



# Comprehensive Annual Financial Report

City of Lauderhill, FL



For Year Ended September 30, 2016

# Comprehensive Annual Financial Report

## City of Lauderdale, Florida



For the Fiscal Year Ended September 30, 2016

Prepared by

City of Lauderdale Finance Department

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Finance & Support Services Director

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Deputy Finance Director

*Karen Pottinger*  
Comptroller

**CITY OF LAUDERHILL, FLORIDA**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FISCAL YEAR ENDED SEPTEMBER 30, 2016**

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All-America City



March 31, 2017

To the Honorable Mayor,  
Members of the City Commission, and  
Citizens of the City of Lauderhill:

The Comprehensive Annual Financial Report (CAFR) of the City of Lauderhill, Florida (the City), for the fiscal year ended September 30, 2016, is hereby submitted as mandated by both local ordinances and state statutes. The financial statements included in this report conform to generally accepted accounting principles (GAAP) and are 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 by a firm of licensed certified public accountants.

### **Management Responsibility**

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the data, as presented, is accurate in all material respects; that is, the presentation fairly shows the financial position and results of the City's operations as measured by the financial activity of its various funds; and that the included disclosures will provide the reader with an understanding of the City's financial affairs.

### **Internal Control**

Management of the City of Lauderhill, Florida is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of the financial statements in conformity with generally accepted accounting principles in the United States (GAAP). In developing and evaluating the City's accounting system, consideration is given to the adequacy of internal control. Internal controls are designed to provide reasonable but not absolute assurance regarding: (1) safeguarding of assets against loss from unauthorized use or disposition and (2) reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes: (1) the cost of control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgment by management. All internal control evaluations

occur within the above framework. We believe that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of the proper recording of financial transactions.

## **Audit**

The City's financial statements have been audited by HCT Certified Public Accountants & Consultants. The goal of the independent auditor was to provide reasonable assurance that the financial statements for fiscal year ended September 30, 2016 are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors, based on their audit, rendered unqualified opinions that the financial statements for the fiscal year ended September 30, 2016, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

In addition to the standard independent audit of the City's financial statements, this audit was performed as part of a broader, federally mandated "Single Audit", which is designed to meet the special needs of the federal grantor agencies. The standards governing single audit engagements require the independent auditors to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in a separately issued single audit report.

## **Financial Reporting Format**

The City has prepared its CAFR using the financial reporting requirements as prescribed by Government Accounting Standards Board (GASB) *Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments (GASB 34)*. This GASB Statement requires that Management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditors.

## **Profile of the Government**

The City of Lauderhill was incorporated in 1959 and is governed by an elected mayor and four-member City Commission. The Mayor and Commissioners are elected city-wide and serve four-year terms. The City is administered under a commission-manager form of government whereby the Mayor and Commission hire a City Manager for administrative duties. The Commission is responsible for passing resolutions, which generally confirm or direct specific actions; and ordinances, which generally amend the City's permanent Code of Ordinances, for approving the annual budget and setting tax and assessment rates, for

approving capital expenditures and all debt issued by the City, for appointing citizen boards that assist and advise the Commission, and other related legislative duties. The City Manager is responsible for enacting the policies and actions approved by the Commission, for overseeing the daily operations of the City, and for appointing Department Directors and approving their staffing selections.

The City provides a full range of municipal services, including police and fire protection, parks and recreational programs such as swimming, youth sports, and tennis, cultural events and art instruction, a senior citizen community center and sponsored trips, water distribution and sewer and storm water collection, street and bridge repair, maintenance and lighting, public records maintenance, building inspection, business licensing, zoning regulation, code enforcement and grant programs for housing purchase and repairs.

The annual budget is the cornerstone of the City's financial planning and control. The Commission holds public hearings between February and April of each year to gather resident input for new projects and initiatives for the upcoming budget. Given general direction from the Commission following these meetings, Department Directors submit proposed departmental budgets to the City Manager in May. The City Manager reviews each proposal with the Directors and assembles a proposed budget that is delivered to the Commission by July 1.

The Commission holds public workshops in July to discuss and amend the City Manager's proposed budget. The final version of the proposed budget, including the proposed millage rate, is voted on in two public Commission meetings in September. The budget goes into effect October 1 and covers the fiscal year, which ends the following September 30th. During the fiscal year, the City Manager may approve transfers of funds among line items within a department, with the exception of reductions in capital outlay line items, which requires Commission approval. The Commission must also approve transfers between departments or supplemental appropriations that increase expenditures and revenues.

### **Economic Conditions and Outlook**

Lauderhill is a mature community of approximately 66,887 year-round residents. That number increases to over 70,000 in the winter season, from December through March, as "snowbirds," primarily retirees from the northeastern United States and Canada, flock to their second homes in Lauderhill. Lauderhill's year-round residents include approximately 14,000 retirees, who are located throughout the City.

Working residents hold a range of jobs typical of those in the South Florida economy. These include positions in retail sales and other services, especially in the medical and tourism sectors, communications, municipal and county government, construction, and financial services. The broad base of Lauderhill's economy is representative of western Broward County, which is less dependent on tourism than the beach areas to the east.

Lauderhill's property tax base is primarily residential. The City has an industrial park with many small businesses operating in warehouses under 10,000 square feet but no large

firms that comprise a significant portion of the tax base. Lauderhill's residential tax base is rather evenly divided between single-family homes and multi-family condominiums and apartments. As shown in the Statistical Section of this CAFR, majority of largest property taxpayers in Lauderhill are apartment complexes.

The City's assessed valuation is showing an upward trend resulting in a modest increase in property taxes, which is clearly a positive trend. The number of vacant homes and apartments in Lauderhill continues to decline during the past year, thus resulting in the stabilization of utility taxes and franchise fees for electricity, water, and telecommunication collections in the current year and in our projections for 2017. In addition, our investment in our community through improvements funded by the Great Neighborhoods Bond, the implementation of four Safe Neighborhood Districts, and the use of grant funding have resulted in the increase of property values throughout the Community.

### **Major Initiatives and Capital Projects**

The City continued its commitment to the residents by improving roadways, water and sewer lines, providing landscaping and acquiring capital assets to assist with the development of the overall community during Fiscal Year 2016. The Lauderhill Performing Arts Center opened to the public in fiscal year 2016. The 47,585 square foot facility houses a performing arts theater, meeting and class rooms, banquet and reception facilities and Broward County Public Library. The Center accommodates events for music, theatre, dance, cinema, comedy, visual arts, education, conferences, workshop and other social gatherings. The Lauderhill Performing Arts Center has a 1200 seat theatre equipped with Proscenium stage and state-of-the-art sound and lighting equipment. Fire Station 110 is the last of the large number of capital projects completed over the decade with General Obligation Bond funds. In Fiscal Year 2016, Voters of Lauderhill approved a bond referendum in the aggregate of \$44,500,000 to finance various capital projects throughout the Community. The 2017 General Bond Obligation was enacted and passed by the Commission on December 12, 2016. The City is going through the process of issuing the bond and is anticipating distribution of funds in fiscal year 2017. Proceeds from bond issuance will be utilized to finance public safety projects such as lighting and cameras in City parks and pedestrian streets, police body cameras and building improvements; park and leisure projects includes renovation to buildings and restrooms and improvements to gym and tennis courts. Funding will also be available for improvements to roads, streetscape, traffic calming and public transportation.

The City's main offices are located at 5581 W Oakland Park Boulevard or on the NE corner of W. Oakland Park and Inverrary Boulevard. Our City Hall facility is a four-story facility with approximately 40,000 square feet of office and meeting space, and it features "green" or energy efficient components and is Leed Certified. As we progress the renaissance of Lauderhill, the City has made an ongoing commitment to improve the quality of life of its residents. The Central Broward Regional Park, a 110-acre multipurpose facility features sporting events such as football, soccer, basketball and netball games, as well as cricket

matches. Additional park amenities include a water park, a public-art feature, and location for the Lauderhill Performing Arts Center and Broward County Library.

The Community Redevelopment Agency contribution is set by the relative tax bases of the Central and East areas compared to their base year of 2005. For the Central area, the tax base has decreased below zero; as a result, no funding is allocated other than the rental income received from the commercial tenants at Renaissance Plaza. These funds are sufficient to maintain the plaza and make minimal interest payment on debt used to purchase the plaza. The majority of East area revenue will be utilized to offset operating costs.

Properties that were purchased by City through the NSP Program are slated for renovation and resale by the Lauderhill Housing Authority over a period of time. The primary goals of acquiring those properties were to stabilize neighborhoods in the City of Lauderhill and encourage homeownership in the community. Green building features are evident in the renovated properties through the use of energy efficient appliances, air condition units and water conservation mechanisms. No new funding is available for the Neighborhood Stabilization Program (NSP); however, any fund balance still existing at the end of the current year will be re-appropriated to fiscal year 2016. The City received additional funding for the State Housing Initiative Program (SHIP), which will be utilized to preserve affordable homeownership. The program was designed to provide very low, low and moderate income families with assistance to purchase or repair homes. The Community Development Block Grant (CDBG) also provided funding for community development needs.

### **Long-term Financial Planning**

Management constantly examine the strategic goals and objectives of the City of Lauderhill and implements policies that will assist in taking advantage of the opportunities that will lead the City to it's mission. The City's mission is to make the City a secure, clean, and desirable place to live, work, and visit by providing for a continually improving wide range of services; to encourage a community that retains and promotes employment opportunities, economic growth and improved quality of life, where people of diverse cultural backgrounds and incomes peacefully interrelate. The City utilizes long-term financial planning to identify future financial challenges and opportunities through financial forecasting and analysis, then, devise strategies based on the information to achieve financial sustainability. The goal of the annual budget and the five-year plan is to outline an operating and financing plan, which will provide for sound fiscal management through the allocation of limited resources. The capital improvement fund is dedicated to the management of capital project expenditures such as equipment, renovations and vehicle purchases. Construction costs are effectively monitored to achieve saving opportunities and outstanding qualities.

The City issued bonds, including five Sales Tax Revenue Bonds, three Utility Tax Revenue Bonds, five Water and Sewer Revenue Bonds, three Stormwater Revenue Bonds, a General Obligation Bond and one Notes Payable to continually improve capital assets and

to better serve the residents of our City. The City is financially stable and strives to maintain and gradually improve its credit rating from at least two major Municipal bond credit ratings services, Moody's Investors Services and Standard and Poor's Global ratings. The most recent ratings for the City's credit obligations are as follows: A+ (Standard & Poor's) A1 (Moody's) for 2013 Capital Improvement Revenue Bonds, A+ (Standard & Poor's) A1 (Moody's) for General Obligation (GO) Bonds, A (Standard & Poor's) A2 (Moody's) for Certificates of Participation (COPs), and an A1 (Moody's) Half-Cent Sales Tax Revenue Bonds. Staff continues to closely monitor the bond covenants, level of expenditures and underlying revenue streams to ensure that the City maintains its rating and its ability to issue additional debt for capital improvements. The total outstanding principals as of September 30, 2016 are \$13,925 thousand for the Sales Tax Bonds, \$7,182 thousand for Water Utility Tax Bond, \$12,225 thousand for Electric Utility Revenue Bond, \$16,830 thousand for the Water and Sewer Revenue Bonds, \$9,220 thousand for the Stormwater Bonds, \$22,225 thousand for the General Obligation Bonds and \$16,404 thousand for Notes Payable. Revenue bonds have been issued between 2005 and 2016 to pay for capital projects or to refund earlier bond issues in an effort to take advantage of reduced interest rates. The outstanding debt is further detailed in the Notes to the Financial Statements.

In the Water and Sewer fund, capital funds are available for ongoing lift station rehabilitations and sewer lining that are necessary to maintain system reliability and reduce the possibility for leaks and line breaks. Funding is also provided for a water line valve replacement program, maintaining water tanks, replacing various filters, and upgrading computer and security systems at the water treatment plant.

### **Relevant financial policies**

The City implemented an investment policy to provide framework for the management of investments and guidelines for prudent investment of the City's funds. The goals of the City's investment policy and investment management function are to enhance the economic status of the City and protect its funds.

The City established a fund balance/net position policy to insure against unanticipated events that would adversely affect the financial condition of the City and jeopardize the continuation of necessary public service. This policy ensures that the City provides adequate cash flow for daily financial needs, secures and maintains investment grade bond ratings, offsets significant economic downturns and revenue shortfalls, and provides funds for unforeseen expenditures related to emergencies.

### **Awards and Acknowledgements**

The Government Finance Officers' Association (GFOA) has awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Lauderhill for its Comprehensive Annual Financial Report (CAFR) for fiscal year ended September 30, 2015. This is the twenty-eighth consecutive year (fiscal year ended September 30, 1988-2015) that the City has achieved this prestigious national award. The Certificate of

Achievement is the highest form of recognition in the area of governmental accounting and financial reporting. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized Comprehensive Annual Financial Report. These reports satisfied both generally accepted accounting principles in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements and the City is submitting it to GFOA to determine its eligibility for another Certificate.

The preparation of this report could not have been accomplished without the efficient and dedicated services of Karen Pottinger, Comptroller, Sean Henderson, Deputy Finance Director, Qi Pan, Assistant Comptroller and C Borders-Byrd, CPA, Contracted Internal Auditor, as well as the entire staff of the Finance and Support Services Department. Karen Pottinger has the primary responsibility for maintaining the integrity of the accounting records during the year and overseeing the preparation of this CAFR. The Finance staff also recognizes the City Commission and the City Manager for their interest and support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Kennie Hobbs, Jr.', with a long horizontal flourish extending to the right.

Kennie Hobbs, Jr.  
Assistant City Manager/Finance & Support Services Director



Government Finance Officers Association

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

Presented to

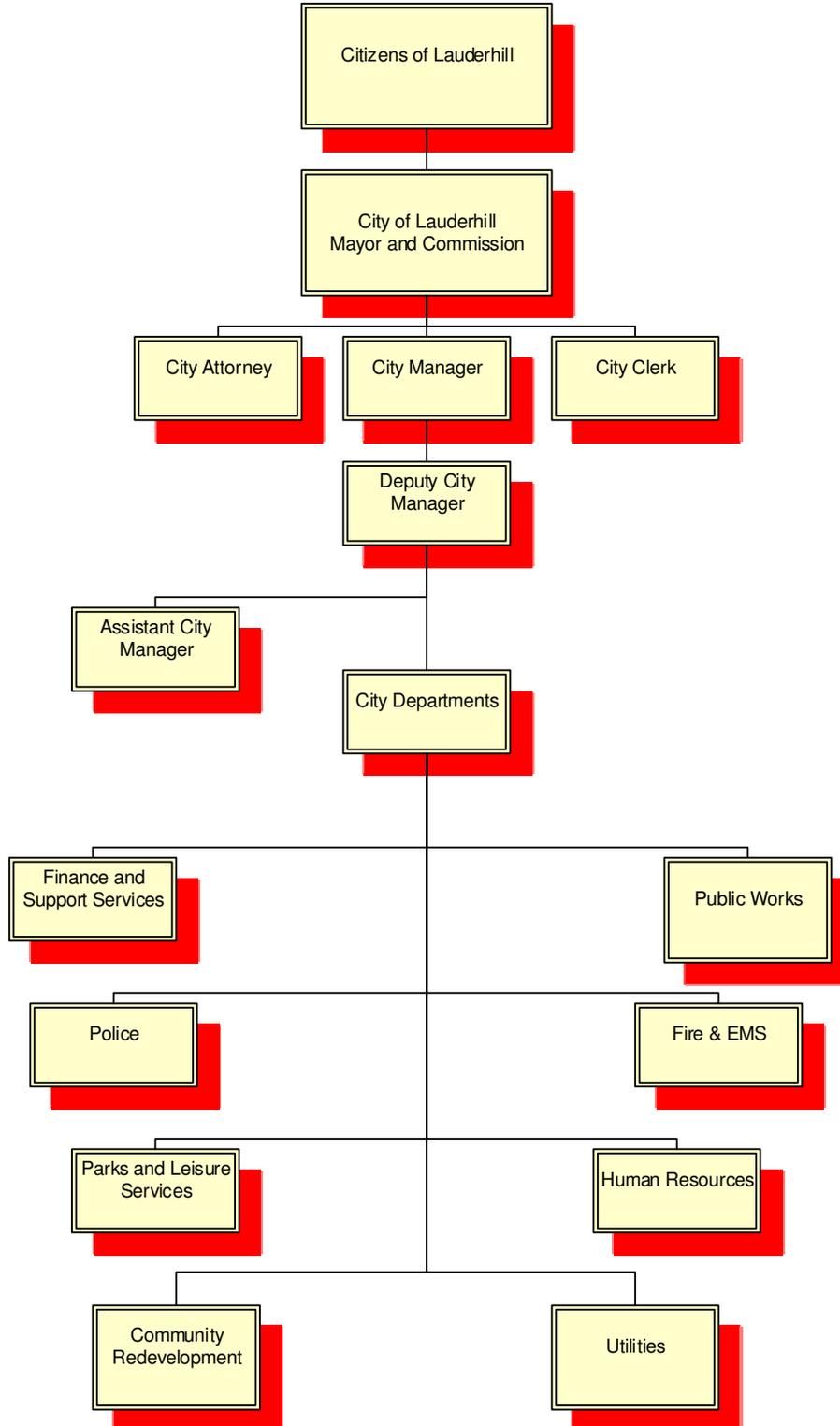
**City of Lauderhill  
Florida**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**September 30, 2015**

Executive Director/CEO

# City of Lauderhill, Florida



City of Lauderdale, Florida

Commission/Manager Form of Government



Mayor  
Richard J. Kaplan

Vice Mayor – Ken Thurston  
Commissioner – M. Margaret Bates  
Commissioner – Hayward J. Benson, Jr.  
Commissioner – Howard Berger

## City of Lauderdale, Florida Appointed City Officials

City Manager	<i>Charles Faranda</i>
Deputy City Manager	<i>Desorae Giles-Smith</i>
Assistant City Manager/ Finance & Support Services Director	<i>Kennie Hobbs, Jr.</i>
City Attorney	<i>W. Earl Hall</i>
City Clerk	<i>Andrea Anderson</i>
Community Redevelopment Director	<i>Donald Giancoli</i>
Public Works Director	<i>Charlie Cuyler</i>
Fire Chief	<i>Marc Celetti</i>
Human Resources Director	<i>Reylon Fennel</i>
Parks & Leisure Services Director	<i>Irvin Kiffin</i>
Police Chief	<i>Constance Stanley</i>
Utilities Director	<i>Herbert Johnson</i>



## INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members of the City Commission  
City of Lauderhill, Florida

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Lauderhill, Florida (the 'City') as of and for the year ended September 30, 2016, 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 Pension Trust Funds, which represent 98 percent and 89 percent, respectively, of the assets and revenues of the aggregate remaining fund information. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for City of Lauderhill, Florida 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. 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 aggregate remaining blended component units, each major fund, and the aggregate remaining fund information of the City of Lauderhill, Florida, as of September 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, Schedule of funding progress – OPEB, changes in City's net pension liability and related ratios, City contributions and Schedules of Funding Progress on pages 15–25 and 85-93 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Lauderhill's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the report of the other auditors, the combining and individual nonmajor fund financial statements is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

We did not audit the financial statements of the Pension Trust Funds which represent 98% and 89%, respectively, of the total assets and total revenues of the aggregate remaining information. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Pension Trust Funds, is based solely on the report of the other auditors.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 2017, 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.

*HCT Certified Public Accountants & Consultants, LLC*

Hollywood, Florida

March 31, 2017

**CITY OF LAUDERHILL, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FISCAL YEAR ENDED SEPTEMBER 30, 2016**

We, the management of the City of Lauderhill (the "City"), offer readers of the City's financial statement a narrative representation of the City's financial performance for fiscal year ended September 30, 2016. This discussion and analysis will provide an overview of the City's financial activities when read in conjunction with the transmittal letter on pages 1 through 7 and the City's financial statements, which begin on page 26.

