

CITY OF FORT LAUDERDALE FLORIDA



POPULAR ANNUAL FINANCIAL REPORT

FISCAL YEAR
SEPTEMBER 30, 2014



WE BUILD COMMUNITY

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“Top 10 Best Downtowns in 2014”

↳ Livability.com



Our City

Incorporated on March 27, 1911, the City of Fort Lauderdale is located on the southeast coast of Florida 23 miles north of Miami and 42 miles south of Palm Beach. Fort Lauderdale encompasses more than 33 square miles with a population of over 170,000, making it the largest of Broward County's 31 municipalities and the seventh largest city in Florida. Embraced by the Atlantic Ocean, New River and a myriad of scenic inland waterways, Fort Lauderdale truly lives up to its designation as the "Venice of America." Through the cooperative efforts of neighbors, businesses, visitors and local government, Fort Lauderdale offers an attractive business environment, a world-class vacation destination, and an outstanding quality of life. To learn more, please visit www.fortlauderdale.gov.

Fort Lauderdale is a full-service city that provides police protection, fire-rescue services, parks and recreation programs, delivers potable drinking water to a service area 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 operates a sports stadium, a general aviation airport, a downtown heliport, an aquatic complex and an auditorium.

About the Popular Annual Financial Report (PAFR)

This report of the City of Fort Lauderdale is published in order to increase public awareness and provide a simplified overview of the City's financial position.

The information in this report is drawn from the City of Fort Lauderdale Comprehensive Annual Financial Report (CAFR) for the fiscal year ending September 30, 2014. The CAFR outlines the City's financial position and operating activities for the year in detail and conforms to the generally accepted accounting principles (GAAP). For more information about the CAFR please visit www.fortlauderdale.gov/CAFR, or email the City's Chief Financial Officer, Linda Logan-Short, at LLogan-Short@fortlauderdale.gov.

Elected Officials

The City of Fort Lauderdale has been operating under a Commission-Manager form of government since 1925. Under this form of government the Mayor, elected at large, and four Commissioners, elected by geographic single-member districts, determine the policies that guide the operation of the City. The City Commission hires a City Manager who implements Commission’s policies and administers the daily functions of the City.



Left to right: Bruce G. Roberts, Dean J. Trantalis, John P. “Jack” Seiler, Robert L. McKinzie and Romney Rogers

John P. “Jack” Seiler
Mayor

Romney Rogers
Vice Mayor, District IV

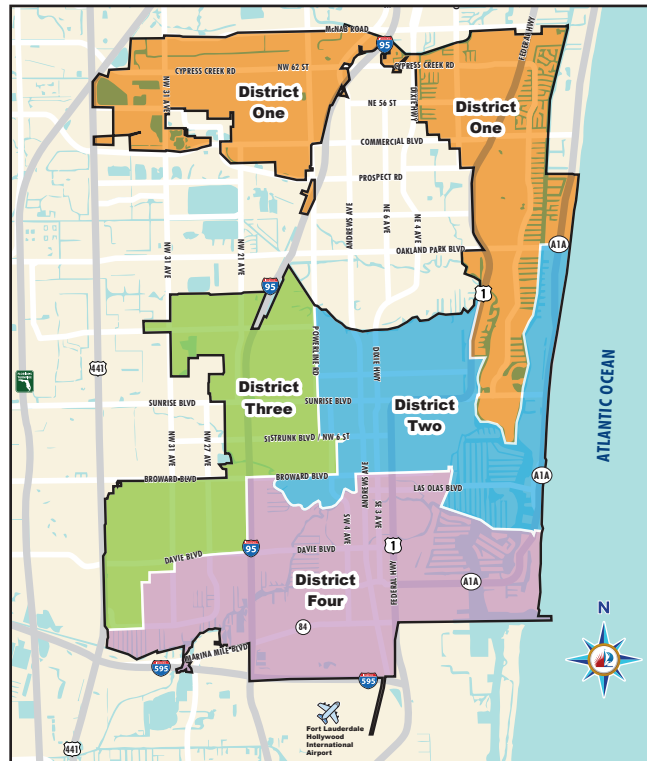
Bruce G. Roberts
Commissioner, District I

Dean J. Trantalis
Commissioner, District II

Robert L. McKinzie
Commissioner, District III

City of Fort Lauderdale Commission Districts

MAP LEGEND	
	City Limits
Commission Districts	
	District 1
	District 2
	District 3
	District 4





Dear Neighbors:

The Mayor and City Commission are pleased to present to you the City of Fort Lauderdale’s Popular Annual Financial Report (PAFR) for the fiscal year 2014.

This report is intended to present a condensed overview of the City’s financial position, financial practices and details outlining how City revenues were generated and spent. Financial information in this report is derived from the independently audited financial statements that are a part of the City’s 2014 Comprehensive Annual Financial Report (CAFR).

