reduce the risk of inappropriate changes going undetected.

Management's
Response:

The Department of Information Technology Services (ITS) is currently recruiting for Chief Information Security Officer (CISO) whose role will be to monitor information data systems, review policy and make recommendations for needed changes.

-Sum Total Source Code Access – Once hired the CISO will review policy; however, in the meantime, ITS staff will be creating a new user access level for employees that will omit the source code access screen names.

-Cash Cloud Source Code Access – Once hired the CISO will review policy and determine how to best remedy this situation.

CITY OF FORT LAUDERDALE, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED SEPTEMBER 30, 2013

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No items to report

CITY OF FORT LAUDERDALE, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED SEPTEMBER 30, 2013

SECTION IV - STATE FINANCIAL ASSISTANCE FINDINGS AND QUESTIONED COSTS

No items to report

CITY OF FORT LAUDERDALE, FLORIDA
SUMMARY OF PRIOR YEAR AUDIT FINDINGS
YEAR ENDED SEPTEMBER 30, 2013

FINANCIAL STATEMENT FINDINGS

- **Finding Description: 2012-1 (Reported in 2011 as PY-1) Recording and Tracking of Capital Assets**
Status: Corrective action implemented
- **Finding Description: 2012-2 (Reported in 2011 as PY-2) Capital Assets Physical Inventory**
Status: Corrective action implemented
- **Finding Description: 2012-3 FAMIS User Administrative Procedures**
Status: Partially resolved. See updated current year finding 2012-3.
- **Finding Description: 2012-4 (Reported in 2011 as PY-3) Calculation of Compensated Absences**
Status: Corrective action not yet implemented. This finding was also reported in the second preceding annual financial report.
- **Finding Description: 2012-5 Review of Controls of Service Organizations**
Status: Corrective action implemented
- **Finding Description: 2012-6 IT Controls**
Status: Partially resolved. See updated current year finding 2012-6.
- **Finding Description: 2012-7 Valuation of Alternative Investments - Pension Trust Funds**
Status: Corrective action implemented
- **Finding Description: 2012-8 Internal Investment Pool Borrowings**
Status: Corrective action implemented
- **Finding Description: 2012-9 Building Permit Fees**
Status: Corrective action implemented

CITY OF FORT LAUDERDALE, FLORIDA
SUMMARY OF PRIOR YEAR AUDIT FINDINGS
YEAR ENDED SEPTEMBER 30, 2013

FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

- **Finding Description: 2011-03 Subrecipient Monitoring**

U.S. Department of Housing and Urban Development (HUD):
CDBG – Entitlement Grants Cluster, CFDA Nos. 14.218 and 14.253 (ARRA)
Home Investment Partnerships Program (HOME), CFDA No. 14.239
Housing Opportunities for Persons With AIDS (HOPWA), CFDA No. 14.241 (ARRA)

U.S. Department of Energy:
Energy Efficiency and Conservation Block Grant Program (EECBG), CFDA No. 81.128

Status: Corrective action implemented

- **Finding Description: 2011-05 Equipment**

U.S. Department of Homeland Security:
Assistance to Firefighters Grant (FIRE), CFDA No. 97.044
Homeland Security Grant Program (HS), CFDA No. 97.067

Status: Corrective action implemented

- **Finding Description: 2011-06 Earmarking**

U.S. Department of Justice:
Public Safety Partnership and Community Policing Grants (COPS), CFDA No. 16.710 (ARRA)

Status: Corrective action implemented

- **Finding Description: 2011-09 Program Income**

U.S. Department of Housing and Urban Development (HUD):
CDBG – Entitlement Grants Cluster, CFDA Nos. 14.218 and 14.253 (ARRA)

Status: Corrective action implemented

- **Finding Description: 2011-10 Special Tests and Provisions (Required Certifications and HUD Approvals)**

U.S. Department of Housing and Urban Development (HUD):
CDBG – Entitlement Grants Cluster, CFDA Nos. 14.218 and 14.253 (ARRA)