***FINANCIAL HIGHLIGHTS (in thousands)***

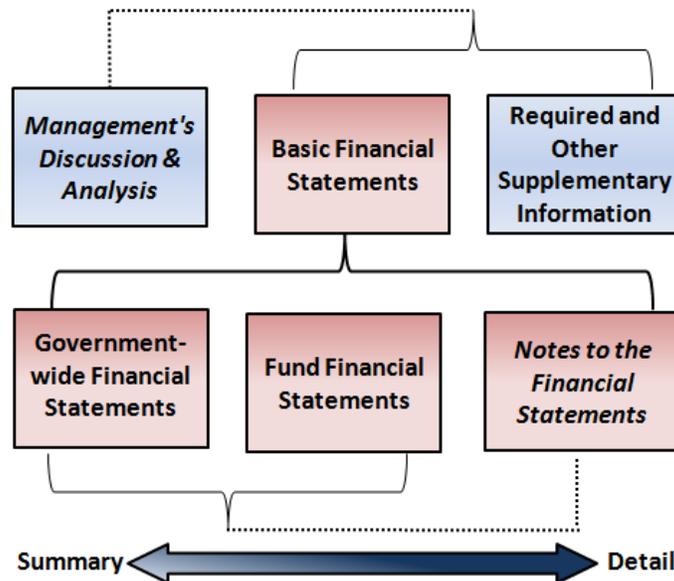
- The assets of the City of Lauderhill exceeded its liabilities at the close of the most recent fiscal year by \$41,920 (net position). Governmental activities unrestricted is (\$40,730) and business-type activities is \$24,680 totaling (\$16,051). Positive unrestricted net position may be used to meet the government's ongoing obligations to citizens and creditors.
- During fiscal year 2016, the government's total net position increased by \$10,614 to \$41,920. Governmental net position increased by \$4,581 (15.91 percent), while business-type activity net position increased by \$6,033 (10.04 percent). Increase to governmental and business-type positions is primarily due to an upward trend of deferred outflows of resources.
- During fiscal year 2016, revenues of all Governmental Funds totaled \$72,467 while expenditures (before other financing sources and uses) totaled \$73,351. As a result, Governmental revenues were \$885 less than Governmental Fund Expenditures. Also, the City realized a decrease in total Governmental Funds Fund Balance (net of other financing sources and uses) of \$994 during fiscal year 2016.
- Business-type activities yielded a net operating income of \$4,483 and non-operating expenses of \$129. During fiscal year 2016, operating revenues increased by \$2,873 from fiscal year 2015, totaled \$27,075 compared to \$24,201 during 2015. The City continues to demonstrate strong revenues and earnings potential, which should allow for the issuance of additional debt to maintain and improve the current utility system while still maintaining sufficient funds for continued operations.
- The total operating expenditure for governmental funds and enterprise fund services amounted to \$95,943 or \$748 (0.79 percent) more than fiscal year 2015. The General Government costs increased by more than \$2,506 and Enterprise costs increase by \$2,246 during fiscal year 2016. The increase was utilized to honor contractual obligations and other operating costs.
- As of the close of the current fiscal year, the General Fund reported revenues in

excess of expenditures of \$7,161 before other financing sources (uses) of (\$6,530).

## OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: (1) government-wide financial statements (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

### Required Components of The City of Lauderdale's Comprehensive Annual Financial Report



**Government-wide Financial Statements** The government-wide financial statements are designed to provide information about the activities of the City as a whole, in a manner similar to a private-sector business. Both long-term and short-term information regarding the City's finances are presented.

The *statement of net position* presents information on all of the City's assets, deferred outflows of resources and liabilities and deferred inflows of resources with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as useful indicators of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this

statement for some items that will only result in cash flows in future fiscal period (e.g. uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their cost through user fees and charges (business activities). The governmental activities of the City include general government, public safety, public works, culture and recreation, and economic and community development. The business-type activities of the City include Water and Sewer, Stormwater and Performing Arts operations.

The government-wide financial statements can be found on pages 26-27 of this report.

**Fund Financial Statements** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All funds of the City can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds. These funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial 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.

Because 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. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate comparison between *governmental funds* and *governmental activities*.

The City maintains twelve (12) individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, community redevelopment agency fund and capital projects fund, which are considered to be major funds. Data from the other nine (9) governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The basic governmental fund financial statements can be found on pages 28-31 of this report.

Proprietary funds. The City maintains one type of proprietary fund. *Enterprise*

*funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses Enterprise Funds to account for its Water and Sewer, Stormwater, and Performing Arts operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary funds financial statements provide separate information for the Water and Sewer, Stormwater and Performing Arts operations, which are considered to be major funds of the City.

The basic proprietary fund financial statements can be found on pages 32-34 of this report.

*Fiduciary funds.* Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the City's operations. However, the unfunded pension liabilities are reported on the government-wide financial statements. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 35-36 of this report.

*Notes to the financial statements.* The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found beginning on page 37 of this report.

**Other Information** In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City's progress in funding its obligation to provide pension benefits to its employees and budgetary comparison schedules.

Required supplementary information can be found on pages 85-90 of this report.

The combining financial statements referred to previously in connection with nonmajor governmental funds, are presented immediately following the required supplementary information. Combining fund statements and schedules can be found beginning on page 91 of this report.

### **GOVERNMENT-WIDE FINANCIAL ANALYSIS (in thousands)**

Our analysis of the financial statements of the City begins below. The Statement of Net Position and the Statement of Activities report information about the City's activities that will help answer questions about the financial position and result of operations of the City. Information for both fiscal years ended 2015 and 2016 are presented for comparison purposes.

### Statement of Net Position

As noted previously, net position, over time, serve as a useful indicator of a government's financial position. The schedule below summarizes the City of Lauderhill's net position for fiscal years ended 2016 and 2015:

	Governmental Activities		Business-type Activities		Total Government	
	2016	2015	2016	2015	2016	2015
Current and other assets	\$22,748	\$22,932	\$30,836	\$29,985	\$53,584	\$52,917
Capital assets	79,282	81,817	72,909	73,785	152,191	155,602
Total assets	<u>102,030</u>	<u>104,749</u>	<u>103,745</u>	<u>103,770</u>	<u>205,775</u>	<u>208,519</u>
Deferred outflows of resources	12,154	5,527	1,223	258	13,377	5,785
Long-term debt outstanding	76,650	81,574	31,464	36,043	108,114	117,617
Net pension liability	47,989	47,015	5,293	6,215	53,282	53,230
Other liabilities	7,550	6,721	1,306	1,540	8,856	8,261
Total liabilities	<u>132,189</u>	<u>135,310</u>	<u>38,063</u>	<u>43,798</u>	<u>170,252</u>	<u>179,108</u>
Deferred inflows of resources, as restated	6,202	3,754	779	137	6,981	3,891
Net position (deficit)	<u>(\$24,207)</u>	<u>(\$28,788)</u>	<u>\$66,126</u>	<u>\$60,093</u>	<u>\$41,919</u>	<u>\$31,305</u>
Net investment in capital assets	\$13,443	\$11,420	\$41,446	\$37,741	\$54,889	\$49,161
Restricted	3,080	3,196	-	-	3,080	3,196
Unrestricted	(40,730)	(43,404)	24,680	22,352	(16,050)	(21,052)
Total net position (deficit)	<u>(\$24,207)</u>	<u>(\$28,788)</u>	<u>\$66,126</u>	<u>\$60,093</u>	<u>\$41,919</u>	<u>\$31,305</u>

The City's combined net position was \$41,919 at the 2016 fiscal year end: (\$24,207) for governmental activities and \$66,126 for business-type activities. This represents an increase of \$10,614 from fiscal year 2015 net position. For governmental activities, capital assets decreased by \$2,535, restricted net position decreased by \$116 and current and other assets decreased by \$184 from fiscal year 2015. Total assets for business-type activities were decreased by \$25 as compared to 2015. Decrease in governmental assets is due to significant reduction in capital asset spending.

The use of a portion of net position is restricted and cannot be used to meet the ongoing obligations of the City. For fiscal year 2016, restricted net position equaled \$3,080 for governmental activities. Unrestricted net position of governmental activities represent (\$40,730) while business-type activities unrestricted net position are \$24,680 or 37.32 percent of total net position; positive net position can be used to meet the City's ongoing obligations to citizens and creditors.

Investment in capital assets (such as land, buildings, and equipment) is a significant portion of the restricted assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

Long-term debt outstanding has decreased both in the governmental and enterprise activities. This is a result of the City paying down long term obligations and not issuing any new debt. At the end of the current fiscal year, the City is able to report positive balances of net position as it relates to the governmental and business-type activities as a whole.

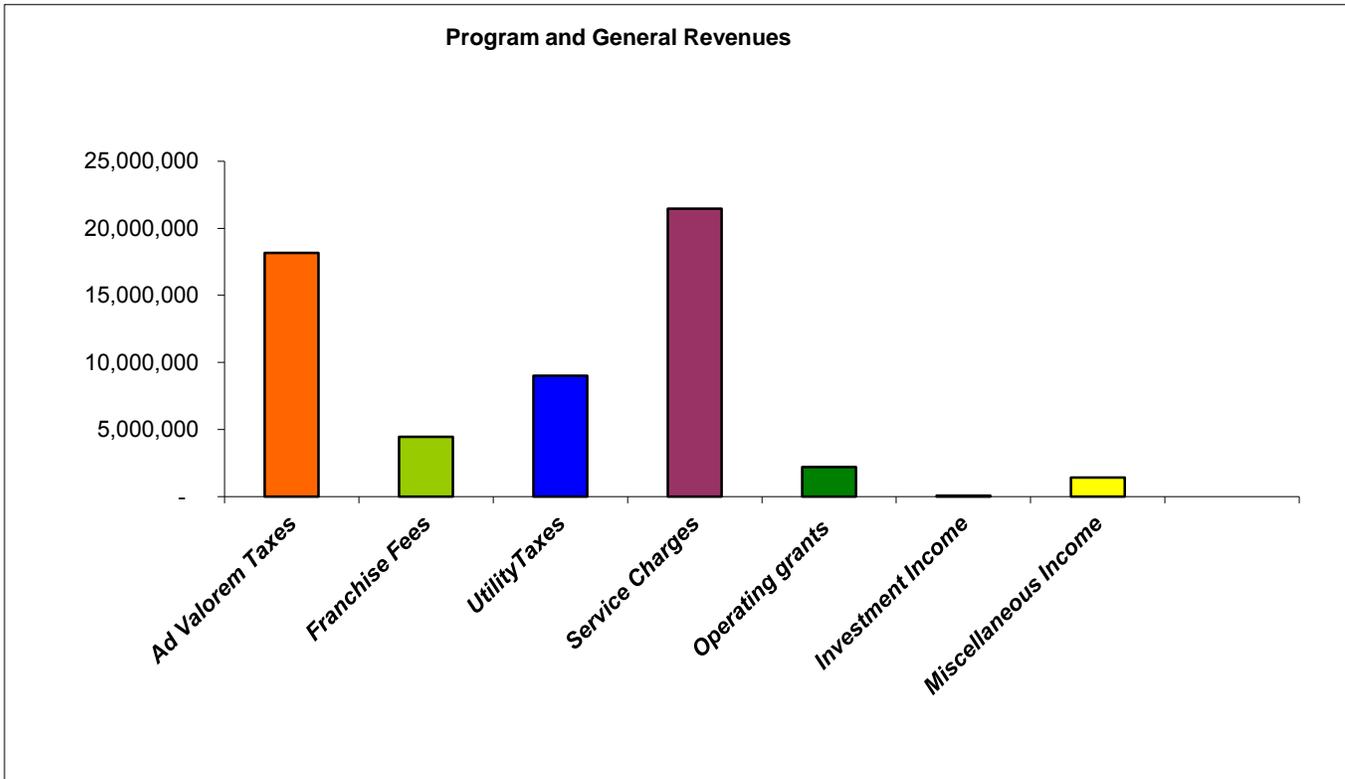
### **Statement of Activities**

Governmental activities for the current fiscal year increased net position by \$4,581, primarily due to increase in charges for services and property taxes. Key elements of the changes in net position are presented in the schedule below and described in the following section:

**City of Lauderdale, Florida**  
**Change in Net Position**  
**( In Thousands)**

	<u>Governmental</u> <u>Activities</u>		<u>Business-type</u> <u>Activities</u>		<u>Total</u> <u>Government</u>	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Revenues:						
Program revenues:						
Charges for services	\$21,455	\$19,891	\$27,075	\$24,201	\$48,530	\$44,092
Operating grants	2,197	2,356	-	-	2,197	2,356
Capital grants and contributions	-	-	8	132	8	132
General revenues:						
Property taxes	18,155	16,536	-	-	18,155	16,536
Other taxes	13,456	13,147	-	-	13,456	13,147
Other	17,369	18,613	12	233	17,381	18,846
Total revenues	<u>72,632</u>	<u>70,543</u>	<u>27,095</u>	<u>24,566</u>	<u>99,727</u>	<u>95,109</u>
Expenses:						
General government	12,199	11,832	-	-	12,199	11,832
Public safety	37,688	41,267	-	-	37,688	41,267
Physical environment	3,321	3,742	-	-	3,321	3,742
Transportation	2,302	2,307	-	-	2,302	2,307
Recreation and social services	9,138	8,885	-	-	9,138	8,885
Interest on long-term debt	2,492	4,610	-	-	2,492	4,610
Water and sewer	-	-	17,722	18,006	17,722	18,006
Stormwater	-	-	3,201	4,543	3,201	4,543
Performing Arts	-	-	1,050	-	1,050	-
Total expenses	<u>67,140</u>	<u>72,643</u>	<u>21,973</u>	<u>22,549</u>	<u>89,113</u>	<u>95,192</u>
Increase ( decrease) in net position before transfers	<u>5,492</u>	<u>(2,100)</u>	<u>5,122</u>	<u>2,017</u>	<u>10,614</u>	<u>(83)</u>
Transfers	<u>(911)</u>	<u>(1,210)</u>	<u>911</u>	<u>1,210</u>	<u>-</u>	<u>-</u>
Increase ( decrease) in net position	<u>4,581</u>	<u>(3,310)</u>	<u>6,033</u>	<u>3,227</u>	<u>10,614</u>	<u>(83)</u>
Net position (deficit), October 1, as restated	<u>(28,788)</u>	<u>(25,478)</u>	<u>60,093</u>	<u>56,866</u>	<u>31,305</u>	<u>31,388</u>
Net position (deficit), September 30	<u>(\$24,207)</u>	<u>(\$28,788)</u>	<u>\$66,126</u>	<u>\$60,093</u>	<u>\$41,919</u>	<u>\$31,305</u>

**Governmental Activities**

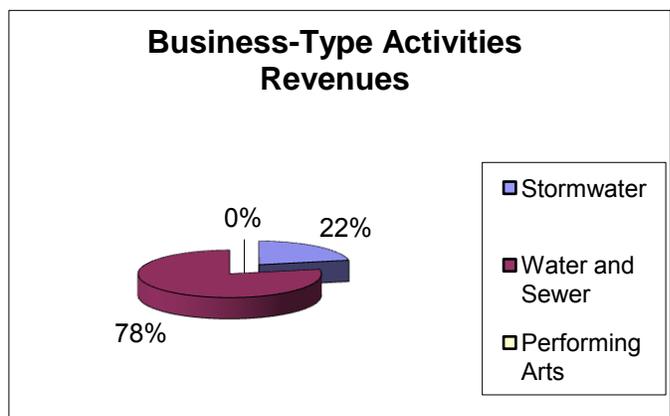


- Property taxes revenue increased in the governmental activities by \$1,619 (9.79 percent) during fiscal year 2016 compared to fiscal year 2015. The millage rate was increased from 7.3698 to 7.5898 in 2016.

**Business-type Activities**

Business-type activities for the year resulted in an increase in net position of \$6,033. Key elements of this change are as follows:

- The Stormwater Utility revenues exceeded total expenses by \$2,747.
- The Water and Sewer Utility increased net position by \$3,410.
- The Performing Arts change in net position was a decrease of ( \$124).



## FINANCIAL ANALYSIS OF THE GOVERNMENTAL FUNDS

	Governmental Funds					
	(In Thousands)					
	Community					Total
General	Redevelopment Agency	Capital Projects	Fire Protection	Other Funds	Governmental	
Fund balance, September 30, 2015	\$17,344	(\$1,060)	(\$292)	(\$6,738)	\$2,834	\$12,088
Revenues	52,716	69	2,185	14,680	2,818	72,467
Expenditures	(45,554)	(198)	(1,808)	(16,274)	(9,516)	(73,350)
Other financing sources (uses)	(6,530)	(57)	(898)	(249)	7,624	(110)
Fund balance (deficit), September 30, 2016	<u>\$17,976</u>	<u>(\$1,246)</u>	<u>(\$813)</u>	<u>(\$8,581)</u>	<u>\$3,760</u>	<u>\$11,095</u>

The City of Lauderhill uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The table below summarizes the significant changes in the fund balances of the City's governmental funds:

### Governmental Funds

As discussed previously, the purpose of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of available resources relative to the City's funding requirements. Unassigned fund balances serve as the most useful measure of the City's net resources available for spending at the end of the fiscal year.

As the City completed the year, its governmental funds reported a combined fund balance of \$11,095 with general fund representing \$17,976, up by \$632 compared with fiscal year 2015. Of the \$17,976 general fund balance \$5,089 is assigned, leaving a \$6,903 unassigned fund balance at year-end.

The capital projects fund had a deficit balance of \$813 at year-end, down by \$521 in fiscal year 2016. The primary reason for the decrease is the funding of capital projects. Fund balance in the capital projects fund is directly affected by the pace at which capital projects are completed. Funding from the issuance of debt and is budgeted, sometimes over multiple fiscal years for the construction of specific projects.

Fire Protection Fund balance decreased by \$1,843 and this primarily due to an increase in public safety operating expenditures.

Community Redevelopment Agency Fund net change in fund balance reported of (\$187) is a result of resources utilized to honor debt service and operating costs.

### General Fund Budgetary Highlights

The City Commission approves the original budget (Adopted Budget) in September prior to the beginning of the fiscal year. The final budget (Amended Budget) reflects divisional

changes made administratively and approved by the City Manager and departmental changes and supplemental appropriations approved by the City Commission during the year.

Actual General Fund revenues for fiscal year 2016 were below final budget by \$1,245. Actual expenditures for the year were approximately \$1,708 less than the final budget. The major expenditure variances between the final budget and actual in the general fund are reflected in general government, transportation and Recreation and social services, which is due to an overall decrease in spending.

**Capital Assets**

The City’s investment in capital assets for its governmental and business-type activities as of September 30, 2016, amounts to \$152,191 (net of accumulated depreciation). This investment in capital assets includes land, buildings, water distribution and sewer collection, storm drainage systems, park improvements, equipment, and street improvements, which are detailed (net of accumulated depreciation) as follows:

City of Lauderhill, Florida Capital Assets ( net of depreciation) ( In Thousands)						
	Governmental Activities		Business-type Activities		Total Government	
	2016	2015	2016	2015	2016	2015
Land	\$ 28,344	\$27,819	\$ 349	\$ 349	\$ 28,693	\$ 28,168
Building	16,873	17,516	33,723	16,816	50,596	34,332
Machinery and equipment	3,082	3,833	1,319	520	4,401	4,353
Improvements (other than buildings)	27,269	27,772	21,327	20,470	48,596	48,242
Infrastructure	3,714	3,958	15,847	16,476	19,561	20,434
Construction-in-progress	-	919	344	19,153	344	20,072
	<u>\$ 79,282</u>	<u>\$81,817</u>	<u>\$ 72,909</u>	<u>\$ 73,784</u>	<u>\$ 152,191</u>	<u>\$ 155,601</u>

The City has developed various capital improvement programs to improve the quality of life of its residents. Major projects included wastewater and storm water improvements.