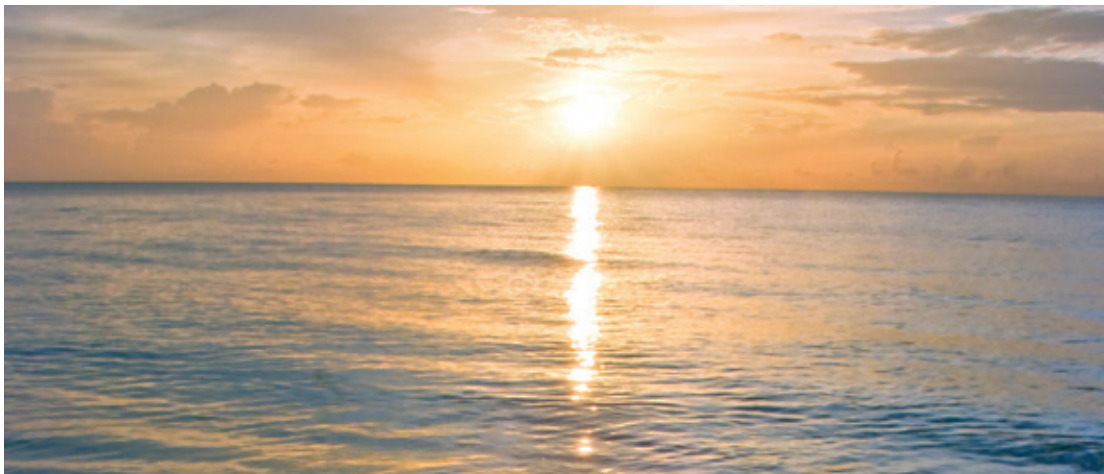
A special thank you goes out to the dedicated community builders in the City’s Finance Department whose hard work and diligence made this possible. Their work is recognized nationally as they have achieved the Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association for the past 37 years.

As you review this Popular Annual Financial Report, please feel free to share any questions, concerns or recommendations you may have with us. We also look forward to hearing your suggestions and comments on how we can build a better community. Please join the online discussion at www.webuildcommunityftl.com.

Sincerely,

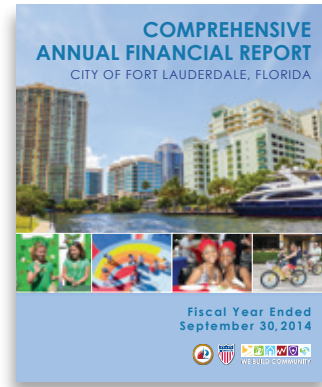
A handwritten signature in blue ink, appearing to read "Lee R. Feldman". The signature is stylized and fluid.

Lee R. Feldman, ICMA-CM
City Manager



This section provides a broad overview of the City as a whole. The statement of net position illustrates the total assets minus total liabilities. The Statement of Net Position reflects a healthy financial condition as of September 30, 2014.

To view the City's full Comprehensive Annual Financial Report (CAFR) please visit: www.fortlauderdale.gov/CAFR.



Condensed Statement of Net Position (in thousands)

The City's total assets exceeded its liabilities by \$1.09 billion (net position) in fiscal year 2014.

	2010	2011	2012	2013	2014	TREND
Current Assets	\$ 573,106	\$ 595,140	\$ 558,642	\$ 847,449	\$ 875,007	
Capital and Other Assets	1,160,180	1,186,779	1,196,124	1,168,946	1,164,387	
Total Assets	1,733,286	1,781,919	1,754,766	2,016,395	2,039,394	
Current Liabilities	51,903	52,005	117,046	101,451	112,398	
Long-term Liabilities	646,654	673,209	593,678	879,849	836,750	
Total Liabilities	698,557	725,214	710,724	981,300	949,148	
Net Position	\$ 1,034,729	\$ 1,056,705	\$ 1,044,042	\$ 1,035,095	\$ 1,090,246	

Condensed Statement of Activities (in thousands)

The City's revenues exceeded its expenses by \$55.2 million in fiscal year 2014. The increase is mainly due to an increase in charges for services and franchise fees.

	2010	2011	2012	2013	2014	TREND
Revenues	\$ 462,296	\$ 460,863	\$ 465,075	\$ 495,404	\$ 515,574	
Expenses	435,797	438,887	477,738	504,351	460,423	
Changes in Net Position	26,499	21,976	(12,663)	(8,947)	55,151	
Net Position - Beginning	1,008,230	1,034,729	1,056,705	1,044,042	1,035,095	
Net Position - Ending	\$ 1,034,729	\$ 1,056,705	\$ 1,044,042	\$ 1,035,095	\$ 1,090,246	

Current Assets - Assets that include cash, investments and receivables, inventory that can be converted to cash within one year.

Capital and Other Assets - Long-term investments in land, buildings, equipment, infrastructure improvements, and construction-in-progress.

Current Liabilities - Debts that can be paid off in one year or less, such as accounts payable, accrued payroll and compensated absences.

Long-Term Liabilities - Represents mainly debt obligations of the City.