Status: Corrective action implemented

CITY OF FORT LAUDERDALE, FLORIDA
SUMMARY OF PRIOR YEAR AUDIT FINDINGS
YEAR ENDED SEPTEMBER 30, 2013

STATE FINANCIAL ASSISTANCE FINDINGS AND QUESTIONED COSTS

- **Finding Description: 2011-8 Statutory Earmarking – SHIP**

Florida Housing Finance Corporation:
State Housing Initiatives Partnership (SHIP), CSFA No. 52.901

Status: Corrective action implemented

- **Finding Description: 2012-10 Period of Availability**

Florida Housing Finance Corporation:
State Housing Initiatives Partnership (SHIP), CSFA 52.901

Status: Corrective action implemented

INDEPENDENT AUDITOR'S MANAGEMENT LETTER

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

We have audited the financial statements of the City of Fort Lauderdale, Florida (the "City"), as of and for the year ended September 30, 2013, and have issued our report thereon dated March 13, 2014. Our report includes a reference to other auditors who audited the financial statements of the City of Fort Lauderdale General Employees' Retirement System, as described in our report on the City's financial statements. This report includes our consideration of the results of the other auditors' testing that are reported on separately by those other auditors. However, this report, insofar as it relates to the results of the other auditors, is based solely on the reports of the other auditors.

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; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and Chapter 10.550, *Rules of the Auditor General*. We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor's Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control over Compliance; and Schedule of Findings and Questioned Costs. Disclosures in those reports and schedule, which are dated March 13, 2014, should be considered in conjunction with this management letter.

Chapter 10.550, *Rules of the Auditor General*, which governs the conduct of local governmental entity audits performed in the State of Florida, requires that we communicate the following information, which is not included in the aforementioned auditor's reports and schedule.

Compliance

Section 10.554(1)(i)2., *Rules of the Auditor General*, requires that we include a statement in the management letter as to whether or not the City complied with Section 218.415, *Florida Statutes*, regarding the investment of public funds. In connection with our audit, nothing came to our attention that caused us to believe that the City failed to comply with Section 218.415, *Florida Statutes*, insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the City's noncompliance with Section 218.415, *Florida Statutes*, insofar as they relate to accounting matters.

Other Matters

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

Section 10.554(1)(i)3., *Rules of the Auditor General*, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Section 10.554(1)(i)4., *Rules of the Auditor General*, requires that we address noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

Section 10.554(1)(i)5., *Rules of the Auditor General*, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. Such information is disclosed in Note 1 to the financial statements.

Section 10.554(1)(i)6.a., *Rules of the Auditor General*, requires a statement be included as to whether or not the local governmental entity has met one or more of the conditions described in Section 218.503(1), *Florida Statutes*, and identification of the specific condition(s) met. In connection with our audit, we determined that the City did not meet any of the conditions described in Section 218.503(1), *Florida Statutes*.

Section 10.554(1)(i)6.b., *Rules of the Auditor General*, requires that we determine whether the annual financial report for the City for the year ended September 30, 2013, filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), *Florida Statutes*, is in agreement with the annual financial audit report for the year ended September 30, 2013. In connection with our audit, we determined that these two reports were in agreement.

Pursuant to Sections 10.554(1)(i)6.c. and 10.556(7), *Rules of the Auditor General*, we applied financial condition assessment procedures. It is management's responsibility to monitor the City's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Purpose of this Letter

The purpose of this letter is solely to communicate certain information required by Sections 218.39(4), 215.97(9)(f), and 215.97(10)(d), *Florida Statutes*, and Section 10.554(1)(i), *Rules of the Auditor General*. This letter is an integral part of an audit of a local governmental entity performed in the State of Florida in considering the results of the audit. Accordingly, this communication is not suitable for any other purpose.



Crowe Horwath LLP

Fort Lauderdale, Florida
March 13, 2014



FORT LAUDERDALE CITY COMMISSION

Mayor John P. "Jack" Seiler

Vice Mayor Bruce G. Roberts, District I

Commissioner Dean J. Trantalis, District II

Commissioner Bobby B. DuBose, District III

Commissioner Romney Rogers, District IV

Lee R. Feldman, City Manager

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