Additional information on the City’s capital assets can be found in the notes to the financial statements on pages 61-63 of this report.

***DEBT ADMINISTRATION***

At the end of the current fiscal year, the City has total long-term debt outstanding of \$104,642. Total governmental activities debt decreased net by \$5,102 as a result of scheduled payments. Total business activities debt decreased net by \$4,580 as a result of scheduled payments and Revenue Bonds refunding.

**City of Lauderhill, Florida  
Outstanding Debt  
( In Thousands)**

	Governmental Activities		Business-type Activities		Total Government	
	2016	2015	2016	2015	2016	2015
General Obligation Bonds	\$ 22,225	\$ 23,350	\$ -	\$ -	\$ 22,225	\$ 23,350
Revenue Bonds	33,332	35,702	26,050	29,990	59,382	65,692
State Revolving Fund	-	-	5,413	6,053	5,413	6,053
Capital Leases	1,208	1,710	-	-	1,208	1,710
Insurance Claim Payable	10	6	-	-	10	6
Notes Payable	16,404	17,513	-	-	16,404	17,513
	<u>\$ 73,179</u>	<u>\$ 78,281</u>	<u>\$ 31,463</u>	<u>\$ 36,043</u>	<u>\$ 104,642</u>	<u>\$ 114,324</u>

Additional information on the City's long-term debt can be found in the notes to the financial statements on pages 65-68.

***ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES***

In the fiscal year 2017 budget, general fund revenues and expenditures are budgeted to increase by \$3,544 equally, or 6.81% when compared to fiscal year 2016. General fund property taxes make up approximately 30% of general fund budgeted revenues and are projected to increase by \$1,574 or 10.37% from fiscal year 2016.

For the Water and Sewer fund, revenues and expenditures are budgeted to increase by \$433, or 2.21% when compared to fiscal year 2016. For the Stormwater fund, revenues and expenditures are budgeted to increase by \$317, or 4.78% when compared to fiscal year 2016.

Performing Art Center Fund is budgeted to decrease by \$340, or 34.34% when compared to fiscal year 2016.

***REQUESTS FOR INFORMATION***

This financial report is designed to provide a general overview of the City of Lauderhill's finances for all those with an interest in its finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the City of Lauderhill, Finance Department, 5581 W. Oakland Park Boulevard, Suite 241 Lauderhill, Florida, 33313. Information may also be found at our website at [www.lauderhill-fl.gov](http://www.lauderhill-fl.gov).

**CITY OF LAUDERHILL, FLORIDA**  
**STATEMENT OF NET POSITION**  
September 30, 2016

<b>ASSETS</b>	<b>GOVERNMENTAL ACTIVITIES</b>	<b>BUSINESS-TYPE ACTIVITIES</b>	<b>TOTAL</b>
Cash and equity in pooled cash and investments	\$ 8,975,864	\$ 6,579,175	\$ 15,555,039
Accounts receivable - net	7,498,914	6,183,870	13,682,784
Notes receivable	529,570	-	529,570
Due from other governments	2,906,171	344,375	3,250,546
Internal balances	(8,435,248)	8,435,248	-
Inventories	284,247	61,024	345,271
Prepaid expenses	523,305	-	523,305
Restricted assets:			
Equity in pooled cash and investments	608,099	601,061	1,209,160
Land held for investment	2,228,575	-	2,228,575
Other assets	2,606,578	-	2,606,578
Due from related entity	5,021,887	8,631,073	13,652,960
Non-depreciable assets-			
Land	28,344,587	349,010	28,693,597
Construction in progress	-	344,399	344,399
Depreciable assets-net	<u>50,937,844</u>	<u>72,215,931</u>	<u>123,153,775</u>
Total assets	<u>102,030,393</u>	<u>103,745,166</u>	<u>205,775,559</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension	<u>12,154,364</u>	<u>1,222,934</u>	<u>13,377,298</u>
Total Deferred outflows of Resources	<u>12,154,364</u>	<u>1,222,934</u>	<u>13,377,298</u>
<b>LIABILITIES</b>			
Accounts payable and accrued expenses	753,897	809,182	1,563,079
Accrued interest payable	929,165	226,932	1,156,097
Accrued payroll	1,982,232	219,303	2,201,535
Customer deposits	37,420	51,988	89,408
Unearned revenue	3,847,963	-	3,847,963
Noncurrent liabilities:			
Net OPEB obligation	1,433,000	-	1,433,000
Net pension liabilities	47,989,033	5,292,880	53,281,913
The amount within one year	5,526,825	2,738,426	8,265,251
The amount due in more than one year	<u>69,689,914</u>	<u>28,724,338</u>	<u>98,414,252</u>
Total Liabilities	<u>132,189,449</u>	<u>38,063,049</u>	<u>170,252,498</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pension	4,577,483	353,890	4,931,373
Deferred charge-bonds refunding	<u>1,624,480</u>	<u>425,000</u>	<u>2,049,480</u>
Total Deferred Inflows of Resources	<u>6,201,963</u>	<u>778,890</u>	<u>6,980,853</u>
<b>NET POSITION</b>			
Net Investment in capital assets	13,443,358	41,446,576	54,889,934
Restricted for:			
Social services	187,268	-	187,268
Debt service	2,892,858	-	2,892,858
Unrestricted	<u>(40,730,139)</u>	<u>24,679,585</u>	<u>(16,050,554)</u>
Total Net Position	<u>\$ (24,206,655)</u>	<u>\$ 66,126,161</u>	<u>\$ 41,919,506</u>

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

**CITY OF LAUDERHILL, FLORIDA**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2016**

	PROGRAM REVENUES				NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
	Expenses	Charges for services	Operating grants and contributions	Capital grants and contributions	Governmental activities	Business-type activities	Total
<b>Functions/programs</b>							
<b>Primary Government:</b>							
Governmental activities:							
General government	\$ 12,198,669	\$ 3,508,624	\$ 110,341	\$ -	\$ (8,579,704)	\$ -	\$ (8,579,704)
Public safety	37,687,877	17,638,059	146,087	-	(19,903,731)	-	(19,903,731)
Physical environment	3,320,971	-	-	-	(3,320,971)	-	(3,320,971)
Transportation	2,302,723	1,494	352,754	-	(1,948,475)	-	(1,948,475)
Recreation and social services	9,138,237	307,066	1,588,155	-	(7,243,016)	-	(7,243,016)
Interest on long-term debt	2,491,542	-	-	-	(2,491,542)	-	(2,491,542)
<b>Total governmental activities</b>	<b>67,140,019</b>	<b>21,455,243</b>	<b>2,197,337</b>	<b>-</b>	<b>(43,487,439)</b>	<b>-</b>	<b>(43,487,439)</b>
Business-type activities:							
Water & Sewer	17,722,190	21,122,088	-	-	-	3,399,898	3,399,898
Stormwater	3,200,739	5,947,705	-	-	-	2,746,966	2,746,966
Performing Arts	1,049,950	5,000	-	7,909	-	(1,037,041)	(1,037,041)
<b>Total business-type activities</b>	<b>21,972,879</b>	<b>27,074,793</b>	<b>-</b>	<b>7,909</b>	<b>-</b>	<b>5,109,823</b>	<b>5,109,823</b>
<b>Total primary government</b>	<b>\$ 89,112,898</b>	<b>\$ 48,530,036</b>	<b>\$ 2,197,337</b>	<b>\$ 7,909</b>	<b>(43,487,439)</b>	<b>5,109,823</b>	<b>(38,377,616)</b>
<b>General revenues:</b>							
Property taxes, levied for general purpose					18,155,146	-	18,155,146
Franchise taxes					4,440,784	-	4,440,784
Public service taxes					9,015,481	-	9,015,481
Unrestricted intergovernmental					15,902,306	-	15,902,306
Investment Income					56,282	12,319	68,601
Miscellaneous					1,159,544	-	1,159,544
Gain on sale of land					249,621	-	249,621
Transfers					(910,600)	910,600	-
<b>Total general revenues</b>					<b>48,068,564</b>	<b>922,919</b>	<b>48,991,483</b>
Change in net position					4,581,125	6,032,742	10,613,867
Net position (deficit), October 1, as restated					(28,787,780)	60,093,419	31,305,639
Net position (deficit), September 30,					<b>\$ (24,206,655)</b>	<b>\$ 66,126,161</b>	<b>\$ 41,919,506</b>

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

**CITY OF LAUDERHILL, FLORIDA**  
Balance Sheet  
Governmental Funds  
September 30, 2016

<b>MAJOR FUNDS</b>							
	<b>General</b>	<b>Community Redevelopment Agency</b>	<b>Capital Projects</b>	<b>Fire Protection</b>	<b>Debt Service</b>	<b>Other Nonmajor Governmental Funds</b>	<b>TOTAL GOVERNMENTAL FUNDS</b>
<b>ASSETS</b>							
Cash and equity in pooled cash and investments	\$ 7,095,302	\$ 29,722	\$ 138,606	\$ 56,813	-	\$ 1,655,421	\$ 8,975,864
Accounts receivable - net	6,411,677	6,650	-	89,569	991,018	-	7,498,914
Notes receivable	-	-	-	-	-	529,570	529,570
Due from other funds	4,989,891	-	-	-	-	-	4,989,891
Due from other governments	1,993,365	-	-	638,906	-	273,900	2,906,171
Inventories	284,247	-	-	-	-	-	284,247
Prepays	523,305	-	-	-	-	-	523,305
Restricted assets:							
Equity in pooled cash and investments	-	-	-	-	608,099	-	608,099
Land held for investment	-	2,228,575	-	-	-	-	2,228,575
Other assets	2,256,018	-	-	350,560	-	-	2,606,578
Total assets	<u>\$ 23,553,805</u>	<u>\$ 2,264,947</u>	<u>\$ 138,606</u>	<u>\$ 1,135,848</u>	<u>\$1,599,117</u>	<u>\$ 2,458,891</u>	<u>\$ 31,151,214</u>
<b>LIABILITIES AND FUND BALANCES</b>							
Liabilities:							
Accounts payable and accrued expenses	\$ 680,691	\$ -	\$ -	\$ 189	\$ -	\$ 73,017	\$ 753,897
Accrued payroll	1,538,452	-	-	435,204	-	8,576	1,982,232
Advances from other funds	-	3,421,130	-	-	-	-	3,421,130
Due to other funds	-	90,000	952,067	8,745,338	-	216,604	10,004,009
Customer deposits	37,200	220	-	-	-	-	37,420
Unearned revenue	3,311,558	-	-	536,405	-	-	3,847,963
Insurance claims payable	9,825	-	-	-	-	-	9,825
Total liabilities	<u>5,577,726</u>	<u>3,511,350</u>	<u>952,067</u>	<u>9,717,136</u>	<u>-</u>	<u>298,197</u>	<u>20,056,476</u>
Fund balances:							
Nonspendable:							
Inventories	284,247	2,228,575	-	-	-	-	2,512,822
Prepays	523,305	-	-	-	-	-	523,305
Advances	4,989,891	-	-	-	-	-	4,989,891
Restricted for:							
Social services-community development	186,703	565	-	-	-	-	187,268
Assigned:							
Natural disaster	1,093,987	-	-	-	-	-	1,093,987
Debt reserve	1,293,741	-	-	-	1,599,117	-	2,892,858
Social services:							
Safe neighborhood	-	-	-	-	-	771,054	771,054
Housing	-	-	-	-	-	1,032,386	1,032,386
Public safety-law enforcement	-	-	-	-	-	382,010	382,010
Employee pension	832,698	-	-	-	-	-	832,698
Other post retirement benefit	1,433,000	-	-	-	-	-	1,433,000
Contingencies	435,414	-	-	-	-	-	435,414
Unassigned:							
General fund	6,903,093	-	-	-	-	-	6,903,093
Community redevelopment agency	-	(3,475,543)	-	-	-	-	(3,475,543)
Capital projects	-	-	(813,461)	-	-	-	(813,461)
Social services-housing	-	-	-	-	-	(24,756)	(24,756)
Public safety-fire	-	-	-	(8,581,288)	-	-	(8,581,288)
Total fund balances (deficit)	<u>17,976,079</u>	<u>(1,246,403)</u>	<u>(813,461)</u>	<u>(8,581,288)</u>	<u>1,599,117</u>	<u>2,160,694</u>	<u>11,094,738</u>
Total liabilities and fund balances	<u>\$ 23,553,805</u>	<u>\$ 2,264,947</u>	<u>\$ 138,606</u>	<u>\$ 1,135,848</u>	<u>\$1,599,117</u>	<u>\$ 2,458,891</u>	<u>\$ 31,151,214</u>

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

**CITY OF LAUDERHILL, FLORIDA**  
 Reconciliation of the Balance Sheet of Governmental Funds  
 To the Statement of Net Position  
 September 30, 2016

Fund balances - total government funds \$ 11,094,738

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 governmental funds.

Governmental capital assets, net 79,282,431

Funds due from related entity 5,021,887  
 Dererred outflows of resources 12,154,364  
 Deferred inflows of resources (6,201,963)

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds.

2015 Sales Tax Bonds	(3,125,000)	
2005 Sales Tax Bonds	(880,000)	
2010 Sales Tax Bonds	(5,890,000)	
2011-A Sales BB&T	(1,215,000)	
2011-B Sales BB&T	(2,815,000)	
Water Utility Tax Bonds	(7,181,500)	
2005 General Obligation Bonds	(22,225,000)	
Electric Utility Revenue Bond	(12,225,000)	
Notes payable	(16,404,074)	
Net OPEB obligation	(1,433,000)	
Net Pension Liability	(47,989,033)	
Capital Lease	(1,207,573)	
Accrued interest	(929,165)	
Compensated absences	(2,038,767)	
	(125,558,112)	(125,558,112)

Net position of governmental activities \$ (24,206,655)

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

**CITY OF LAUDERHILL, FLORIDA**  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
Governmental Funds  
For the Year Ended September 30, 2016

	<b>MAJOR FUNDS</b>						<b>TOTAL GOVERNMENTAL FUNDS</b>
	<b>General</b>	<b>Community Redevelopment Agency</b>	<b>Capital Projects</b>	<b>Fire Protection</b>	<b>Debt Service</b>	<b>Other Nonmajor Governmental Funds</b>	
<b>REVENUES</b>							
Taxes:							
Property taxes	\$ 15,335,134	\$ -	\$ 2,175,927	\$ 16,186	\$ -	\$ 627,899	\$ 18,155,146
Franchise taxes	4,440,784	-	-	-	-	-	4,440,784
Public service taxes	9,015,481	-	-	-	-	-	9,015,481
Charges for services	2,618,282	-	-	14,660,313	-	-	17,278,595
Administrative charges	8,314,619	-	-	-	-	-	8,314,619
Intergovernmental	8,196,870	-	-	-	495,216	1,588,154	10,280,240
Licenses and permits	2,999,899	-	-	3,193	-	-	3,003,092
Fines and forfeitures	1,102,832	-	-	-	-	48,332	1,151,164
Investment income	19,911	357	-	-	7,116	28,898	56,282
Rental income	323,891	68,249	-	-	-	-	392,140
Miscellaneous	348,127	-	8,519	-	-	22,392	379,038
<b>Total revenues</b>	<b>52,715,830</b>	<b>68,606</b>	<b>2,184,446</b>	<b>14,679,692</b>	<b>502,332</b>	<b>2,315,675</b>	<b>72,466,581</b>
<b>EXPENDITURES</b>							
Current:							
General government	11,842,775	198,356	153,725	-	4,805	-	12,199,661
Public safety	22,801,466	-	-	15,697,402	-	29,520	38,528,388
Physical environment	3,159,961	-	-	-	-	-	3,159,961
Transportation	1,802,477	-	-	-	-	-	1,802,477
Recreation and social services	5,947,622	-	-	-	-	1,945,280	7,892,902
Debt service:							
Principal retirement	-	-	-	272,548	4,834,340	-	5,106,888
Interest and issuance cost	-	-	-	32,543	2,634,851	-	2,667,394
Capital Outlay:							
Land	-	-	867,448	209,760	-	-	1,077,208
Buildings	-	-	8,642	-	-	-	8,642
Improvements	-	-	433,982	-	-	66,939	500,921
Machinery & equipment	-	-	344,313	62,551	-	-	406,864
<b>Total Expenditures</b>	<b>45,554,301</b>	<b>198,356</b>	<b>1,808,110</b>	<b>16,274,804</b>	<b>7,473,996</b>	<b>2,041,739</b>	<b>73,351,306</b>
Excess (deficiency) of revenues over (under) expenditures	7,161,529	(129,750)	376,336	(1,595,112)	(6,971,664)	273,936	(884,725)
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers in	50,354	597,776	440,008	-	7,473,996	222,315	8,784,449
Transfers out	(6,579,899)	(654,935)	(2,139,201)	(248,369)	-	(72,645)	(9,695,049)
Sale of land	-	-	801,652	-	-	-	801,652
<b>Total Other Financing Sources (Uses)</b>	<b>(6,529,545)</b>	<b>(57,159)</b>	<b>(897,541)</b>	<b>(248,369)</b>	<b>7,473,996</b>	<b>149,670</b>	<b>(108,948)</b>
Net change in fund balances	631,984	(186,909)	(521,205)	(1,843,481)	502,332	423,606	(993,673)
Fund balances (deficit) - beginning	17,344,095	(1,059,494)	(292,256)	(6,737,807)	1,096,785	1,737,088	12,088,411
Fund balances (deficit) - ending	\$ 17,976,079	\$ (1,246,403)	\$ (813,461)	\$ (8,581,288)	\$ 1,599,117	\$ 2,160,694	\$ 11,094,738

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

**CITY OF LAUDERHILL, FLORIDA**  
 Reconciliation of the Statement of Revenues  
 Expenditures, and Changes in Fund Balances of Governmental Funds  
 To the Statement of Activities  
 For the Year Ended September 30, 2016

Changes in fund balances - total government funds \$ (993,673)

Amounts reported for governmental activities in the statement  
of activities are different because:

Net change in fund balances

Governmental funds report capital outlays as expenditures.  
However, in the statement of activities, the cost of those assets is depreciated  
over their estimated useful lives and reported as depreciation expense.

Expenditures for capital outlays	1,993,635	
Less current year depreciation	<u>(3,975,888)</u>	(1,982,253)

The issuance of long-term debt (e.g. bonds) 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 are deferred 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.