Net Position - Difference between total assets and total liabilities.

Revenues - Income from charges to neighbors who purchase, use or benefit from goods or services.

Expenses - Money spent or costs incurred through the City's operations.

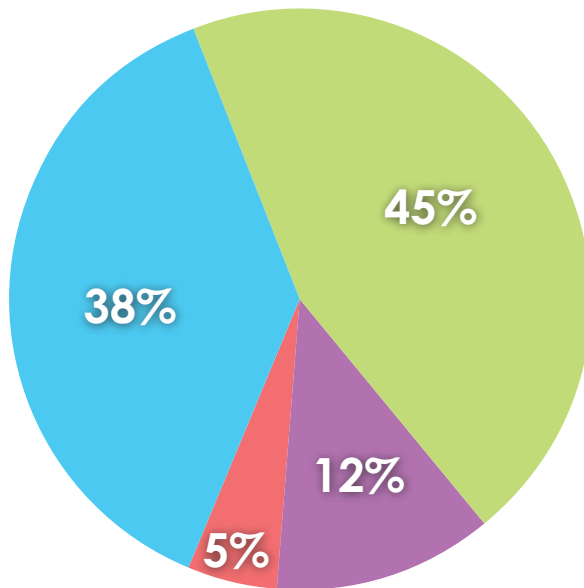


Condensed Statement of Outstanding Debt (in thousands)

The City's total debt decreased by \$35.4 million in fiscal year 2014. The current rating of the General Obligation bonds is AA, which indicates overall good financial health. The rating reported for this indicator is taken from Standard & Poor's.

	2010	2011	2012	2013	2014	TREND
General Obligation Bonds	\$ 34,465	\$ 65,900	\$ 48,255	\$ 45,130	\$ 41,930	
Special Obligation Bonds	–	–	–	321,275	306,205	
Revenue Bonds	400,610	391,805	378,355	369,010	359,420	
Tax Increment Bonds	15,120	13,843	12,461	–	–	
Loans Payables	113,215	116,101	110,227	102,371	94,877	
Total Outstanding Debt	\$ 563,410	\$ 587,649	\$ 549,298	\$ 837,786	\$ 802,432	

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



2014 Total Outstanding Debt

- General Obligation Bonds
- Special Obligation Bonds
- Revenue Bonds
- Loans Payables

<p>Bond Rating - A measure of financial strength that provides the ability to obtain lower interest rates for any financing needs.</p> <p>General Obligations Bonds - Bonds backed by taxing and borrowing power of the City.</p> <p>Revenue Bonds - Bonds used to finance the City's Water/Sewer and Parking projects.</p>	<p>Special Obligation Bonds - Bonds used to finance the City's immediate needs; such as the Pension Obligation Bonds.</p> <p>Tax Increment Bonds - Bonds used to fund a single target development in a particular area; such as the Community Redevelopment Agency.</p> <p>Loans Payables - Total amount currently due for loans.</p>
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General Fund Revenues

General Fund is the City's primary operating fund. Revenues for fiscal year 2014 totaled \$289.8 million, a \$23.9 million increase from fiscal year 2013. Property taxes levied for operations increased by \$3.0 million.

	2014	2013
Taxes	\$ 161,973,812	\$ 152,217,623
Licenses and Permits	2,851,851	3,188,765
Intergovernmental Revenues	19,162,789	18,223,392
Charges for Services	21,282,698	20,410,205
Fines and Forfeitures	3,518,114	3,795,605
Assessments and Other Fees	33,289,448	20,604,881
Interfund Service Charges	39,267,998	40,416,731
Other	8,446,579	7,001,021
Total	\$ 289,793,289	\$ 265,858,223

General Fund Expenditures

Total General Fund expenditures increased by \$3.3 million in 2014, from \$245.6 million to \$248.9 million. The increase is mainly attributed to a change in the plan year for the police and firefighters' pension fund, resulting in a nine month actuarial valuation.

	2014	PER CAPITA* 2014
General Government	\$ 47,925,368	279
Public Safety	158,822,398	934
Physical Environment	4,631,490	27
Transportation	7,905,463	46
Economic Environment	1,310,022	8
Culture/Recreation	28,080,515	165
Capital Outlay	207,254	1
Total	\$ 248,882,510	1,461

*Expenditures per capita represents aggregate expenditures divided by 2014 population.