Sale of land	(552,031)	
Principal repayments	<u>5,106,888</u>	4,554,857

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. 3,002,194

Change in net position of governmental activities \$ 4,581,125

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

**CITY OF LAUDERHILL, FLORIDA**  
Statement of Net Position  
Proprietary Funds  
September 30, 2016

ASSETS	BUSINESS-TYPE ACTIVITIES-ENTERPRISE FUNDS-MAJOR FUNDS			
	Water & Sewer	Stormwater	Performing Arts	Total
<b>Current assets:</b>				
Cash and equity in pooled cash and investments	\$ 3,376,177	\$ 2,662,932	\$ 540,066	\$ 6,579,175
Accounts receivable - net	6,151,764	32,106	-	6,183,870
Advances to other funds	3,421,130	-	-	3,421,130
Due from related entity	8,631,073	-	-	8,631,073
Due from other government	-	-	344,375	344,375
Due from other funds	41,862	4,005,019	967,237	5,014,118
Inventories	61,024	-	-	61,024
<b>Total current assets</b>	<b>21,683,030</b>	<b>6,700,057</b>	<b>1,851,678</b>	<b>30,234,765</b>
<b>Non-current assets:</b>				
Restricted Assets:				
Equity in pooled cash and investments	487,935	113,126	-	601,061
Capital assets:				
Land	349,010	-	-	349,010
Buildings	30,446,303	2,081,643	17,569,653	50,097,599
Improvements other than building	11,989,962	24,983,755	-	36,973,717
Machinery and equipment	5,351,413	1,826,864	119,763	7,298,040
Infrastructure	18,876,918	10,301,968	-	29,178,886
Construction in progress	305,978	38,421	-	344,399
Less accumulated depreciation	(36,603,972)	(14,712,639)	(15,700)	(51,332,311)
Total capital assets (net of accumulated depreciation)	30,715,612	24,520,012	17,673,716	72,909,340
<b>Total non-current assets</b>	<b>31,203,547</b>	<b>24,633,138</b>	<b>17,673,716</b>	<b>73,510,401</b>
<b>Total Assets</b>	<b>52,886,577</b>	<b>31,333,195</b>	<b>19,525,394</b>	<b>103,745,166</b>
<b>LIABILITIES</b>				
<b>Current Liabilities:</b>				
Accounts payable and accrued expenses	809,182	-	-	809,182
Accrued payroll	132,969	83,854	2,480	219,303
Accrued interest payable	62,581	164,351	-	226,932
Bonds payable - current portion	1,580,000	560,000	-	2,140,000
Loans payable-current portion	20,486	577,940	-	598,426
Customer deposits	51,988	-	-	51,988
<b>Total current liabilities</b>	<b>2,657,206</b>	<b>1,386,145</b>	<b>2,480</b>	<b>4,045,831</b>
<b>Non-current liabilities:</b>				
Bonds payable - noncurrent	15,250,000	8,660,000	-	23,910,000
Loans payable-noncurrent	248,112	4,566,226	-	4,814,338
<b>Total noncurrent liabilities</b>	<b>15,498,112</b>	<b>13,226,226</b>	<b>-</b>	<b>28,724,338</b>
<b>Total Liabilities</b>	<b>18,155,318</b>	<b>14,612,371</b>	<b>2,480</b>	<b>32,770,169</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred charge-bonds refunding	425,000	-	-	425,000
<b>NET POSITION</b>				
Net investment in capital assets	13,617,014	10,155,846	17,673,716	41,446,576
Restricted for:				
Renewal and replacement	200,000	-	-	200,000
Unrestricted	20,489,245	6,564,978	1,849,198	28,903,421
<b>Total Net Position</b>	<b>\$ 34,306,259</b>	<b>\$ 16,720,824</b>	<b>\$ 19,522,914</b>	<b>\$ 70,549,997</b>
Reconciliation of Government-wide business-type activities net position and the Proprietary funds net position:				
Pension plan net pension liability				(5,292,880)
Deferred outflows from pension				1,222,934
Deferred inflows from pension				(353,890)
				<b>\$ 66,126,161</b>

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

**CITY OF LAUDERHILL, FLORIDA**  
Statement of Revenues, Expenses, and Changes in Fund Net Position  
Proprietary Funds  
For the Year Ended September 30, 2016

	<b>BUSINESS-TYPE ACTIVITIES-ENTERPRISE FUNDS-MAJOR FUNDS</b>			
	<b>Water &amp; Sewer</b>	<b>Stormwater</b>	<b>Performing Arts</b>	<b>Total</b>
<b>OPERATING REVENUES</b>				
Charges for services	\$ 21,094,540	\$ 5,947,705	\$ 5,000	\$ 27,047,245
Connection fees	27,548	-	-	27,548
Total Operating Revenues	<u>21,122,088</u>	<u>5,947,705</u>	<u>5,000</u>	<u>27,074,793</u>
<b>OPERATING EXPENSES</b>				
Personal services	4,709,400	720,993	5,151	5,435,544
Administrative expenses	4,661,485	1,149,497	136,019	5,947,001
Contractual services	5,105,709	371,576	715,547	6,192,832
Utilities	378,436	44,475	45,582	468,493
Repairs and maintenance	190,109	72,383	131,951	394,443
Materials and supplies	660,905	379,366	-	1,040,271
Depreciation and amortization	<u>2,258,522</u>	<u>839,144</u>	<u>15,700</u>	<u>3,113,366</u>
Total Operating Expenses	<u>17,964,566</u>	<u>3,577,434</u>	<u>1,049,950</u>	<u>22,591,950</u>
Operating income	<u>3,157,522</u>	<u>2,370,271</u>	<u>(1,044,950)</u>	<u>4,482,843</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Investment income	9,975	-	2,344	12,319
Interest expense and fees	(737,952)	(313,705)	-	(1,051,657)
Transfer in	-	-	910,600	910,600
Total Nonoperating Revenues (Expenses)	<u>(727,977)</u>	<u>(313,705)</u>	<u>912,944</u>	<u>(128,738)</u>
Income before contributions	2,429,545	2,056,566	(132,006)	4,354,105
<b>CAPITAL CONTRIBUTIONS - GRANTS</b>	<u>-</u>	<u>-</u>	<u>7,909</u>	<u>7,909</u>
Change in net position	2,429,545	2,056,566	(124,097)	4,362,014
NET POSITION, OCTOBER 1	<u>31,876,714</u>	<u>14,664,258</u>	<u>19,647,011</u>	<u>66,187,983</u>
NET POSITION, SEPTEMBER 30	<u>\$ 34,306,259</u>	<u>\$ 16,720,824</u>	<u>\$ 19,522,914</u>	<u>\$ 70,549,997</u>

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

**CITY OF LAUDERHILL, FLORIDA**  
Statement of Cash Flows  
Proprietary Funds  
For the Year Ended September 30, 2016

	<b>BUSINESS TYPE ACTIVITIES ENTERPRISE FUNDS</b>			
	<b>Water &amp; Sewer</b>	<b>Stormwater</b>	<b>Performing Arts</b>	<b>TOTAL</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Cash received from customers, other government and users	\$ 21,044,112	\$ 5,954,138	\$ 30,117	\$ 27,028,367
Payments for interfund activities	(4,661,485)	(1,149,497)	(136,019)	(5,947,001)
Cash paid to suppliers	(6,321,835)	(943,234)	(893,080)	(8,158,149)
Cash paid to employees	(4,630,696)	(683,129)	(2,671)	(5,316,496)
Net Cash Provided by Operating Activities	5,430,096	3,178,278	(1,001,653)	7,606,721
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Transfer to other funds	(541,693)	(359,021)	(56,637)	(957,351)
Net Cash Provided by noncapital and related financing activities	(541,693)	(359,021)	(56,637)	(957,351)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>				
Cash from other governmental grants	-	-	7,909	7,909
Acquisition and construction of capital assets	(907,785)	(1,105,125)	(225,298)	(2,238,208)
Proceeds from capital debt	13,095,000	-	-	13,095,000
Principal retirements of long-term debt	(15,914,870)	(1,335,331)	-	(17,250,201)
Interest paid on long-term debt	(1,072,683)	(291,201)	-	(1,363,884)
Net Cash Provided (used) by Capital and Related Financing Activities	(4,800,338)	(2,731,657)	(217,389)	(7,749,384)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Interest on investments	9,975	-	2,344	12,319
Net Cash Provided by Investing Activities	9,975	-	2,344	12,319
<b>NET INCREASE (DECREASE) IN POOLED CASH AND CASH EQUIVALENTS</b>	98,040	87,600	(1,273,335)	(1,087,695)
<b>POOLED CASH AND CASH EQUIVALENTS, OCTOBER 1</b>	3,766,072	2,688,458	1,813,401	8,267,931
<b>POOLED CASH AND CASH EQUIVALENTS, SEPTEMBER 30</b>	\$ 3,864,112	\$ 2,776,058	\$ 540,066	\$ 7,180,236
<b>POOLED CASH AND CASH EQUIVALENTS PER STATEMENT OF NET POSITION</b>				
Unrestricted	\$ 3,376,177	\$ 2,662,932	\$ 540,066	\$ 6,579,175
Restricted	487,935	113,126	-	601,061
TOTAL, SEPTEMBER 30	\$ 3,864,112	\$ 2,776,058	\$ 540,066	\$ 7,180,236
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>				
Operating Income	\$ 3,157,522	\$ 2,370,271	\$ (1,044,950)	\$ 4,482,843
Adjustments to reconcile operating income to net cash provided by Operating Activities:				
Depreciation and amortization	2,258,522	839,144	15,700	3,113,366
Change in Assets and Liabilities:				
(Increase) decrease in accounts receivable-net	(77,976)	3,509	-	(74,467)
(Increase) decrease due from other governments	-	2,924	25,117	28,041
(Increase) decrease in inventories	(23,730)	-	-	(23,730)
Increase (decrease) in accounts payable and accrued expenses	37,054	(75,434)	-	(38,380)
Increase (decrease) in accrued payroll	78,704	37,864	2,480	119,048
Total adjustments	2,272,574	808,007	43,297	3,123,878
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	\$ 5,430,096	\$ 3,178,278	\$ (1,001,653)	\$ 7,606,721
<b>Schedule of non-cash capital and related financing activities</b>				
Capital contribution-grant	\$ -	\$ -	\$ 344,375	\$ 344,375

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

**CITY OF LAUDERHILL, FLORIDA**  
Statement of Fiduciary Net Position  
Fiduciary Funds  
September 30, 2016

	<u><b>Pension Trust Funds</b></u>
<b>ASSETS</b>	
Cash and short-term investments	\$ 4,799,441
Receivables:	
Interest and dividends	170,526
Receivable for securities sold	299,584
Contributions	24,092
Total Receivables	<u>494,202</u>
Investments, at fair value	
Fixed income mutual funds	18,996,223
Debt securities	12,732,358
Income opportunity mutual funds	1,017,352
Absolute return equity funds	17,760,323
Domestic equity funds	66,399,734
International equity funds	22,543,100
Notes receivable	3,400,000
Real estate funds	21,951,818
Investments, at fair value	<u>164,800,908</u>
Accrued investment income	<u>13,572</u>
<b>Total Assets</b>	<u><u>170,108,123</u></u>
<b>LIABILITIES</b>	
Accounts payable and accrued expenses	146,421
Payable for securities purchased	316,392
Prepaid City contributions	4,809
<b>Total Liabilities</b>	<u>467,622</u>
<b>NET POSITION RESTRICTED FOR PENSIONS</b>	
Net position restricted for Deferred Retirement Option Plan Benefits	241,531
Net position restricted for Defined Benefits	169,398,970
Total Net Position Restricted for Pensions	<u><u>\$ 169,640,501</u></u>

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

**CITY OF LAUDERHILL, FLORIDA**  
Statement of Changes in Fiduciary Net Position  
Fiduciary Funds  
For the Year Ended September 30, 2016

	<b>Pension Trust Funds</b>
<b>ADDITIONS</b>	
Contributions:	
City	\$ 9,150,974
Plan members	2,779,607
State revenue	773,106
Total contributions	12,703,687
Investment income:	
Net appreciation in fair value of investments	11,915,115
Interest and dividend income	4,204,926
Total investment income	16,120,041
Less: Investment expenses	656,889
Net investment income (loss)	15,463,152
Other income	20,333
<b>Total additions</b>	<b>28,187,172</b>
<b>DEDUCTIONS</b>	
Benefits paid	10,597,434
Administrative expenses	478,084
Refunds of contributions	452,100
<b>Total deductions</b>	<b>11,527,618</b>
Net increase ( decrease)	16,659,554
<b>NET POSITION RESTRICTED FOR PENSIONS</b>	
Net position restricted for pensions, October 1	152,980,947
Net position restricted for pensions, September 30	\$ 169,640,501

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

**City of Lauderhill, Florida**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended September 30, 2016**

**NOTE 1 –SUMMARY OF SIGNIFICANT ACCOUNTING POLICES**

**A. Financial reporting entity**

The City of Lauderhill, Florida (the “City”) is located in Broward County, Florida and is a municipal corporation that was incorporated in 1959 pursuant to the Laws of Florida 59-1487. The City is governed by a five-member commission with an elected Mayor. The City Commission is responsible for the appointment of the City Manager, who is charged with overseeing the operations of the City. The City provides the following services pursuant to the City Charter: general government, public safety, public works, parks and recreation, social services, and community development.

The financial statements of the City have been prepared in accordance with accounting principles generally accepted accounting principles in the United States of America (“GAAP”) applicable to state and local governments. The Governmental Accounting Standards Board (“GASB”) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The City also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental activities provided they do not conflict with or contradict GASB pronouncements. The significant accounting and reporting policies and practices used by the City are described below.

The definition of the financial reporting entity is based upon the concept that elected officials are accountable to their constituents for their actions. One of the objectives of financial reporting is to provide users of financial statements with a basis for assessing the accountability of the elected officials. The financial reporting entity consists of the primary government, organizations for which the primary government is financially accountable and other 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.

The City is financially accountable for a component unit if it appoints a voting majority of the organization’s board and it is able to impose its will on that organization, or there is a potential for the organization to provide specific financial benefits, or impose specific financial burdens on the City. Blended component units, although legally separate entities, are, in substance, part of the government’s operations.

**City of Lauderdale, Florida**  
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**For the Fiscal Year Ended September 30, 2016**

As of September 30, 2016, the City had two entities, Community Redevelopment Agency and Windermere/Tree Gardens Safe Neighborhood Improvement District, which met these requirements. In addition, the City has a related entity, the Lauderdale Housing Authority.

Blended component units

*Lauderdale Community Redevelopment Agency* – In 2005, the Lauderdale Community Redevelopment Agency (CRA) was created for the purpose of revitalizing and enhancing the City of Lauderdale, through infrastructure improvements and targeted acquisition and rehabilitation of deteriorated properties. The Mayor and City Commissioners are all members of the CRA Board and responsible for approving the budget. Therefore, the City is financially accountable for the CRA. The financial activities of the CRA are reported in the City's financial statements as a *Special Revenue Fund*. CRA fund was specifically evaluated relative to Florida Statutes Chapter 163.387.

*Habitat II, Isle of Inverrary and Manor of Inverrary Safe Neighborhood Improvement Districts* - In 2011. *Windermere/Tree Gardens Safe Neighborhood Improvement District* - In 2009. These Safe Neighborhood Improvement Special Districts were created to promote the health, safety and general welfare of its residents, visitors, property owners and workers. The Mayor and City Commissioners are members of the board of directors and responsible for overseeing the Special Districts. Therefore, the City is financially accountable for the Safe Neighborhood Improvement District. The financial statements of all four Safe Neighborhood Improvement Districts have been included within the City's reporting entity as the Safe Neighborhoods Special Revenue Fund.

Related organizations

*The Lauderdale Housing Authority* – was created under the provisions of Chapter 421 of the Florida State Statutes to operate housing projects for the benefit of lower income families. In addition, the City's Mayor appoints and the Commission confirms the governing board of the Housing Authority but it is not financially accountable for the organization. The City does not have any administrative functions or oversight nor do they benefit, positively or negatively, from the Authority's activities.

**B. Government-wide and Fund Financial Statements**

The basic financial statements include both government-wide statements and fund financial statements. The government-wide statements focus on the City as a whole, while the fund financial statements focus on major funds. Each presentation provides valuable information that can be analyzed and compared between years and between governments to enhance the usefulness of the information.

**City of Lauderdale, Florida**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended September 30, 2016**

*The government-wide financial statements* (i.e., 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 interfund activity has been removed from these statements. *Governmental activities*, which are normally supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

*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. *General revenues* consist of taxes and other items, not included among program revenues.

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

**C. 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*. The proprietary fund and fiduciary fund financial statements are reported in the same manner. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash-flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the funding agency have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers receivables collected within 60 days after year-end to be available and recognizes them as revenues of the current year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, claims and judgments, are recorded only when payment is due.

**City of Lauderdale, Florida**  
**Notes to the Financial Statements**  
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Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual, and therefore, have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and are available only when the City receives cash.

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 another fund.

The *Community Redevelopment Agency (CRA)*, which is reported as a Special Revenue Fund, is a component unit blended in the City financial statements. It accounts for the resources accumulated for infrastructure improvement and rehabilitation of deteriorated properties within the City's boundary. The Agency is funded by Tax Increment Financing (TIF) since base year 2005 and property rental income.

The *Capital Projects Fund* accounts for the resources accumulated for the completion of the five-year capital budget.

The *Fire Protection Fund* accounts for all financial resources and is the operating fund for the Fire Department.

The *Debt Service Fund* reserves resources to honor short and long-term debt obligation payments.

The City reports the following major proprietary funds:

The *Water and Sewer Fund* accounts for the provision of potable water to residents and the corresponding sewage disposal, which is processed by Broward County. The City operates the water treatment facility, water distribution system, sewage transportation pipelines, and sewage pumping stations.

The *Stormwater Fund* accounts for the infrastructure and operations of stormwater transportation, which is funded through user charges.

The *Performing Arts Center Fund* accounts for revenues and expenses of the cultural center, which will provide a wide variety of entertainment, including visual arts and enrichment events, for which a significant portion will be financed through user charges. At the completion of the facility, the City of Lauderdale will

**City of Lauderdale, Florida**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended September 30, 2016**

operate and budget for the Performing Arts and Broward County will be fiscally responsible for the Library.

Additionally, the City reports the *Pension Trust Funds* account for the activities of the General Employee Retirement System, the Firefighter Retirement System, the Police Retirement System, and the Confidential and Managerial Retirement System. These funds accumulate resources for pension benefit payments to qualified employees. The Pension Trust Funds are classified as Fiduciary Funds in the City's Financial Statements.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's water and sewer function and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from *non-operating* 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 fund, of the Stormwater enterprise fund, and of the Performing Arts Center fund are charges to customers for sales and services.

The Water and Sewer fund also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for the enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

**D. Accountability and compliance**

The City of Lauderdale utilized fund balance as a source of funds for the General Fund budget for the year ended September 30, 2016. The City budgeted and utilized the following amounts:

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	Original Budget	Additional Appropriations	Final Budget
General government	\$ 11,824,673	\$ 648,983	\$ 12,473,656
Public safety	21,858,592	946,734	22,805,326
Physical environment	3,500,381	(102,300)	3,398,081
Transportation	2,072,534	118,701	2,191,235
Recreation and social services	6,417,481	(23,249)	6,394,232
Total	<u>\$ 45,673,661</u>	<u>\$ 1,588,869</u>	<u>\$ 47,262,530</u>

On September 28, 2016 The City Commission passed a resolution approving a supplemental appropriation of additional revenues and expenditures to balance the fiscal year 2016 budget.

The Community Redevelopment Agency, Capital Projects, Fire Protection funds, and Home Grant funds had deficit fund balances of \$1,246,403, \$ 813,461, \$8,581,288 and \$24,756, respectively as of September 30, 2016. The funds increased expenditures to acquire real property for sale or redevelopment and other operating expenditures. The City plans to use the proceeds of tax revenue and service charge to eliminate the deficits.

The City adopted the provisions of GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, which is effective for financial statements for periods beginning after June 15, 2010. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The City passed resolution No. 11R-06-99 to authorize the assignment of fund balance.

The definition of each classification is as follows:

**Non-spendable** - Amounts not in spendable form or legally or contractually required to be maintained intact. This includes inventories, long term loans and notes receivables, property acquired for sales and prepaid amounts.

**Restricted** - Amounts restricted for specific purposes by external parties such as creditors, laws or regulator of other governments or by law through constitutional provisions or enabling legislation.

**Committed** – Amounts can be used for specific purposes pursuant to constraints imposed by the City’s code of Ordinances which can only be established, modified or rescind through the passage of ordinances by the City Commission, the City’s highest level of decision making authority.

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Assigned – Amounts that are neither restricted nor committed; however, funds are constrained for specific purposes. Either the City Manager or his designee has the authority to assign amounts to specific purpose. Assigned funds cannot cause a deficit in unassigned fund balance.