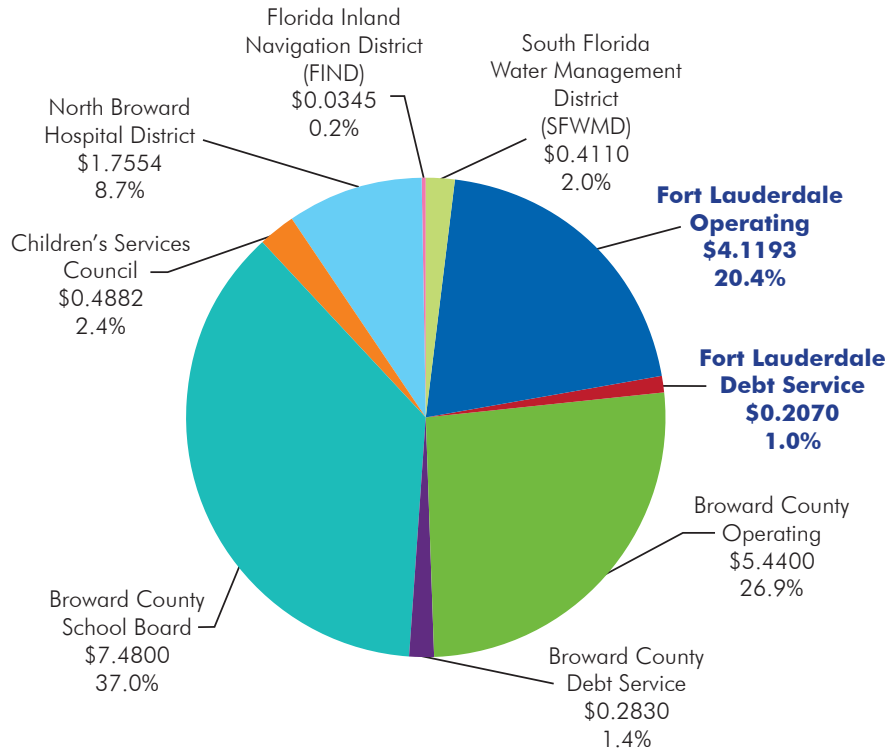
General Fund expenditures are classified by the type of service provided.

Below is a summary of the types reported above:

- General Government expenditures are services provided by the government for the benefit of the public and the governmental body as a whole.
- Public Safety expenditures are related to services for the security of persons and property, mainly from the Police and Fire Rescue Departments.
- Physical Environment is the cost of services provided for the primary purpose of achieving a satisfactory living environment by controlling and utilizing elements of the environment, mainly provided by the Public Works Department.
- Economic Environment is the cost of providing services which develop and improve the economic condition of the community and our neighbors.
- Transportation includes the cost of services for the safe and adequate flow of vehicles, travelers, and pedestrians, mainly provided by the Transportation and Mobility Department.
- Culture/Recreation is the cost of providing and maintaining cultural and recreational facilities and activities for the benefit of neighbors and visitors, mainly provided by the Parks and Recreation Department.
- Capital Outlay expenditures are for the acquisition of fixed assets.

Where Do Property Taxes Go?

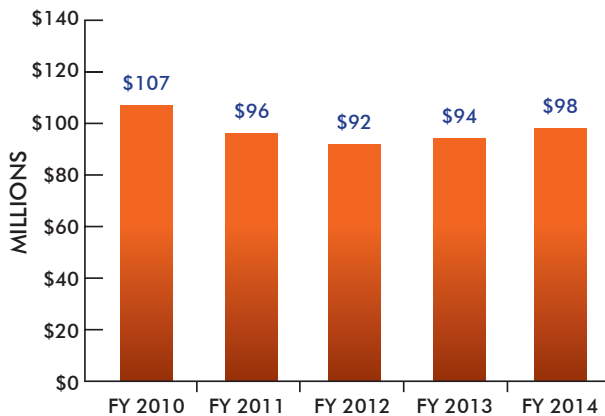
For fiscal year 2014, the average City of Fort Lauderdale homeowner paid \$20.22 per \$1,000 of assessed taxable value. The City of Fort Lauderdale's operating millage and debt service represented 21.4% of the total millage levied on property tax bills. Other agencies, such as Broward County and the Broward County School Board collected approximately 65.3%; the North Broward Hospital District collected 8.7%; while the South Florida Management District, the Florida Inland Navigation District and the Children's Services Council collected 4.6%.



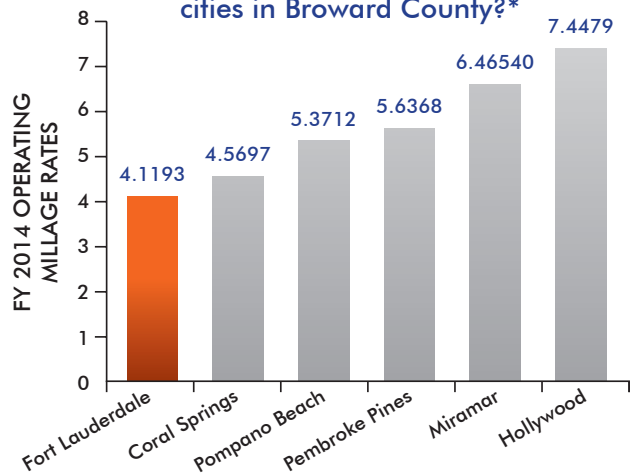
Property Taxes

Property tax revenue increased due to an improving real estate market, which resulted in higher property values. In fiscal year 2014, the City experienced a 4.0% increase in property tax revenue as the result of an increase in taxable values. The City has continued to preserve service levels for its neighbors and maintained its low 4.1193 operating millage rate for eight consecutive years.