Unassigned - Fund balance that are not restricted, committed or assigned to specific purposes. All funds in this category provide the resources necessary to meet unexpected expenditures and revenue shortfall. The General fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the general fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance are available, it is the City's policy to use restricted amounts first. Additionally, the City would first use committed funds, then assigned funds and finally unassigned funds when an expenditure is incurred for which committed, assigned or unassigned fund balance available.

#### **E. New Pronouncements**

##### Implemented

The City adopted the provisions of GASB Statement No. 72 in fiscal year 2016. In February 2015, the GASB issued Statement No. 72, "Fair Value Measurement and Application". This Statement addresses accounting and financial reporting issues related to fair value measurements. This Statement provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2015. The adoption of GASB 72 is reflected in Note 2 to the financial statements.

The City adopted the provisions of GASB Statement No. 73 in fiscal year 2016. In June 2015, the GASB issued Statement No. 73, "Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68". This Statement establishes requirements for defined benefit pensions that are not within the scope of Statement No. 68, Accounting and Financial Reporting for Pensions, as well as for the assets accumulated for purposes of providing those pensions. In addition, it establishes requirements for defined contribution pensions

**City of Lauderdale, Florida**  
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that are not within the scope of Statement 68. It also amends certain provisions of Statement No. 67 “Financial Reporting for Pension Plans”. This Statement is effective for financial statements for fiscal years beginning after June 15, 2015. The adoption of statement No. 73 did not have a material impact on the financial position or results of operation of the City.

The City adopted the provisions of GASB Statement No. 76 in fiscal year 2016, In June 2015, the GASB issued Statement No. 76, “the Hierarchy of Generally Accepted Accounting Principles for State and Local Governments”. The objective of this Statement is to identify—in the context of the current governmental financial reporting environment—the hierarchy of generally accepted accounting principles (GAAP). The “GAAP hierarchy” consists of sources of accounting principles used to prepared financial statements of state and local governmental entities in conformity with GAAP and the framework for selecting those principles. This Statement supersedes Statement No. 55, “The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments.” This Statement is effective for financial statements for fiscal years beginning after June 15, 2015, and should be applied retroactively. The adoption of this statement did not have a material impact on the financial position or results of operation of the City.

**Not Yet Implemented**

In June 2015, the GASB issued Statement No. 74, “Financial Reporting for Postemployment Benefit Plans Other than Pension Plans.” The objective of this Statement is to improve the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits (pensions and OPEB) with regard to providing decision-useful information supporting assessments of accountability and interperiod equity, and creating additional transparency. This Statement is effective for financial statements for fiscal years beginning after June 15, 2016.

In June 2015, the GASB issued Statement No. 75, “Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.” The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all

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postemployment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. This Statement is effective for financial statements for fiscal years beginning after June 15, 2017.

In August 2015, the GASB issued Statement No.77, "Tax Abatement Disclosures." This Statement requires governments that enter into tax abatement agreements to disclose the following information about the agreements: Brief descriptive information, such as the tax being abated, the authority under which tax abatements are provided, eligibility criteria, the mechanism by which taxes are abated, provisions for recapturing abated taxes, and the types of commitments made by tax abatement recipients. The gross dollar amount of taxes abated during the period. Commitments made by a government, other than to abate taxes, as part of a tax abatement agreement. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2015.

In December 2015, the GASB issued Statement No. 79, "Certain External Investment Pools and Pool Participants". The objective of this Statement is to address for certain external investment pools and their participants the accounting and financial reporting implications that result from changes in the regulatory provisions referenced by previous accounting and financial reporting standards. This requirement of this Statement are effective for reporting periods beginning after June 15, 2015, except for certain provisions on portfolio quality, custodial credit risk, and shadow pricing which are effective for reporting periods beginning after December 15, 2015.

The City is currently evaluating the impact, if any, of implementation of the provisions of these GASB statements on the financial position or results of operations.

**F. Assets, liabilities and net position or equity**

**1. Cash and investments**

The City's equity in pooled cash and cash equivalents includes cash on hand, demand deposits, investments with the State Board of Administration (SBA) and short-term investments with original maturities of three months or less from the date of acquisition.

Resources of all funds, with the exception of the pension trust funds, and certain other cash and investment accounts, have been combined into a pooled cash and investment system for the purpose of maximizing earnings. Interest earned on pooled cash and investments is allocated monthly based upon equity of the respective funds.

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For the purpose of the statement of cash flows for the proprietary fund types, cash and cash equivalent mean short term, highly liquid investments with an original maturity of three months or less.

State statutes authorize the City to establish its own investment policy by ordinance. The investment ordinance allows up to 100% investment in the following instruments, subject to maturity limitations: local government surplus trust fund (SBA), Securities and Exchange Commission (S.E.C.) registered money market funds with the highest quality rating from a nationally recognized rating company, savings accounts and certificates of deposit in state-certified qualified public depositories, direct obligations of the U.S. Treasury, and securities issued by federal agencies and instrumentalities. Up to 10% may be invested in common stocks, subject to quality restrictions.

The GASB issued Statement No. 72, Fair Value Measurement and Application in February 2015. This statement is effective for fiscal years beginning after June 15, 2015. The City adopted GASB 72 in the current fiscal year financial statements. The adoption of GASB 72 is reflected in Note 2 to the financial statements.

## **2. Receivables and Payables**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e. the current portion of interfund loans) or "advances to/from other funds" (i.e. the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

All trade and property tax receivables are shown net of an allowance for uncollectibles. Accounts receivable allowances are based on historical trends.

## **3. Property taxes**

Property values are assessed as of January 1, of each year, at which time taxes becomes an enforceable lien on property. Tax bills are mailed for the City, by Broward County, on or about October 1 of each year, and are payable with discounts of up to 4% offered for early payment. Taxes become delinquent on April 1 of the year following the year of assessment and State law provides for

**City of Lauderdale, Florida**  
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enforcement of collection of property taxes by seizure of the personal property or by the sale of interest-bearing tax certificates to satisfy unpaid property taxes.

Assessed values are established by the Broward County Property Appraiser. In November 1992, a Florida constitutional amendment was approved by the voters which provides for limiting the increases in homestead property valuation for Ad Valorem Tax purposes to a maximum of 3% annually and also provides for reassessment of market values upon changes in ownership. The County bills and collects all property taxes and remits them to the City. Procedures for the collection of delinquent taxes by Broward County are provided for in the Laws of Florida. There were no material delinquent property taxes at September 30, 2016.

State statutes permit municipalities to levy property taxes at a rate up to 10 mills (\$10 per \$1,000 of assessed taxable valuation). The tax levy of the City is established by the City Commission and the Broward County Property Appraiser incorporated the City's millage into the total tax levy, which includes the County and the County School Board tax requirements. The millage rate assessed by the City for the year ended September 30, 2016 as 7.5898 mills (\$7.5898 per \$1,000 of taxable assessed valuation).

**4. Inventories and prepaid items**

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed.

Certain payments to vendors reflect the costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

**5. Restricted assets**

Certain proceeds from revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because they are maintained in a separate investment accounts and their use is limited by applicable bond covenants. The "bond reserve account" is a separate brokerage account where securities have been purchased in lieu of surety bonds to subsidize potential deficiencies of revenues pledged for debt service. The "revenue bond renewal and replacement" account is used to report resources set aside to meet unexpected contingencies or to fund asset renewals and replacements. The various reserve accounts have been recorded on the balance sheets of the applicable funds. When both restricted and unrestricted resources

**City of Lauderdale, Florida**  
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are available for use, it is City policy to use unrestricted resources first, and then restricted resources as needed.

**6. Capital assets**

Capital assets - property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The City defines capital assets as assets with an initial, individual cost of more than \$750 and an estimated useful life in excess of one year. Purchased or constructed assets are recorded at historical cost or estimated historical cost. Donated capital assets are recorded at estimated fair market value at the date of donation.

Major outlays for capital assets and improvements are capitalized as projects are constructed. The costs of normal maintenance and repairs that do not add value to the asset or materially extend its useful life are not capitalized.

Property, plant, and equipment are depreciated using the straight line method over the following estimated useful lives:

<u>Asset</u>	<u>Years</u>
Building	40
Improvements	20
Public domain infrastructure	40
System infrastructure	40
Vehicles	5
Office equipment	5
Computer equipment	5

**7. Deferred outflows/inflows of resources**

The Statement of Net Position includes a separate section for deferred outflows of resources and the only item reported in this category is the deferred outflows of resources related to the Pension Plans.

The Statement of Net Position also includes a separate section for deferred inflows of resources and the items reported in this category are the deferred inflows of resources related to the Pension Plans and the deferred charge related to bonds refunding.

**City of Lauderdale, Florida**  
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**8. Compensated absences**

It is City policy to permit employees to accumulate earned but unused vacation and sick pay benefits. An employee may, on an annual basis, or upon termination, cash in a portion of these unused benefits at a discount. Vacation and sick pay benefits are accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. A liability for these amounts as a result of employee resignation or retirement is reported in governmental funds.

**9. Long-term obligations**

In the government-wide financial statements, and proprietary fund types financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs are reported as debt service expenditures.

**10. Use of estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. Although these estimates are based on management's knowledge of current events and actions it may undertake in the future, they may ultimately differ from actual results.

**11. Restatements**

The net position of Governmental activities for fiscal year ended September 30, 2015 was restated to reclassify 2015 general obligation bond refunding premium of \$1,740,514 as deferred inflow of resources, resulting in a decrease in governmental net position. The details of the adjustments are as follows:

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	Governmental activities
Net position, October 1, as previously reported	\$ (27,047,266)
Deferred inflow of resources	(1,740,514)
Net position, October 1, as restated	\$ (28,787,780)

**NOTE 2 – DEPOSITS AND INVESTMENTS**

The City, for accounting and investment purposes, maintains a cash and investment pool for use by all City funds. This gives the City the ability to invest large amount of idle cash for short periods of time and to maximize earning potential. Each fund type’s portion of this pool is displayed on the statement of net position / combining balance sheet as cash and equity in pooled cash and investments. Income earned on pooled cash and investments is allocated to the respective funds based on average daily balances.

*Cash Deposits*

The carrying amounts of the City’s cash deposits were \$15,069,143 including petty cash on hand of \$3,950 as of September 30, 2016; the total of which is collateralized or insured with securities held by the City or by its agent in the name of the City as discussed below.

*Custodial Credit Risk.* Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in possession of an outside party. All of the City’s deposits are entirely insured by federal depository insurance or collateralized by the multiple financial institution collateral pool pursuant to Florida Statutes, Chapter 280, and “Florida Security for Public Deposits Act”. Under this Act, all qualified public depositories are required to pledge eligible collateral. Public deposits are protected by deposit insurance, sale of securities pledged as collateral, and assessments made to other public depositories when needed to guarantee no loss will be incurred by the public depositor.

*Investments*

Under the provisions of the City’s investment policy, and in accordance with Florida Statutes, the following investments were authorized:

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	<u>Maximum % Portfolio</u>
State Board of Administration	100%
Money Market Funds	100%
Certificate of Deposits	100%
U.S. Treasury Securities	100%
U.S. Government Obligations and Instrumentalities	100%
Lauderhill Loan Consortium	\$60,000
Commercial Papers by any U.S. Corporation	10%
Option Contracts	10%

The City has implemented the Governmental Accounting Standards Board (GASB) Statement No. 72, Fair Value Measurement and Application issued in February 2015 by categorizing its investments according to the fair value hierarchy established by this Statement. The hierarchy is based on the valuation input used to measure the fair value of the asset with Level 1 assets being those where quoted prices in an active market for identical assets can be readily obtained, Level 2 assets valued using a matrix pricing technique of quoted prices for similar assets or liabilities in active markets, and Level 3 assets valued using unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

As of September 30, 2016, the City had the following investments and maturities:

	<u>Credit Quality</u>		<u>Fair Value</u>	<u>Weighted Avg.</u>	<u>Fair Market</u>
	<u>Ratings</u>			<u>Maturity (Years)</u>	<u>Measurement</u>
					<u>Level 1</u>
Money Market Funds	Not Rated	\$	357,482	-	\$ 357,482
SBA	Not Rated		1,043,643	-	1,043,643
US Government Securities	Aaa/AA+		293,928	2.21	293,928
		\$	1,695,053	2.21	\$ 1,695,053

**Interest Rate Risk** In accordance with its investment policy, the City manages its exposure to decline in fair value by limiting its investment portfolio to less than four (4) years.

**Credit Risk** Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. State limits investments in commercial papers and corporate bonds to the highest credit rating from a nationally recognized rating agency. It is the City's policy to keep ninety (90) percent of the total portfolio in low risk investments such as US Treasury obligations that are diversified by purchase date and maturity dates while remaining ten (10) percent may be invested to high risk investments such as common stocks rated in one (1) of the top three (3) investment categories by a major rating service.

**Concentration of Credit Risk.** The investment policy of the City contains no limitation on the amount that can be invested in any one issuer beyond that stated above.

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Investments in any one issuer that represents 5% or more of the total City investments are as follows:

<u>Issuer</u>	<u>Investment Type</u>	<u>Reported Amount</u>	<u>%</u>
FICO	Governmental Agencies	\$ 293,928	17.34

*Custodial Credit Risk.* Custodial credit risk for investment is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The City's investment policy provided that securities may be held in street name in an account under the name of the City at the primary dealer where the securities was purchased provided that the total value of the account is insured and a monthly account statement evidencing all holdings is sent to the City by the dealer.

The Employee Pension Plan investments are held separately from those of other City funds. As described by the plan documents, the plan administrator is authorized to invest plan assets in obligations of the U.S. Government and various mutual and money market funds, which are held by the plan administrators and not in the City's name. The plan investments are held by Fifth Third Bank, Regions Bank and Fiduciary Trust which consisted of the following:

<u>Investment type</u>	<u>General Employees</u>	<u>Firefighter</u>	<u>Police Officer</u>	<u>Confidential and Managerial</u>
	<u>Retirement Plan</u>	<u>Retirement Plan</u>	<u>Retirement Plan</u>	<u>Retirement Plan</u>
Fixed income mutual funds	\$ 4,652	\$ -	\$ 8,185	\$ 6,159
Debt securities	-	12,732	-	-
Income opportunity mutual funds	1,018	-	-	-
Absolute return equity funds	-	-	17,760	-
Domestic equity funds	11,807	33,011	11,356	10,226
International equities	3,188	8,826	7,370	3,159
Notes receivable	-	1,000	2,000	400
Real estate funds	850	11,297	9,805	-
	<u>\$ 21,515</u>	<u>\$ 66,866</u>	<u>\$ 56,476</u>	<u>\$ 19,944</u>

General Employee Retirement System (GERS)

The Board of Trustees has developed certain investment guidelines and has retained investment managers. The investment managers are expected to maximize return on the investment portfolio and may make transactions consistent with that expectation within the Board's guidelines. The investment managers are compensated based on a percentage of their portfolio's market value.

**City of Lauderdale, Florida**  
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The Plan has implemented the Governmental Accounting Standards Board (GASB) Statement No. 72, Fair Value Measurement and Application issued in February 2015 by categorizing its investments according to the fair value hierarchy established by this Statement.

The following table summarizes the Plan's investments within the fair value hierarchy at September 30, 2016:

	Fair Value	Level 2	Level 3
Mortgage loan receivable	\$ 850,000	\$ -	\$ 850,000
Fixed income mutual funds	4,652,094	4,652,094	-
Income opportunity mutual funds	1,017,352	1,017,352	-
Equity mutual funds	11,806,671	11,806,671	-
International mutual funds	3,188,394	3,188,394	-
	<u>\$ 21,514,511</u>	<u>\$ 20,664,511</u>	<u>\$ 850,000</u>

*Interest rate risk.* Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment in debt securities. The investment policy of the Plan limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

*Credit risk.* The plan limits its credit risk by establishing the following investment guidelines:

Credit Risk Rating

Fixed income mutual funds

B-/AAA

As of September 30, 2016, the plan was in compliance with the established guidelines.

*Custodial Credit Risk.* The Plan does not have any investment in the possession of counterparties. All are held by the master custodian under the Plan's name.

*Concentration of credit risk.* The plan's investment policy places investment limitations and provides target allocations to its investment managers to limit credit risk due to concentration. Equity and fixed income securities are also limited to no more than 5% in one single issuer. There were no single investments greater than 5% of net position as of September 30, 2016.

**City of Lauderdale, Florida**  
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Firefighter Retirement System (FRS)

The plan's investment as determined by the Board of Trustees provided for the following guidelines: (a) investment in all equity securities shall be limited to those listed on a major U.S. stock exchange and limited to no more than 85% of the Plan's total asset value, (b) no more than 5% of the portfolio may be invested in the shares of a single corporate issuer at cost, (c) the target allocation for investment in stocks of foreign companies is 15% of the value of the portfolio, (d) fixed income portfolio shall be comprised of securities rated not less than "A" rating by a major rating service and limited to no more than 40% of the Plan's total asset value, and (e) in the event that there is a downgrade in the quality below the "BAA" rating, the security must be liquidated immediately or in a manner not to be detrimental to the performance of the plan. As of September 30, 2016 International Equity Funds amounted to \$8,825,829.

The Plan has implemented the Governmental Accounting Standards Board (GASB) Statement No. 72, Fair Value Measurement and Application issued in February 2015 by categorizing its investments according to the fair value hierarchy established by this Statement.

The following table summarizes the valuation of the Plan's investments in accordance with the above mentioned fair value hierarchy levels as of September 30:

Investment by fair value level	Fair Value Measurements using			
	9/30/2016	Level 1	Level 2	Level 3
<b>Debt securities</b>				
Governmental and agent obligations	\$ 4,888,564	\$ -	\$ 4,888,564	\$ -
Corporate bonds	7,843,794	-	7,843,794	-
<b>Total debt securities</b>	<b>12,732,358</b>	<b>-</b>	<b>12,732,358</b>	<b>-</b>
<b>Equity securities</b>				
Domestic equities	21,547,146	21,547,146	-	-
International equities	4,592,660	4,592,660	-	-
<b>Total equity securities</b>	<b>26,139,806</b>	<b>26,139,806</b>	<b>-</b>	<b>-</b>
<b>Total investments by fair value level</b>	<b>\$ 38,872,164</b>	<b>\$ 26,139,806</b>	<b>\$ 12,732,358</b>	<b>\$ -</b>
<b>Investments measured at the net asset value ("NAV")</b>				
Commingled domestic equity funds	14,490,146			
Commingled real estate funds	11,297,030			
Collective investment trust	1,206,504			
<b>Total investments measured at the NAV</b>	<b>26,993,680</b>			
<b>Total investment</b>	<b>\$ 65,865,844</b>			

**City of Lauderdale, Florida**  
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*Interest rate risk.* As a mean of limiting its exposure to interest rate risk, the plan diversifies its investment with any one issuer with various durations of maturities.

Information about the sensitivity of the fair value of the Plan's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the Plan's investment by maturity as of September 30, 2016.

<u>Investment type</u>	Amounts in Thousands				
	<u>Fair Value</u>	<u>Investment Maturities ( in Years)</u>			
		<u>Less than 1 Year</u>	<u>1-5 Years</u>	<u>6-10 Years</u>	<u>More than 10 Years</u>
U.S. Treasuries	\$ 1,335	\$ -	\$ 318	\$ 181	\$ 836
U.S. Agencies	2,935	-	49	150	2,736
Corporate Bonds	8,462	72	3,826	1,749	2,815
Total	<u>\$ 12,732</u>	<u>\$ 72</u>	<u>\$ 4,193</u>	<u>\$ 2,080</u>	<u>\$ 6,387</u>

*Credit risk.* The plan's investment policy utilizes portfolio diversification in order to control this risk. This risk is generally measured by the assignment of a rating by a nationally recognized statistical rating organization.