Five-Year Property Tax Revenue



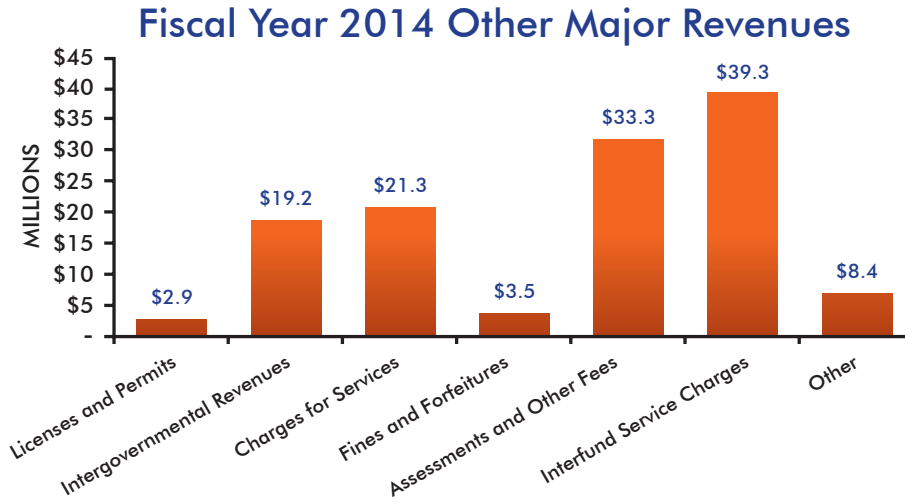
How do we compare with nearby cities in Broward County?*



*Cities over 100k in population

Other Major Revenues

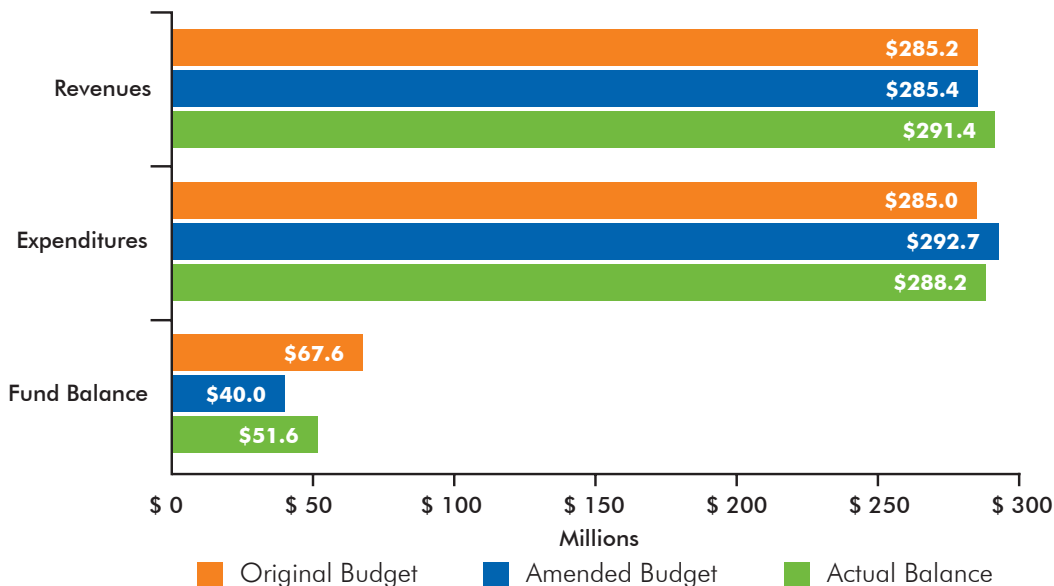
Other major revenue sources included Licenses and Permits, Intergovernmental Revenues, Charges for Services, Fines and Forfeitures, Assessments and Other Fees, Interfund Service Charges and Miscellaneous revenues.



Fiscal Year 2014 General Fund Budgetary Comparison

Actual General Fund revenues were \$6.0 million higher than the fiscal year 2014 final amended budget of \$285.4 million. Total actual expenditures of \$288.2 million were \$4.5 million lower than the final amended budget of \$292.7.

The City Commission recently adopted a revised policy to maintain the unrestricted fund balance (which are funds available for any purpose) for the General Fund at a level equivalent to two (2) months of operating expenditures and required transfers or 16.6%. During fiscal year 2014, the General Fund unrestricted balance increased from \$45.1 million to \$53.4 million, which represents 19.9% of the final General Fund budget for operations and exceeds the minimum unrestricted requirement.