The following table discloses credit ratings by investment type, at September 30, 2016 as applicable:

	<u>Fair Value In Thousands</u>	<u>Percentage of Portfolio</u>
US Government guaranteed*	\$ 4,270	33.54%
Quality rating of credit risk debt securities		
AAA	432	3.39%
AA+	618	4.85%
AA	307	2.41%
AA-	310	2.43%
A+	581	4.56%
A	1,488	11.69%
A-	1,597	12.55%
BBB+	1,826	14.34%
BBB-	197	1.55%
BBB	1,106	8.68%
Total credit risk debt securities	<u>8,462</u>	<u>66.46%</u>
Total fixed income securities	<u>\$ 12,732</u>	<u>100.00%</u>

\*Obligation of the US government or obligations explicitly guaranteed by the US government are not considered to have credit risk and do not have purchase limitations.

*Concentration of credit risk.* The investment policy of the plan contains limitation on the amount that can be invested in any one issuer as well as maximum portfolio allocation

**City of Lauderdale, Florida**  
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percentages. There were no individual investments that represent 5% or more of combined plan net position at September 30, 2016.

*Custodial credit risk.* Consistent with the plan's investment policy, the investments are held by Plan's custodial bank and registered in the Plan's name.

*Police Retirement System (PRS)*

The Plan's investment policy is determined by the Board of Trustees. The investment policy provided for the following guidelines: (a) investment in all equity securities shall be limited to those listed on a major US stock exchange and limited to no more than 75% (at market) of the Plan's total asset value. No more than 5% of the portfolio may be invested in the shares of a single corporate issuer at cost. Investment in stocks of foreign companies shall be limited to 25% of the value of the portfolio at cost; (b) the corporate fixed income portfolio shall be comprised of securities rated not less than "BBB" by a major rating service with no more than 15% of the Plan's total asset value. In the event that there is a downgrade in the quality below the "BBB" rating, the security must be sold at the earliest beneficial opportunity; (c) investment in collateralized mortgage obligation should be limited to 15% of the market value of the portfolio and limited to rating of "BBB".

The Plan has implemented the Governmental Accounting Standards Board (GASB) Statement No. 72, Fair Value Measurement and Application issued in February 2015 by categorizing its investments according to the fair value hierarchy established by this Statement.

As of September 30, 2016, the Plan's investments were all categorizes as follows:

**City of Lauderdale, Florida**  
**Notes to the Financial Statements**  
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	September 30, 2016	Level 1	Level 2	Weighted Average Maturity (Years)
<b>Investment by Fair Value Level</b>				
Debt Securities:				
Corporate Bond Fund	\$ 8,185,490	\$ -	\$ 8,185,490	-
Notes receivable	2,000,006	-	2,000,006	6
Total debt securities	<u>10,185,496</u>	<u>-</u>	<u>10,185,496</u>	
Equity Securities:				
Common and Preferred Stock	11,355,880	11,355,880	-	-
Equity Mutual Funds	25,130,164	-	25,130,164	-
Total equity securities	<u>36,486,044</u>	<u>11,355,880</u>	<u>25,130,164</u>	
Total investments by fair value level	<u>46,671,540</u>	<u>11,355,880</u>	<u>35,315,660</u>	-
Investments measured at the net asset value ("NAV")				
Real Estate Funds	<u>\$ 9,804,788</u>			
Total investments measured at the NAV	<u>9,804,788</u>			
Total investments measured at fair value	56,476,328			
Cash and cash equivalents	<u>1,303,869</u>			
Total cash, cash equivalents and investments	<u>\$ 57,780,197</u>			

*Interest rate risk.* As a means of limiting its exposure to interest rate risk, the Plan diversifies its investment by security type and institution, and limits holdings in any one type of investment with any one issuer with various durations of maturities.

Information about the sensitivity of the fair values of the Plan's investment to market interest rate fluctuations is provided by the following table that shows the distribution of the plan's investment by maturity at September 30, 2016:

Investment type	Amounts in Thousands				
	Fair Value	Less than 1 Year	Investment Maturities (in Years)		
			1-5 Years	6-10 Years	More than 10 Years
Bond funds	\$ 8,185	\$ -	2,279	\$ 3,356	\$ 2,550
Total	<u>\$ 8,185</u>	<u>\$ -</u>	<u>2,279</u>	<u>\$ 3,356</u>	<u>\$ 2,550</u>

*Credit risk.* The Plan's investment policy utilizes diversification in order to control this risk. The following table discloses credit ratings by investment type at September 30, 2016 as applicable:

**City of Lauderdale, Florida**  
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**For the Fiscal Year Ended September 30, 2016**

Quality rating of credit risk debt securities	In Thousands	Percentage of
	<u>Fair Value</u>	<u>Portfolio</u>
AAA	\$ 2,836	35.00%
AA	336	4.00%
A	755	9.00%
BBB	2,641	32.00%
BB	544	7.00%
B	407	5.00%
Below B	666	8.00%
Total credit risk debt securities	<u>\$ 8,185</u>	<u>100%</u>

*Concentration of credit risk.* The investment policy of the plan contains limitations on the amount that can be invested in any one issuer as well as maximum portfolio allocation percentages. There were no individual investments that represent 5% or more of fiduciary net position at September 30, 2016.

*Custodial credit risk.* Consistent with the Plan's investment policy, the investment are held by Plan's custodial bank and registered in the Plan's name.

*Confidential and Managerial Employee Retirement Plan*

The Plan maintains a Master Custodial Agreement, whereby the investment securities are held in the Plan's name by a financial institution acting as the Plan's agent. Included in investments are money market mutual funds, which are classified as short-term investments.

The Plan has implemented the Governmental Accounting Standards Board (GASB) Statement No. 72, Fair Value Measurement and Application issued in February 2015 by categorizing its investments according to the fair value hierarchy established by this Statement.

As of September 30, 2016, the Plan's investments were all categorizes as follows:

**City of Lauderdale, Florida**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended September 30, 2016**

	September 30, 2016	Level 1	Level 2	Level 3	Weighted Average Maturity (Years)
<b>Investment by Fair Value Level</b>					
Debt Securities:					
Corporate Bond Fund	\$ 6,158,639	\$ -	\$ 6,158,639	\$ -	-
Notes receivable	400,000	-	-	400,000	4
Total debt securities	<u>6,558,639</u>	<u>-</u>	<u>6,158,639</u>	<u>400,000</u>	
Equity Securities:					
International Equity Funds	3,159,035	-	3,159,035	-	-
Equity Mutual Funds	10,226,557	-	10,226,557	-	-
Total equity securities	<u>13,385,592</u>	<u>-</u>	<u>13,385,592</u>	<u>-</u>	
Total investments by fair value level	<u>19,944,231</u>	<u>-</u>	<u>19,544,231</u>	<u>400,000</u>	-
Cash and cash equivalents	<u>572,783</u>				
Total cash, cash equivalents and investments	<u>\$ 20,517,014</u>				

*Interest rate risk.* The Plan diversifies its investments by security type and institution, and limits holdings in any one type of investment with any one issuer with various durations of maturities. As of September 30, 2016, the Plan had the following investment and maturities in its portfolio:

<u>Investment type</u>	Amounts in Thousands	
	Fair Value	Maturity Less than one Year
Fixed income funds	\$ 6,159	\$ 6,159
Total	<u>\$ 6,159</u>	<u>\$ 6,159</u>

*Credit risk.* This is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. This risk is generally measured by the assignment of a rating by a nationally recognized statistical rating organization. The Plan's investment policy utilizes portfolio diversification in order to control this risk.

*Concentration of credit risk.* The Plan's investment policy stipulates various investment restrictions for equity and fixed income securities of any one issuing company or agency. As of September 30, 2016, the value of each position held by the Plan portfolio comprised less than 5% of the Plan assets.

**City of Lauderdale, Florida**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended September 30, 2016**

*Custodial credit risk.* Consistent with the plan's investment policy, the investment are held by Plan's custodial bank and registered in the plan's name.

**NOTE 3 – RECEIVABLES AND PAYABLES**

Receivables as of year-end for the City's individual major funds and non-major funds, and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts are as follows:

	Accounts Receivable, net	Due from other Governments	Total
<b>Governmental Activities</b>			
General	\$ 11,687,108	\$ 1,993,365	\$ 13,680,473
Community Redevelopment Agency	6,650	-	6,650
Capital Projects	-	-	-
Fire Protection	89,569	638,906	728,475
Debt Service	991,018	-	991,018
Other Non-Major Governmental	-	273,900	273,900
	<u>12,774,345</u>	<u>2,906,171</u>	<u>15,680,516</u>
Allowance for uncollectibles	(5,275,431)	-	(5,275,431)
Total	<u>7,498,914</u>	<u>2,906,171</u>	<u>10,405,085</u>
<b>Business-type Activities</b>			
Water and Sewer	6,198,444	-	6,198,444
Stormwater	32,106	-	32,106
Performing Arts	-	344,375	344,375
	<u>6,230,550</u>	<u>344,375</u>	<u>6,574,925</u>
Allowance for uncollectibles	(46,680)	-	(46,680)
Total	<u>6,183,870</u>	<u>344,375</u>	<u>6,528,245</u>
<b>Pension trust funds</b>	<u>494,202</u>	<u>-</u>	<u>494,202</u>
<b>TOTAL</b>	<u>\$ 14,176,986</u>	<u>\$ 3,250,546</u>	<u>\$ 17,427,532</u>

Governmental funds report unearned revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition on revenues received but not yet earned. On September 30, 2016, unearned revenue in the governmental funds and government-wide statements amounted to \$3,847,963.

**City of Lauderdale, Florida**  
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**For the Fiscal Year Ended September 30, 2016**

Payables at September 30, 2016 were as follows:

Governmental Activities:	
General	\$ 680,691
Fire Protection	189
Other nonmajor funds	73,017
	<u>753,897</u>
Business-type Activities:	
Water and sewer	809,182
	<u>809,182</u>
Fiduciary Funds:	
Pension trust funds	146,421
Total	<u>\$ 1,709,500</u>

**NOTE 4 – CAPITAL ASSETS**

Capital asset activity for the year ended September 30, 2016 was as follows (in thousands):

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<b>Governmental activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 27,819	\$ 1,077	\$ 552	\$ 28,344
Construction in progress	919	-	919	-
Total capital assets not being depreciated	<u>28,738</u>	<u>1,077</u>	<u>1,471</u>	<u>28,344</u>
Capital assets being depreciated:				
Building	26,772	9	-	26,781
Improvements (other than building)	47,824	1,420	-	49,244
Machinery and equipment	24,027	406	172	24,261
Infrastructure	16,003	-	-	16,003
Total capital assets being depreciated	<u>114,626</u>	<u>1,835</u>	<u>172</u>	<u>116,289</u>
Less: accumulated depreciation for:				
Building	(9,256)	(652)	-	(9,908)
Improvements (other than building)	(20,052)	(1,923)	-	(21,975)
Machinery and equipment	(20,194)	(1,157)	172	(21,179)
Infrastructure	(12,045)	(244)	-	(12,289)
Total accumulated depreciation	<u>(61,547)</u>	<u>(3,976)</u>	<u>172</u>	<u>(65,351)</u>
Total capital assets, being depreciated, net	<u>53,079</u>	<u>(2,141)</u>	<u>-</u>	<u>50,938</u>
Governmental activities capital assets, net,	<u>\$ 81,817</u>	<u>\$ (1,064)</u>	<u>\$ 1,471</u>	<u>\$ 79,282</u>

**City of Lauderdale, Florida**  
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	<u>Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u>
<b>Business-type activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 349	\$ -	\$ -	\$ 349
Construction in progress	19,153	-	18,809	344
Total capital assets not being depreciated	<u>19,502</u>	<u>-</u>	<u>18,809</u>	<u>693</u>
Capital assets being depreciated:				
Building	32,528	17,570	-	50,098
Improvements (other than building)	34,526	2,448	-	36,974
Machinery and equipment	6,398	1,030	130	7,298
Infrastructure	29,179	-	-	29,179
Total capital assets being depreciated	<u>102,631</u>	<u>21,048</u>	<u>130</u>	<u>123,549</u>
Less: accumulated depreciation for:				
Building	(15,712)	(663)	-	(16,375)
Improvements (other than building)	(14,056)	(1,591)	-	(15,647)
Machinery and equipment	(5,878)	(231)	130	(5,979)
Infrastructure	(12,703)	(629)	-	(13,332)
Total accumulated depreciation	<u>(48,349)</u>	<u>(3,114)</u>	<u>130</u>	<u>(51,333)</u>
Total capital assets, being depreciated, net	<u>54,282</u>	<u>17,934</u>	<u>-</u>	<u>72,216</u>
Business-type activities capital assets, net	<u>\$ 73,784</u>	<u>\$ 17,934</u>	<u>\$ 18,809</u>	<u>\$ 72,909</u>

Depreciation expense was charged to functions/programs of the government as follows:

Governmental activities

General government	\$ 419
Public safety	207
Physical environment	1,337
Transportation	531
Recreation and social services	1,482
Total depreciation expense - governmental activities	<u>\$ 3,976</u>

Business-type activities

Water and sewer	\$ 2,259
Stormwater	839
Performing arts	16
Total depreciation expense - business-type activities	<u>\$ 3,114</u>

**City of Lauderdale, Florida**  
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Construction commitments

The City of Lauderdale has active construction projects as of September 30, 2016:

<u>Project Title</u>	In Thousands	
	Construction Cost-to-Date	Remaining Commitment
	Water and Sewer Projects	\$ 305,978
Stormwater Projects	38,421	40,000
Total	\$ 344,399	\$ 190,000

The commitment for Water and Sewer projects and Stormwater projects are being financed by water and sewer revenue and stormwater bonds.

**NOTE 5 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS**

Interfund Receivables and Payables

The composition of inter-fund balances as of September 30, 2016, is as follows:

General Fund	\$ 4,989,891	Nonmajor Governmental Funds	\$ 216,604
Water & Sewer Fund	41,862	Capital Projects Fund	952,067
Stormwater Fund	4,005,019	Fire Protection Fund	8,745,338
Performing Arts Center Fund	967,237	Community Redevelopment Agency Fi	90,000
Total	\$ 10,004,009	Total	\$ 10,004,009

The outstanding balances between Governmental Funds mainly resulted from time lag between the dates that (a) inter-fund goods and services are provided or reimbursable expenditures occur, (b) transactions are recorded in the accounting system, and (c) payments between funds are made. Interfund receivables from General Fund and Stormwater Fund are to provide interim resources to Debt Service Fund, Fire Protection Fund, Safe Neighborhood Fund and NSP Fund to pay expenses related to reimbursable funds and grants.

**Inter-fund transfers**

<u>Fund</u>	<u>Transfer in</u>	<u>Transfer out</u>
General Fund	\$ 50,354	\$ 6,579,899
Fire Protection Fund	-	248,369
Community Redevelopment Agency	597,776	654,935
Capital Projects Fund	440,008	2,139,201
Debt Service Fund	7,473,996	-
Nonmajor Governmental Funds	222,315	72,645
Performing Arts Fund	910,600	-
Total	\$ 9,695,049	\$ 9,695,049

**City of Lauderhill, Florida**  
**Notes to the Financial Statements**  
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Transfers were used to move revenues from the fund with collection authorization, to the debt service fund, as debt service principal and interest payment became due and to cover contractual expenses in other funds.

A transfer of \$910,600 from the General Fund and Community Redevelopment Agency Fund to Performing Arts Fund was to finance the Performing Arts Center project.

**NOTE 6 – LEASES**

In 2007, the Lauderhill Finance Corporation "a not for profit" was created under the provisions of Chapter 617 of the Florida State Statutes with The Mayor and City Commissioners as members of the board of trustees and are responsible for overseeing the Corporation. The City does not administer any functions or oversight nor receive benefit from the Corporation.

**Operating Leases**

On September 2007, the City of Lauderhill entered into a Operating Lease agreement with the Lauderhill Finance Corporation, "a not for profit", whereby the City leases the City of Lauderhill Municipal Building at 5581 W. Oakland Park Blvd, Florida, 33313 from the Corporation, which was completed on October 1, 2010. The lease renewal term is annually and the agreement is cancelable. Minimum future payment on the lease as of September 30, 2016 follows:

Fiscal Year Ending in:	<u>Building Lease</u>
2017	\$ 1,111,644
2018	1,111,878
2019	1,109,919
2020	1,111,056
2021	1,110,116
Later Years	<u>6,630,500</u>
	<u>\$ 12,185,113</u>

On September 2007, the City entered into a Ground Lease Agreement with Lauderhill Finance Corporation, "a non for profit", whereby the Corporation leases land from the City. The lease is for 20 years at \$1.00 payment per year with an automatic ten years renewal period upon mutual consent.

**City of Lauderhill, Florida**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended September 30, 2016**

**Capital Leases**

The City entered into lease purchase agreements with Old National Bank and Suntrust Bank, and Motorola as lessees for financing the acquisition of equipment in the amount of \$2,003,024. The agreements were initiated 2013, 2014 and 2015 and expire in 2018, 2019, and 2020, respectively. The equipment has a five-year estimated useful life. This year, \$400,605 was included in the depreciation expense. The lease agreements qualify as capital leases for accounting purposes and therefore has been recorded at the present value of future lease payments as of the inception date. The leases carry interest rates of 4.30%, 2.77% and 2.86% with annual payments of \$47,812, \$67,540 and \$305,091.

The future (minimum) lease obligations and the net present value of capital lease payments as of September 30, 2016 are as follows:

Year Ending September 30		
	2017	\$ 420,443
	2018	420,443
	2019	372,631
	2020	<u>67,540</u>
Total Lease Payment		1,281,057
Less: Amount of Interest		<u>(73,484)</u>
Present Value of Lease Payment		<u>\$ 1,207,573</u>

**NOTE 7 – COMMITMENTS AND CONTINGENT LIABILITIES**

The City has outstanding encumbrances in the enterprise funds. The following is a summary of these commitments at September 30, 2016:

<u>Enterprise Funds</u>	
Water and Sewer Fund	\$ 150,000
Stormwater Fund	<u>40,000</u>
	<u>\$ 190,000</u>

**NOTE 8 – LONG-TERM DEBT**

**A. Revenue Bonds**

The City issues bonds where it pledges income derived from the acquired or constructed assets to pay debt service. Revenue bonds have been issued for both the

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governmental and business-type activities. The original amount of revenue bonds issued in prior years was \$59,060,000 and during the year, the City issued a 2016-A Water and Sewer Current Refunding Bond, a 2016-B Advanced Refunding Water and Sewer Bond and a 2005B Water and Sewer Cash Defeasance Bond in the amounts of \$8,195,000, \$4,475,000 and \$455,000 respectively with interest rates between 1.15% and 4%. Debt proceed in the amount of \$13,273,384 and \$1,591,188 paid in by the City were deposited in an irrevocable trust with an escrow agent to provide funds for future debt service payments on the refunded bonds, cash defeasance bond and other issuance costs. As a result, 2005A, 2005B, 2006 and 2007 Water and Sewer Bonds in the amount of \$14,380,000 are considered defeased and the liabilities for those bonds have been removed from the statement of net position. The aggregate difference between the refunded and refunding bonds is \$1,255,000. The economic gains for 2016-A and 2016-B Water and Sewer Refunding Bonds are \$1,151,395 and \$22,288 respectively. The refinancing of the Water and Sewer Bonds was to take advantage of lower interest rates.