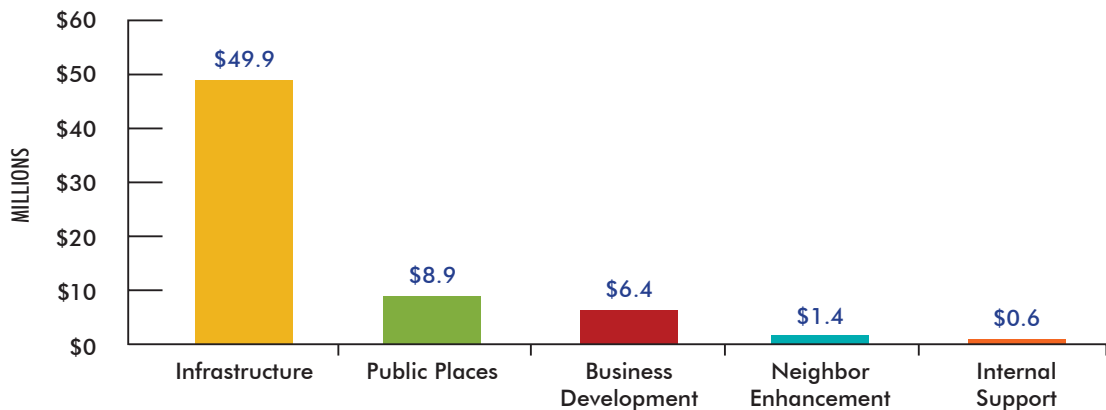


Investing in our Community

Infrastructure, transportation, parks, and buildings are the literal foundation of a community. The Five-Year Community Investment Plan (CIP) has a unique and important responsibility to describe what the community needs to build now and what it will need to build in years to come. This must be done in a strategic, careful, and impactful way to maximize economic development and improve quality of life in line with the approved City Commission’s vision and policy. This CIP 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 projects in the CIP provide basic necessities (municipal water works) and amenities that make Fort Lauderdale a desirable place to live, work and play. To maintain a low tax rate, it is imperative that the CIP projects reflect the City’s Strategic Plan and that capital improvements are incorporated into the annual operating budget. Community improvement projects adopted in the fiscal year 2014 budget support of the City’s Strategic Plan and are critical to maintaining a high quality of life in Fort Lauderdale. The total fiscal year 2014 Community Investment Plan budget was adopted at \$67.2 million.

Community Investment by Cylinder of Excellence



Putting the Unity in Community

In the past year alone volunteers throughout the City contributed almost 83,000 hours to our various community service events. Thank you to all of the volunteers who have made a difference in our community with their outstanding work.

Community Events at a Glance

- Fort Lauderdale United Day, January 19, 2015 – More than 400 volunteers removed over 800 lbs. of litter from our neighborhoods, while also partaking in building gardens and reading to our youth.
- Worked with Mission United on their Thanksgiving Meals for Veterans and Their Families.
- Fort Lauderdale Makes a Difference Day, October 25, 2014 – More than 320 volunteers assisted at more than 20 different locations.
- Fort Lauderdale Cares Day, April 25, 2014 – More than 620 volunteers worked on 32 locations painting, landscaping, and street cleaning.

For a current list of events and volunteer assignments or assistance in finding an opportunity that inspires you, please call the Chief Service Officer, Jorg Hruschka, for a personal interview at 954-828-5568 or 954-709-3197, or e-mail jhruschka@fortlauderdale.gov.



Major Initiatives of Fiscal Year 2015

The fiscal year 2015 total adopted citywide budget is \$575.8 million, which is approximately 4.5% higher than the fiscal year 2014 budget (not including transfers). It aligns financial and employee resources with the City of Fort Lauderdale’s 2035 Vision - “Fast Forward Fort Lauderdale,” the City’s five-year strategic plan, “Press Play Fort Lauderdale,” the City Commission Annual Action Plan, and our neighbor’s priorities. It provides for investments in public safety, mobility, infrastructure, high performance management, quality development, and also recognizes that partnerships are important to excellent service delivery.

The Commission Annual Action Plan for fiscal year 2015 includes multiple complex projects. A few examples include the Homeless Strategy, Traffic Flow and Signal Synchronization, Stormwater Management Plan, Wastewater Infiltration and Inflow, and Beach Renourishment.

The Community Investment Plan continues to be a top priority. Here are some of the highlights for fiscal year 2015:

Beach Area Improvements	\$12,400,000	Bridge Repair and Restoration	\$800,000
Northwest Progresso Flagler Heights	\$6,500,000	Street Resurfacing	\$720,000
Central Regional Wastewater System	\$6,200,000	Downtown Walkability Projects	\$500,000
Executive Airport	\$5,400,000	Master Plan for Waterways	\$400,000
Bridge Replacement at Coconut Isle	\$1,300,000	Neighborhood Traffic and Pedestrian Safety	\$400,000
South Middle River Roadways	\$1,200,000	Downtown Way	\$370,000
Las Olas Boulevard Safety Project	\$1,100,000	Marine Facilities	\$200,000
Facilities Maintenance	\$1,000,000	New Riverwalk	\$200,000
NE/NW 4th Street Improvements	\$880,000		

Fast Forward Fort Lauderdale 2035

The City of Fort Lauderdale is committed to implementing a strategic management system that focuses on community priorities, continuous improvement, and results. *Fast Forward Fort Lauderdale 2035* is a long-term community vision for the City, developed through an inclusive outreach effort. The vision was unanimously accepted by the City Commission on April 16, 2013. *Press Play Fort Lauderdale 2018*, a five-year strategic plan, was developed as a staff road map and contains 42% of the community vision ideas. The City conducted a statistically valid Neighbor Survey in 2014, and will continue to do so annually to inform service delivery and the prioritization of funding. Our City Commission further prioritizes an annual work plan based on all of these priorities. The City holds monthly meetings to review progress with grants, capital projects, priority strategic initiatives, and performance measures. This commitment to vision, strategy, and action focuses our resources and ensures progress. View the City’s Vision Plan and Strategic Plan online at www.fortlauderdale.gov/vision and www.fortlauderdale.gov/pressplay.

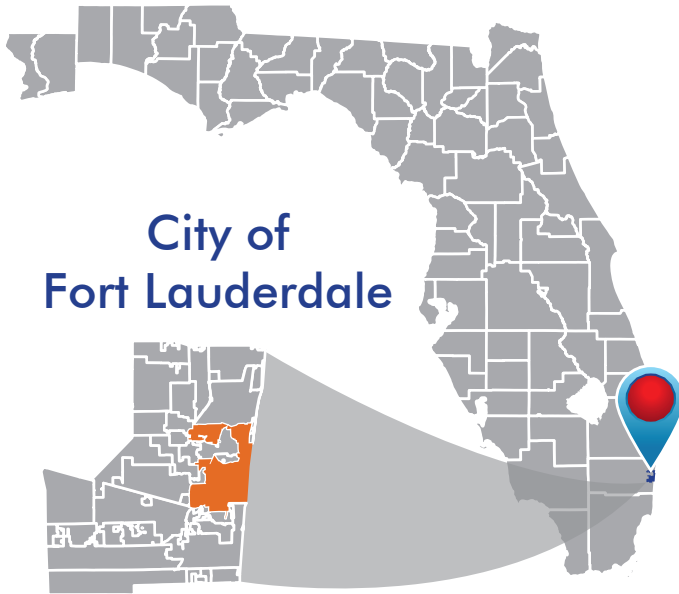


Recognitions

The City of Fort Lauderdale continues to be recognized for its outstanding reporting efforts. We again received the Certificate of Achievement for Financial Reporting for our 2013 CAFR and the Award for Outstanding Achievement for our 2013 PAFR. We have also received the International City Management Association Certificate of Distinction for exemplifying the standards established by the ICMA Center for Performance Analytics in the application of performance data to local government management, including training, verification, public reporting, planning and decision making, networking and accountability. Here is a list of additional awards and recognitions the City has achieved:

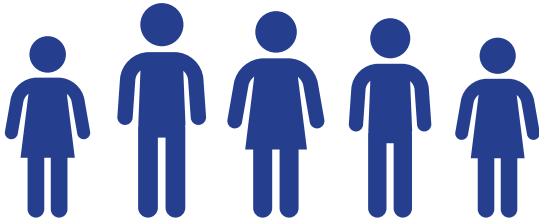
- All-America City (National Civic League)
- Achievement of Excellence in Procurement
- Best City in Broward (Broward New Times)
- Best Places for Business and Careers (Forbes Magazine)
- Certified as a Florida Green Local Government (Florida Green Building Coalition)
- Certificate of Achievement for Excellence in Financial Reporting (GFOA)
- Award for Outstanding Achievement in Popular Annual Financial Reporting (GFOA)
- Cities of Excellence Peacock Award (Broward League of Cities, Fort Lauderdale CRA)
- Distinguishing Budget Presentation Award (Government Finance Officers Association)
- Happiest Cities for Young Professionals (Forbes Magazine)
- International City Management Association Certification of Distinction
- Lowest Travel Taxes among Top 50 U.S. Travel Destinations (Global Business Travel Association)
- Most Outstanding Green Government (South Florida, United States Green Building Council)
- Most Outstanding Green Government (U.S. Green Building Council South Florida)
- Most Popular U.S. Beaches (The Daily Beast)
- Playful City USA (KaBoom!)
- Top 10 Best Cities for Millennial Job Seekers in Florida (Nerd Wallet)
- Top 10 Best Cities for Parking (NerdWallet.com)
- Top 10 Best Cities to Move to in 2014 (SML National Moving)
- Top 10 Best Downtowns in 2014 (Livability.com)
- Top 10 Best Fourth of July Fireworks Shows (USA Today)
- Top 10 Best Places for Veterans to Live (Best Places for Veterans Report)
- Top 10 Best Places to Retire (Money Magazine)
- Top 10 Best U.S. Cities for Small Businesses (Biz2Credit.com)
- Top 10 City for Most Efficient Spending on Education (WalletHub)
- Top 10 Destinations for New Year's Eve (ThePointsGuy.com)
- Top 10 Great Cities for Family Vacations (Vacation Critic Travel Planning Guide)
- Top 10 Mid-Sized American Cities to Visit (World Property Journal)
- Top 10 Most Affordable Summer Destinations (GoBankingRates.com)
- Top 10 Small American Cities of the Future (Foreign Direct Investment Magazine)
- Top 100 Best Cities to Start a Business (WalletHub)
- Top Ranked Busiest Firehouse in the United States (Firehouse magazine)
- Top Ranked Complete Streets Policy in Florida and #3 National (Smart Growth America)