Revenue bonds outstanding as at September 30, 2016 were as follows:

	<u>Amounts in Thousands</u>				
	<u>Interest Rates</u>	<u>Maturity</u>	<u>Average Semi-annual Payment</u>	<u>Original Amount</u>	<u>Outstanding Balance</u>
Governmental activities:					
2005 Half-cent sales tax - refunding	2.38% - 4.15%	2017	\$ 382	\$ 4,645	\$ 880
2010 Half-cent sales tax	2.86%	2024	433	6,565	5,890
2010 Water utility tax	3.23%	2025	333	10,000	7,182
2011 A Sales tax	2.11%	2018	371	2,595	1,215
2011 B Sales tax	2.71%	2023	308	3,700	2,815
2013-Electric utility revenue bonds	2.00%-4.00%	2038	449	11,225	10,315
2014-Electric utility revenue bonds	3.57%	2029	83	2,060	1,910
2015 Sales tax - refunding	2.20%	2025	173	3,340	<u>3,125</u>
					<u>33,332</u>
Business-type activities:					
Water and Sewer					
2016-A Water and Sewer - refunding	2.00%-4.00%	2031	354	8,195	8,195
2016-B Water and Sewer - refunding	1.15% - 2.2%	2022	337	4,475	4,475
2012 Water and sewer	2.85%	2027	207	5,000	4,160
Stormwater					
2014 Stormwater	3.61%	2029	84	2,060	1,955
2015-A Stormwater - refunding	2.42%	2028	160	3,735	3,515
2015-B Stormwater - refunding	2.24%	2024	229	4,135	<u>3,750</u>
					<u>26,050</u>
Total Revenue Bonds					<u>\$59,382</u>

**B. General obligation**

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In 2005, the City issued \$35 million general obligation bond to provide funds for the acquisition and construction of major capital projects within a five-year period. General obligation bonds are direct obligations and pledge of full faith and credit of the government. On July 2, 2015, the City refunded General obligation bonds in the amount of \$23,350,000 to take advantage of lower interest rate. General obligation bonds outstanding at year-end are as follows:

	<u>In Thousands</u>			
	<u>Interest Rates</u>	<u>Maturity</u>	<u>Payment</u>	<u>Balance</u>
2005 General Obligation-refunding	2% - 5%	2030	\$1,085	\$22,225

**C. State revolving fund loan**

The City entered into State Revolving Loan Funding Agreement with the Florida Department of Environmental Protection (DEP) to finance various projects for stormwater and water and sewer improvements. The loans were made available on a reimbursement basis at below market interest rates. The total funding from these agreements aggregated to \$11,198,148 and approximately \$5,413,000 is outstanding in the Stormwater and Water and Sewer Funds as of September 30, 2016. These loans require annual payment of approximately \$492,378 and interest rate ranging from 2.71% to 3.52%.

**D. Notes Payable**

The City has established bank promissory notes. These funds were used to purchase and improve capital projects throughout the City. As of September 30, 2016 the outstanding balance is \$16,404,000 and is reflected in the Governmental Activities.

	<u>In Thousands</u>			
	<u>Interest Rates</u>	<u>Maturity</u>	<u>Payment</u>	<u>Balance</u>
2011-Communication BOA	3.52%	2026	\$446	\$4,780
2011-Communication Chase	2.68%	2031	273	4,295
2011 BOA-Electric Franchise	2.64%-3.88%	2026	686	7,329

**E. Debt service requirements**

Debt service requirements (in thousands) for these revenue and general obligations and state revolving fund loan are listed below:

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**Governmental Activities**

Year Ending	<u>Revenue</u>		<u>General Obligation</u>		<u>Economic Development</u>		<u>Total</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
<b>30-Sep</b>								
2017	\$ 2,945	\$ 1,315	\$ 1,160	\$ 933	\$ 567	\$ 227	\$ 4,672	\$ 2,475
2018	3,035	1,222	1,205	886	585	207	4,825	2,315
2019	3,131	1,130	1,260	831	603	189	4,994	2,150
2020	3,257	1,035	1,330	766	622	169	5,209	1,970
2021	3,354	932	1,395	698	642	149	5,391	1,779
2022-2026	17,140	3,078	8,100	2,359	3,534	416	28,774	5,853
2027-2031	4,930	1,341	7,775	585	776	12	13,481	1,938
2032-2036	3,255	613	-	-	-	-	3,255	613
2037-2041	1,360	58	-	-	-	-	1,360	58
	<b>\$ 42,407</b>	<b>\$ 10,724</b>	<b>\$ 22,225</b>	<b>\$ 7,058</b>	<b>\$ 7,329</b>	<b>\$ 1,369</b>	<b>\$ 71,961</b>	<b>\$ 19,151</b>

**Business-Type Activities**

Year Ending	<u>Water &amp; Sewer</u>		<u>Stormwater</u>		<u>Total</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
<b>30-Sep</b>						
2017	\$ 310	\$ 309	\$ 1,248	\$ 370	\$ 1,558	\$ 679
2018	1,505	475	1,280	336	2,785	811
2019	1,546	447	1,312	301	2,858	748
2020	1,577	415	1,350	266	2,927	681
2021	1,612	380	1,383	230	2,995	610
2022-2026	4,702	1,452	5,511	630	10,213	2,082
2027-2031	4,771	703	2,281	108	7,052	811
2032-2036	1,075	22	-	-	1,075	22
	<b>\$ 17,098</b>	<b>\$ 4,203</b>	<b>\$ 14,365</b>	<b>\$ 2,241</b>	<b>\$ 31,463</b>	<b>\$ 6,444</b>

**F. Changes in long-term liabilities**

Long-term liability activity for the year ended September 30, 2016 is listed below (in thousands):

	<u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u>	<u>Due Within One Year</u>
<b>Governmental activities:</b>					
Bonds payable					
Revenue bonds	\$ 35,702	\$ -	\$ 2,370	33,332	\$ 2,365
General obligation bonds	23,350	-	1,125	22,225	1,160
Premium	1,740	-	116	1,624	-
Notes payable	17,513	-	1,109	16,404	1,147
Total bonds payable	<u>78,305</u>	<u>-</u>	<u>4,720</u>	<u>73,585</u>	<u>4,672</u>
Capital leases	1,710	-	502	1,208	385
Insurance claims payable	6	3	-	9	9
OPEB obligations	1,284	149	-	1,433	-
Compensated absences	2,009	600	570	2,039	580
Governmental activity					
Long-term liabilities	<u>\$ 83,314</u>	<u>\$ 603</u>	<u>\$ 5,792</u>	<u>\$ 78,274</u>	<u>\$ 5,646</u>
<b>Business-type activities</b>					
Bonds payable					
Revenue bonds	\$ 29,990	\$ 12,670	\$ 16,610	\$ 26,050	\$ 965
State revolving fund loan	6,053	-	640	5,413	593
Business-type activity					
Long-term liabilities	<u>\$ 36,043</u>	<u>\$ 12,670</u>	<u>\$ 17,250</u>	<u>\$ 31,463</u>	<u>\$ 1,558</u>

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For the governmental activities, compensated absences are generally liquidated by the general fund.

**NOTE 9 – OTHER INFORMATION**

**A. Risk Management**

The City is exposed to various risks of loss related to tort, theft, and destruction of assets, error and omission, injury to employees, and disasters. The Self-Insurance Program is accounted for in the General Fund. Under this Program, individual claims up to \$75,000 are paid. Commercial insurance has been purchased for individual claims in excess of \$75,000, and for total claims that exceed \$1,000,000 in a single year. Specialized insurance is purchased for boiler and machinery, sports accident, and fidelity bonds. Claims did not exceed the excess coverage of \$1,500,000 per claim for property and liability, or \$1,000,000 per claim for workers compensation in any of the past three years.

The City reviews and submits all claims to a claims administration firm. The firm reviews the claims and investigates as needed. A recommendation is then made for the City to pay the claim or to negotiate or litigate. The General and Proprietary Funds participate in the Program and pay their fair share based on submitted claims.

The estimated claims payable as of September 30, 2016 amounted to \$2,103,632 of which \$9,825 is currently due and payable. A liability for claims should be reported if information prior to the issuance of the financial statements indicates probability that a liability that was incurred at the date of the financial statements can be reasonably estimated. Current year claims are based on estimates from a third party administrator. Changes to claims liability balances during the past two years are:

	Year ended	
	09/30/2016	09/30/2015
Unpaid claims, beginning	\$2,357,377	\$2,750,961
New claims	1,146,220	335,950
Claim payments	(1,399,965)	(729,534)
Unpaid claims, ending	<u>\$2,103,632</u>	<u>\$2,357,377</u>

**B. Contingent liabilities**

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the

**City of Lauderdale, Florida**  
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applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time. The City expects such amounts, if any, to be immaterial.

The City is a defendant in various lawsuits. The outcome of these lawsuits cannot presently be determined. In the opinion of the City Attorney, the resolution of these matters will not have a material adverse impact to the financial condition of the City.

**C. On behalf payment of fringe benefits and salaries**

In 2016, the City's financial statements include revenue and expenditures from contributions received from State Department of Revenues and Division of Retirement on behalf of its Firefighter and Police Officers Retirement Systems amounting to \$391,657 and \$381,449, respectively. The monies were deposited within five days from their receipt in accordance with the provisions of the law.

**D. Restricted assets**

The balance of the restricted asset accounts in the governmental and enterprise funds are as follows:

Equity in pool cash and investments	\$1,096,034
Revenue bond reserve	113,126

These assets are restricted for the purpose of bond compliance requirement.

**NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS**

The City maintains four separate single-employer, defined benefit pension plans – The General Employee Retirement System, The Firefighter Retirement System, The Police Retirement System, and the Confidential and Managerial Retirement System. All employees are eligible to make voluntary contributions to a 457 defined benefit plan (457 plan). Some managerial employees participate in a previously available 401-(A) money purchase plan. With the exception of the City Manager and Department Directors, all other full-time employees hired after September 30, 2002 are required to participate in one of the defined benefit pension plans based on their job classification.

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**Summary of significant accounting policies**

**Basis of accounting**

All four defined benefit plans present their financial statements using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due, and a formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

**Valuation of investments**

All plan investments are reported at fair value. Securities traded on a national exchange are valued at the last reported sales price on the balance sheet date. Securities without an established market are reported at estimated fair value. The Plan has implemented the Governmental Accounting Standards Board (GASB) Statement No. 72, Fair Value Measurement and Application issued in February 2015 by categorizing its investments according to the fair value hierarchy established by this Statement. The hierarchy is based on the valuation input used to measure the fair value of the asset with Level 1 assets being those where quoted prices in an active market for identical assets can be readily obtained, Level 2 assets valued using a matrix pricing technique of quoted prices for similar assets or liabilities in active markets, and Level 3 assets valued using unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

**Plan descriptions**

A separate five-member board of trustees administers each plan. All full-time employees are covered by one of the aforementioned plans. The plans provide retirement, disability, and death benefits to plan members and their beneficiaries. Plan provisions are amended through the collective bargaining process and must be approved by the City of Lauderhill's City Commission. A separately issued financial report that includes the applicable financial statements and required supplementary information for each plan, may be obtained from the Plan Administrators.

**Plans' Membership Information**

At October 1, 2015, the date of the latest actuarial valuation, the Plans' membership consisted of:

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	General Employees Retirement System	Firefighter Retirement System	Police Retirement System	Confidential and Managerial Retirement System
Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits, but not yet receiving them	96	74	53	56
Current employees:				
Fully-Vested	55	31	67	49
Non-Vested	29	52	24	23
	<u>180</u>	<u>157</u>	<u>144</u>	<u>128</u>

**A. General Employees Retirement System (GERS)**

*Annual Pension Cost.* For 2016, the City's annual pension cost of \$1,174,771 equaled its required and actual contribution. The required contribution was determined by the October 1, 2015 actuarial valuation using the entry age normal actuarial cost method. Actuarial assumptions are 7.25% investment return, 2.25% inflation and 5% projected salary increases. Chapter 112, Part VII, Florida Statutes requires amortization for unfunded liabilities being amortized over 20 years. A one-time 3% cost of living increase was granted to current retirees as of November 25, 2002. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a four-year period. GERS unfunded actuarial accrued liability is being amortized on an open level dollar basis. Twenty five years remained in the amortization period at September 30, 2016.

Three-Year Trend Information for GERS

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>
September 30, 2016	\$1,174,771	100%
September 30, 2015	1,212,601	100%
September 30, 2014	1,224,361	100%

*Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.* At September 30, 2016, the City reported a liability of \$ 8,229,415 for its proportionate share of the Pension Plan's net pension liability. The net pension liability was measured as of September 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of October 1, 2015. At September 30, 2016, the City's proportionate share was 25.67 percent, which was a decrease of 3.27 percent from its proportionate share measured as of September 30, 2015.

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The components of the net pension liability of the City at September 30, 2016 were as follows:

	2016
Total pension liability	\$ 29,278,860
Plan fiduciary net position	21,762,029
City net pension liability	\$ 7,516,831

Plan fiduciary net position as a percentage of total pension liability 74.33%

Changes in the net pension liability:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a-b)
<b>Balance at 09/30/2015</b>	\$27,950,043	\$19,860,050	\$8,089,993
<b>Changes for the Year</b>			
Service Cost	652,913		652,913
Interest	2,036,952		2,036,952
Changes in benefit terms			-
Difference between expected and actual experience	(73,178)		(73,178)
Changes of assumptions	420,080		420,080
Contributions-employer		1,162,968	(1,162,968)
Contributions-State of Florida		-	-
Contributions-employee		358,574	(358,574)
Net investment income		2,169,338	(2,169,338)
Benefit Payments, including refunds of employee contributions	(1,633,810)	(1,633,810)	-
Administrative expenses		(81,069)	81,069
Refunds	(74,140)	(74,140)	-
Other: adjustment to beginning of year		118	(118)
<b>Net Changes</b>	1,328,817	1,901,979	(573,162)
<b>Balance at 09/30/2016</b>	\$29,278,860	\$21,762,029	\$7,516,831

Sensitivity of the net pension liability to changes in the discount rate follows.

	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
City's proportionate share of the net pension liability	\$ 10,783,471	\$ 7,516,831	\$ 4,778,699

For the fiscal year ended September 30, 2016, the City recognized pension expense of \$1,162,523. In addition the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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<b>Description</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ -	\$ 432,490
Change of assumptions	449,996	-
Net difference between projected and actual earnings on Pension Plan investments	1,588,108	236,993
Total	<u>\$ 2,038,104</u>	<u>\$ 669,483</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the Pension Plan will be recognized in pension expense as follows:

September 30:	<u>Amount</u>
2017	\$ 326,277
2018	327,289
2019	318,028
2020	397,027
2021	-
Total	<u>\$ 1,368,621</u>

**B. Firefighter Retirement System (FRS)**

*Annual Pension Cost.* For 2016, the City's annual pension cost of \$3,818,317 equaled its required and actual contribution. The required contribution was determined by the October 1, 2015 actuarial valuation using the entry age normal actuarial cost method. Actuarial assumptions are 8% investment return, 3% inflation and 7% projected salary increases. Cost-of-Living adjustment is 1.5% after three years in retirement. In addition, contributions in the amount of \$391,657 were received from the State of Florida from fire and casualty insurance premium taxes. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a four-year period. FRS unfunded actuarial accrued liability is being amortized on a closed level dollar basis. Thirty years remained in the amortization period at September 30, 2016.

Three-Year Trend Information for FRS

<u>Fiscal Year Ending</u>	<u>Cost (APC)</u>	<u>APC Contributed</u>
September 30, 2016	\$3,818,317	100%
September 30, 2015	4,064,434	100%
September 30, 2014	4,164,581	100%

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*Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.* At September 30, 2016, the City reported a liability of \$ 17,944,054 for its proportionate share of the Pension Plan's net pension liability. The net pension liability was measured as of September 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of October 1, 2016. At September 30, 2016, the City's proportionate share was 20.5 percent, which was a decrease of 1.51 percent from its proportionate share measured as of September 30, 2015.

The components of the net pension Liability of the City September 30 were as follows:

	2016
Total pension liability	\$ 87,540,772
Plan fiduciary net position	(69,596,718)
City net pension liability	<u>\$ 17,944,054</u>

Plan fiduciary net position as a  
percentage of total pension liability 79.50%

Changes in the net pension liability:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a-b)
<b>Balance at 09/30/2015</b>	\$81,913,355	\$63,881,885	\$18,031,470
<b>Changes for the Year</b>			
Service Cost	2,527,101		2,527,101
Interest	6,519,385		6,519,385
Changes in benefit terms	338,414		338,414
Difference between expected and actual experience	(749,900)		(749,900)
Changes of assumptions	1,946,542		1,946,542
Contributions-employer		3,822,621	(3,822,621)
Contributions-State of Florida		391,657	(391,657)
Contributions-employee		986,417	(986,417)
Net investment income		6,286,349	(6,286,349)
Benefit Payments, including refunds of employee contributions	(5,500,238)	(5,500,238)	-
contribution refunds	(52,793)	(52,793)	-
Administrative expenses		(219,180)	219,180
Other changes	598,906	-	598,906
<b>Net Changes</b>	<u>5,627,417</u>	<u>5,714,833</u>	<u>(87,416)</u>
<b>Balance at 09/30/2016</b>	<u>\$87,540,772</u>	<u>\$69,596,718</u>	<u>\$17,944,054</u>

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Sensitivity of the net pension liability to changes in the discount rate follows.

	1% Decrease (6.85%)	Current Discount Rate (7.85%)	1% Increase (8.85%)
City's proportionate share of the net pension liability	\$ 29,008,126	\$ 17,944,054	\$ 8,807,619

For the fiscal year ended September 30, 2016, the City recognized pension expense of \$4,496,966. In addition the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<b>Description</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ -	\$ 1,665,120
Change of assumptions	1,612,211	-
Net difference between projected and actual earnings on Pension Plan investments	3,047,987	-
Total	\$ 4,660,198	\$ 2,989,331

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the Pension Plan will be recognized in pension expense as follows:

Fiscal Year Ending September 30:	Amount
2017	\$624,506
2018	624,506
2019	624,508
2020	(202,653)
Total	\$1,670,867

**C. Police Retirement System (PRS)**

*Annual Pension Cost.* For 2016, the City's annual pension cost of \$2,358,736 equaled its required and actual contribution. The required contribution was determined by the October 1, 2015 actuarial valuation, using the entry age normal actuarial cost method. Actuarial assumptions are 7.5% investment return, 3% inflation and 5.5% projected salary increases. The post retirement benefit is \$10 per month per year of credited service for all members employed by the City on or after

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April 25, 2011, provided that such members have at least 20 years of Credited Service with the City or provided such members left the City at age 55 or older with more than five years of Credit Service with the City. In addition, a contribution in the amount of \$381,449 was received from the State of Florida from fire and casualty insurance premium taxes. The actuarial value of assets was determined using the market value of investments. PRS unfunded actuarial accrued liability is being amortized on a closed level dollar basis. Thirty years remained in the amortization period at September 30, 2016.

Three-Year Trend Information for PRS

<u>Fiscal Year Ending</u>		<u>Cost (APC)</u>	<u>APC Contributed</u>
September 30, 2016	\$	2,358,736	100%
September 30, 2015		2,475,031	100%
September 30, 2014		2,872,191	100%

*Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.* At September 30, 2016, the City reported a liability of \$ 15,723,542 for its proportionate share of the Pension Plan's net pension liability. The net pension liability was measured as of September 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of October 1, 2015. At September 30, 2016, the City's proportionate share was 21.39 percent, which was a decrease of 2.32 percent from its proportionate share measured as of September 30, 2015.