7TH LARGEST CITY IN FLORIDA

POPULATION



171,544

MAJOR INDUSTRIES



TOURISM



RETAIL



**WHOLESALE
TRADE**



MARINE

TOP

EMPLOYERS

OVER 5,000

Broward County Schools
Broward County Government
Broward Health

2,500 - 4,999

AutoNation
Broward College

1,000 - 2,499

City of Fort Lauderdale
Kaplan
Citrix Systems
Randstad
Rick Case Automotive Group

UNDER 1,000

Sun-Sentinel Co./ WSFL-TV
Aviall
Zimmerman Advertising
Templeton Worldwide
American Changer Corporation
Ed Morse Automotive Group

PUBLIC SAFETY



492,536*
911 & NON EMERGENCY
CALLS RECEIVED



10
FIRE
STATIONS

COMMUNITY ENRICHMENT



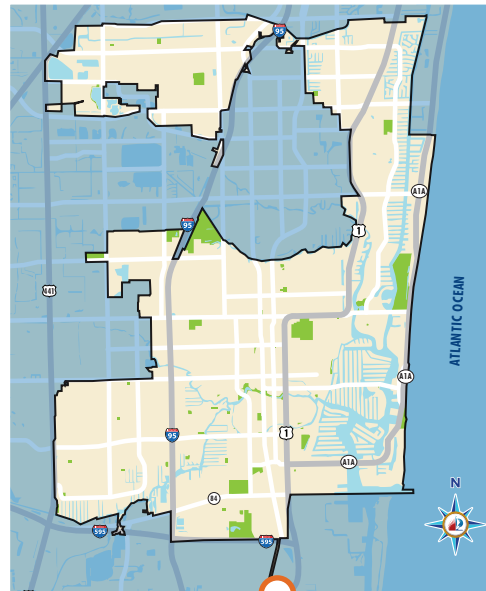
7
MILES OF
PUBLIC BEACHES



13
MUNICIPAL
POOLS



876
ACRES OF
PUBLIC PARKS



PUBLIC TRANSPORTATION



6
BUSES



425
MILES OF SIDEWALK



13
TROLLEYS



525
MILES OF STREETS

*Fiscal year 14 calls from October to November, Fort Lauderdale relocated to Central Regional PSAP on August 1, 2014.



Financial Glossary

Bond Rating - A measure of financial strength that provides the ability to obtain lower interest rates for any financing needs.

Capital and Other Assets - Long-term investments in land, buildings, equipment, infrastructure improvements, and construction-in-progress.

Current Assets - Assets that include cash, investments and receivables, inventory that can be converted to cash within one year.

Current Liabilities - Debts that can be paid off in one year or less, such as accounts payable, accrued payroll, and compensated absences.

Expenses - Money spent or costs incurred through the City's operations.

General Obligations Bonds - Bonds backed by taxing and borrowing power of the City.

Loans Payables - Total amount currently due for loans.

Long-Term Liabilities - Represents mainly debt obligations of the City.

Millage - May apply to a single levy of taxes or to the cumulative of all levies.

Net Position - The difference between total assets and total liabilities.

Property Taxes - Also referred to as Ad Valorem taxes, are taxes collected from property owners based upon the assessed valuation of the property and the tax rate.

Revenue Bonds - Bonds used to finance the City's Water/Sewer and Parking projects.

Revenues - Income from charges to neighbors who purchase, use or benefit from goods or services.

Special Obligation Bonds - Bonds used to finance the City's immediate needs; such as the Pension Obligation Bonds.

Tax Increment Bonds - Bonds used to fund a single target development in a particular area; such as the Community Redevelopment Agency.

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FORT LAUDERDALE CITY COMMISSION

Mayor John P. “Jack” Seiler

Vice Mayor Romney Rogers, District IV

Commissioner Bruce G. Roberts, District I

Commissioner Dean J. Trantalis, District II

Commissioner Robert L. McKinzie , District III

Lee R. Feldman, ICMA-CM, City Manager

Cynthia A. Everett, City Attorney

Jonda Joseph, City Clerk

John Herbst, CPA, CGFO, CGMA, City Auditor



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or email publicaffairs@fortlauderdale.gov.