The components of the net pension liability of the City at September 30, 2016 were as follows:

Total pension liability	2016
	<u>\$ 73,507,290</u>
Plan fiduciary net position	(57,783,748)
City net pension liability	<u>\$ 15,723,542</u>
Plan fiduciary net position as a percentage of total pension liability	78.61%

Changes in the net pension liability:

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	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a-b)
<b>Balance at 09/30/2015</b>	\$67,153,703	\$51,228,241	\$15,925,462
<b>Changes for the Year</b>			
Service Cost	2,026,701		2,026,701
Interest	5,185,302		5,185,302
Changes in benefit terms	-		-
Difference between expected and actual experience	541,452		541,452
Changes of assumptions	230,889		230,889
Contributions-employer		2,342,742	(2,342,742)
Contributions-State of Florida		381,449	(381,449)
Contributions-employee		922,206	(922,206)
Net investment income		5,185,725	(5,185,725)
Benefit Payments, including refunds of employee contributions	(1,630,757)	(2,120,243)	489,486
Administrative expenses		(156,372)	156,372
Other changes		-	-
<b>Net Changes</b>	<b>6,353,587</b>	<b>6,555,507</b>	<b>(201,920)</b>
<b>Balance at 09/30/2016</b>	<b>\$73,507,290</b>	<b>\$57,783,748</b>	<b>\$15,723,542</b>

Sensitivity of the net pension liability to changes in the discount rate follows.

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
City's proportionate share of the net pension liability	\$ 24,600,489	\$ 15,723,542	\$ 8,351,301

For the fiscal year ended September 30, 2016, the City recognized pension expense of \$3,176,689. In addition the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Beginning balance as of September 30, 2014	\$ 984,329	\$ 443,646
Amortization payments	(922,474)	(156,701)
Investment gain/loss	3,386,165	
Demographic gain/loss		357,156
Change of assumptions	783,793	-
Balance as of September 30, 2015	<u>\$ 4,231,813</u>	<u>\$ 644,101</u>

**City of Lauderdale, Florida**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended September 30, 2016**

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the Pension Plan will be recognized in pension expense as follows:

September 30:	<u>Amount</u>
2016	\$765,772
2017	765,772
2018	765,772
2019	876,684
2020	199,451
Thereafter	<u>214,261</u>
TOTAL	<u>\$3,587,712</u>

**D. Confidential and Managerial Retirement System (CMRS)**

*Annual Pension Cost.* For 2016, the City's annual pension cost of \$1,822,643 equaled its required and actual contribution. The required contribution of 8% was determined by the October 1, 2015 actuarial valuation, using the entry age normal actuarial cost method. Actuarial assumptions are 7.65% investment return, 3.0% inflation and 5.85% projected salary increases. The Board of Trustees may authorize a non-recurring cost of living adjustment benefit increase for retired members commencing in the third year after retirement, if the plan has a positive actuarial experience for the prior fiscal year. The actuarial value of assets was determined using the market value of investments. CMRS unfunded actuarial accrued liability is being amortized on a layered amortization. Thirteen years remained in the amortization period as of September 30, 2016.

Three-Year Trend Information for CMRS

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>
September 30, 2016	\$1,822,643	100%
September 30, 2015	1,614,792	100%
September 30, 2014	1,732,035	100%

*Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.* At September 30, 2016, the City reported a liability of \$ 10,107,498 for its proportionate share of the Pension Plan's net pension liability. The net pension liability was measured as of September 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of October 1, 2015. At September 30, 2016, the City's proportionate share was 33.03 percent, which was a decrease of 5.28 percent from its proportionate share measured as of September 30, 2015.

**City of Lauderdale, Florida**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended September 30, 2016**

The components of the net pension liability of the City at September 30, 2016 were as follows:

	2016
Total pension liability	\$ 30,605,504
Plan fiduciary net position	(20,498,006)
City net pension liability	\$ 10,107,498

Plan fiduciary net position as a percentage of total pension liability 66.97%

Changes in the net pension liability:

	Increase(Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a-b)
<b>Balance at 09/30/2015</b>	\$29,333,057	\$18,010,653	\$11,322,404
<b>Changes for the Year</b>			
Service Cost	800,492		800,492
Interest	2,229,762		2,229,762
Changes in benefit terms	-		-
Difference between expected and actual experience	1,029,320		1,029,320
Changes of assumptions	(1,244,174)		(1,244,174)
Contributions-employer		1,822,643	(1,822,643)
Contributions-State of Florida		-	-
Contributions-employee		512,410	(512,410)
Net investment income		1,842,073	(1,842,073)
Benefit Payments, including refunds of employee contributions	(1,542,953)	(1,542,953)	-
Administrative expenses	0	(146,820)	146,820
Other changes		-	-
<b>Net Changes</b>	1,272,447	2,487,353	(1,214,906)
<b>Balance at 09/30/2016</b>	\$30,605,504	\$20,498,006	\$10,107,498

Sensitivity of the net pension liability to changes in the discount rate follows.

	1% Decrease (6.65%)	Current Discount Rate (7.65%)	1% Increase (8.65%)
City's proportionate share of the net pension liability	\$ 13,347,254	\$ 10,107,498	\$ 7,384,993

**City of Lauderdale, Florida**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended September 30, 2016**

For the fiscal year ended September 30, 2016, the City recognized pension expense of \$1,799,998. In addition the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Balance as of September 30, 2014	\$ 1,119,078	\$ 143,267
Amortization payments	(753,223)	(244,220)
Investment gain/loss	1,880,408	
Demographic gain/loss		729,411
Assumption changes	200,920	-
Balance as of September 30, 2015	<u>\$ 2,447,183</u>	<u>\$ 628,458</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the Pension Plan will be recognized in pension expense as follows:

Fiscal Year Ending September 30:	<u>Amount</u>
2016	\$509,003
2017	509,003
2018	424,635
2019	376,084
2020	-
TOTAL	<u><u>\$1,818,725</u></u>

### Funded Status and Funding Progress

The funded status of the Pension and OPEB as of the most recent actuarial valuation date is as follows:

	Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Entry Age	Actuarial Accrued Liability (UAAL) (3)-(2)	Funded Ratio (2)/(3)	Covered Payroll	UAAL as % of Covered Payroll (4)/(6)
GERS	10/1/2015	\$ 20,400,790	\$ 27,967,004	\$ 7,566,214	72.9%	\$ 3,543,395	213.5%
FRS	10/1/2015	65,524,026	81,913,355	16,389,329	80.0%	7,364,997	222.5%
PRS	10/1/2015	52,511,000	67,003,000	14,492,000	78.4%	8,480,000	170.9%
CMRS	10/1/2015	18,930,000	28,749,000	9,819,000	65.8%	4,232,000	232.0%
OPEB	10/1/2015	-	2,102,000	2,102,000	0.0%	26,570,000	7.9%

The schedule of funding progress, presented as Required Supplemental Information (RSI) following the Notes to the Basic Financial Statements presents multi-year trend information about whether the actuarial value of plan assets are increasing or decreasing over time relative to the AAL for benefits. The projection for financial

**City of Lauderhill, Florida**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended September 30, 2016**

reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

**NOTE 11 – OTHER POST EMPLOYMENT BENEFITS**

The City of Lauderhill Other Postemployment Employment Benefits (OPEB) is presented in accordance with GASB Statement 45, “Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions”. The provisions of this pronouncement were implemented prospectively with the actuarially determined liability of \$454,000 at the October 1, 2007 date of transition being amortized over 10 years. For financial statement purposes, this liability was not reported at the transition date. In addition, pursuant to Florida Statutes Section 112.0801, employees who retired 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.

Benefit Description and Funding Policy

The City provides a single employer optional post-employment healthcare insurance coverage to eligible individuals, as well as dental and vision insurance coverage. Eligible individuals include all regular employees of the City of Lauderhill who retired from active service and are eligible for retirement or disability benefits under the general, managerial and confidential, police or firefighter pension plans sponsored by the City. Under certain conditions, eligible individuals for healthcare coverage also include spouses and dependent children. Eligible individuals may choose healthcare coverage under a health maintenance organization (HMO) plan or under a preferred provider organization (PPO) plan. The benefit continues until retiree dies or terminates the benefit and is funded as a pay-as-you-go basis. Retirees contribute an amount equal to the actual premium for health insurance that is charged by the carrier. The premium varies depending on whether the retiree elects coverage under the HMO or PPO plan and whether the retiree elects single or family coverage. With respect to dental and vision coverage, we have assumed that the premium charged for retirees is not influenced by the fact that there are active employees who covered by the same insurance, since the cost of dental and vision is not presumed to increase with age. However, there is an implied subsidy in the healthcare insurance premium for retirees because the premium charged for these retirees is the same as the premium charged for active employees, who are younger than retirees on average.

Benefit provisions and City contribution requirements are established and may be amended by the City Commission through collective bargaining. As of September 30, 2014, there were 31 employees participating in the OPEB retirement benefit with a total of 393 employees eligible for participation in the future. Employer contribution totaled

**City of Lauderdale, Florida**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended September 30, 2016**

\$97,000 for the year and retiree implicit subsidies amounted to \$97,000. The plan does not issue a stand-alone financial report.

Annual OPEB Cost and Net OPEB Obligation.

The City's annual other post employment benefit (OPEB) cost is calculated based on annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed ten years. The general fund accounts for net pension and postemployment benefit obligations.

The following table shows the components of the City's annual OPEB cost for the year ended September 30, 2016, the amount actually contributed and the changes in the City's net OPEB obligation:

Annual required contributions(ARC)	\$ 354,000
Interest on Net OPEB Obligation	51,000
Adjustment to the ARC	<u>(152,000)</u>
Annual OPEB Cost (AOC)	253,000
Employer Contributions	(102,000)
Interest on Employer Contributions	<u>(2,000)</u>
Increase in Net OPEB obligation	149,000
Net OPEB obligation at beginning of the year	<u>1,284,000</u>
Net OPEB obligation at end of the year	<u>\$ 1,433,000</u>

Funded Status and Funding Progress

As of October 1, 2015, the most recent actuarial valuation date, the actuarial accrued liability for benefits was \$2,102,000, and actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability of \$2,102,000. The covered payroll (annual payroll of active employees) was \$26,570,000 and the ratio of the unfunded actuarial liability to the covered payroll was 7.9%.

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</u> <u>Contributed</u>	<u>NOO</u>
2016	\$ 253,000	\$ 102,000	40%	\$ 1,433,000
2015	256,000	102,000	40%	1,284,000
2014	251,000	97,000	39%	1,132,000

**City of Lauderdale, Florida**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended September 30, 2016**

The projection of future benefit payments for an ongoing plan involves estimates of the value of reported amount and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about the future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents the current year information about whether the actuarial value of plan asset is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Methods and Assumptions. Projection of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan member to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effect of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

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

Valuation date	October 1, 2015
Actuarial cost method	Projected unit credit
Amortization method	Open period level dollar payment
Remaining amortization period	10 years
Inflation rate	2.75%
Investment rate of return	4%
Select rates	8.00% for 2015/16 graded 5.5% for 2020/21
Medical Trend Rate of inflation	5%

**NOTE 12 – SUBSEQUENT EVENTS**

In preparing the accompanying financial statements, the City has evaluated events and transactions for potential recognition or disclosure through March 31, 2017, the date the financial statements were available to be issued. The City is currently in the process of acquiring funding from the 2017 General Obligation Bond, which was approved by the City's residents in fiscal year 2016 and passed by the Commission in fiscal year 2017. The aggregate principal amount of this bond is \$44,500,000. Funding from the 2017 General Obligation Bond will be utilized to finance various capital projects throughout the City.

**CITY OF LAUDERHILL, FLORIDA**  
 Required Supplementary Information  
 General Fund  
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
 For the Year Ended September 30, 2016

	<u>Budgeted Amounts</u>		<u>ACTUAL</u>	<u>VARIANCE WITH</u>
	<u>Original</u>	<u>Final</u>		<u>FINAL BUDGET</u>
				<u>Positive (Negative)</u>
<b>REVENUES</b>				
Taxes:				
Property taxes	\$ 15,185,379	\$ 15,414,879	\$ 15,335,134	\$ (79,745)
Franchise taxes	4,292,109	4,306,109	4,440,784	134,675
Public service taxes	6,719,247	8,737,396	9,015,481	278,085
Charges for services	3,864,309	4,063,383	2,618,282	(1,445,101)
Administrative charges	8,084,334	8,146,761	8,314,619	167,858
Intergovernmental	8,911,503	8,110,877	8,196,870	85,993
Licenses and permits	2,989,454	3,224,454	2,999,899	(224,555)
Fines and forfeitures	864,000	1,131,000	1,102,832	(28,168)
Investment income	10,000	17,000	19,911	2,911
Rental income	-	344,200	323,891	(20,309)
Miscellaneous	<u>1,077,932</u>	<u>464,700</u>	<u>348,127</u>	<u>(116,573)</u>
Total revenues	<u>51,998,267</u>	<u>53,960,759</u>	<u>52,715,830</u>	<u>(1,244,929)</u>
<b>EXPENDITURES</b>				
Current:				
General government:				
City Clerk	671,907	682,123	637,751	44,372
City Commission	805,302	769,243	679,507	89,736
Administration	4,366,993	3,440,600	3,305,222	135,378
Finance	3,224,979	4,525,594	4,274,710	250,884
Legal	624,000	804,000	696,487	107,513
Human resources	<u>2,131,492</u>	<u>2,252,096</u>	<u>2,182,455</u>	<u>69,641</u>
Total general government	<u>11,824,673</u>	<u>12,473,656</u>	<u>11,776,132</u>	<u>697,524</u>
Public safety:				
Police	17,404,307	18,160,161	18,331,254	(171,093)
Fire and Rescue	<u>4,454,285</u>	<u>4,645,165</u>	<u>4,470,212</u>	<u>174,953</u>
Total public safety	<u>21,858,592</u>	<u>22,805,326</u>	<u>22,801,466</u>	<u>3,860</u>
Physical environment:				
Building maintenance	2,760,381	2,716,081	2,553,372	162,709
Grounds maintenance	<u>740,000</u>	<u>682,000</u>	<u>673,232</u>	<u>8,768</u>
Total Physical environment	<u>3,500,381</u>	<u>3,398,081</u>	<u>3,226,604</u>	<u>171,477</u>
Transportation:				
Street maintenance	<u>2,072,534</u>	<u>2,191,235</u>	<u>1,802,477</u>	<u>388,758</u>
Total transportation	<u>2,072,534</u>	<u>2,191,235</u>	<u>1,802,477</u>	<u>388,758</u>
Recreation and social services:				
Recreation and social services	<u>6,417,481</u>	<u>6,394,232</u>	<u>5,947,622</u>	<u>446,610</u>
Total recreation and social services:	<u>6,417,481</u>	<u>6,394,232</u>	<u>5,947,622</u>	<u>446,610</u>
Total Expenditures	<u>45,673,661</u>	<u>47,262,530</u>	<u>45,554,301</u>	<u>1,708,229</u>
Excess of Revenue over Expenditures	6,324,606	6,698,229	7,161,529	463,300
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer in	-	50,534	50,354	(180)
Transfers out	<u>(6,324,606)</u>	<u>(6,875,239)</u>	<u>(6,579,899)</u>	<u>295,340</u>
Total other financing sources (uses)	<u>(6,324,606)</u>	<u>(6,824,705)</u>	<u>(6,529,545)</u>	<u>295,160</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ (126,476)</u>	<u>631,984</u>	<u>\$ 758,460</u>
Fund balances - beginning			<u>17,344,095</u>	
Fund balances - ending			<u>\$ 17,976,079</u>	

The notes to the bugetary comparison schedule are an integral part of this schedule.

**CITY OF LAUDERHILL, FLORIDA**  
 Required Supplementary Information  
 Community Redevelopment Agency  
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
 For the Year Ended September 30, 2016

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNT</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>Positive (Negative)</u>
<b>REVENUES</b>				
Investment income	\$ -	\$ 100	\$ 357	\$ 257
Rental income	<u>77,011</u>	<u>77,011</u>	<u>68,249</u>	<u>(8,762)</u>
Total revenues	<u>77,011</u>	<u>77,111</u>	<u>68,606</u>	<u>(8,505)</u>
<b>EXPENDITURES</b>				
General government:				
Administrative expense	<u>254,519</u>	<u>209,708</u>	<u>198,356</u>	<u>11,352</u>
Total expenditures	<u>254,519</u>	<u>209,708</u>	<u>198,356</u>	<u>11,352</u>
Excess (Deficiency) of Revenue over Expenditures	(177,508)	(132,597)	(129,750)	2,847
Other Financing Sources (Uses)				
Transfers in	447,876	597,776	597,776	-
Transfers out	<u>(270,368)</u>	<u>(614,312)</u>	<u>(654,935)</u>	<u>(40,623)</u>
Total Other Financing Sources (Uses)	<u>177,508</u>	<u>(16,536)</u>	<u>(57,159)</u>	<u>(40,623)</u>
Net change in fund balances	<u>\$ 177,508</u>	<u>\$ (149,133)</u>	(186,909)	<u>\$ (37,776)</u>
Fund balances - beginning			<u>(1,059,494)</u>	
Fund balances - ending			<u>\$ (1,246,403)</u>	

The notes to the budgetary comparison schedule are an integral part of this schedule.

**CITY OF LAUDERHILL, FLORIDA**  
Required Supplementary Information  
Notes to the Budgetary Comparison Schedules  
For the Year Ended September 30, 2016

**Budgetary information**

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. Annual appropriations lapse at fiscal year end. The City follows Chapter 80-274 of the state of Florida Statutes and its charter in establishing the budgetary data reflected in the financial statements. The budget process is as follows:

1. Prior to August 1, the City Manager submits to the City Commission a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.
3. Prior to October 1, the budget is legally enacted through passage of an appropriation ordinance.
4. The appropriated budget is prepared and adopted by fund, function, and department. Budgets are monitored within each department at the account level by the respective department head and the Finance Director. The City's department heads may make transfers of appropriations within a department with approval of the City Manager and Finance Director. Transfers of appropriations between departments require the additional approval of the City Commission. The legal level of budgetary control (i.e. the level at which expenditures may not exceed appropriations) is the department level. The City Commission made several supplemental budgetary appropriations throughout the year.

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g. purchase orders, contracts) outstanding at year-end are reported as assigned fund balances and do not constitute expenditures or liabilities because the commitments will be re-appropriated and honored during the subsequent year.

**Excess of expenditures over appropriations**

For the year ended September 30, 2016 expenditures exceeded appropriations in the following departments:

<u>Department</u>	<u>Excess Expenditures over Budget</u>
Police	\$171,093

These over expenditures were funded by a combination of greater than anticipated revenues and available fund balance.

**Required Supplementary Information**  
**Lauderhill Retirement Systems**  
**Schedule of Net Pension Liability (unaudited)**  
**General Employees' Retirement System**

	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>Total pension liability</b>			
Service cost	\$ 652,913	\$ 673,960	\$ 682,926
Interest	2,036,952	1,936,129	1,923,089
Changes of benefit terms	-	(11,874)	-
Differences between expected and actual experience	(73,178)	(646,450)	(4,059)
Changes of assumptions	420,080	674,994	-
Benefit payments, including refunds of member contributions	(1,633,810)	(1,382,619)	(1,708,640)
Contribution refunds	(74,140)	-	-
Net change in total pension liability	<u>1,328,817</u>	<u>1,244,140</u>	<u>893,316</u>
Total pension liability - beginning	<u>27,950,043</u>	<u>26,705,903</u>	<u>25,812,587</u>
Total pension liability - ending	<u>29,278,860</u>	<u>27,950,043</u>	<u>26,705,903</u>
<b>Plan fiduciary net position</b>			
Contributions - employer	(1,162,968)	(1,212,601)	(1,224,361)
Contributions - member	(358,574)	(356,306)	(358,549)
Net investment income	(2,169,338)	512,452	(1,786,880)
Benefit payments, including refunds of member contributions	1,633,810	1,382,619	1,708,640
Contribution refunds	74,140	-	-
Administrative expenses	81,069	67,020	58,696
Other: Adjustment to beginning of year	(118)	-	-
Net change in plan fiduciary net position	<u>(1,901,979)</u>	<u>393,184</u>	<u>(1,602,454)</u>
Plan fiduciary net position - beginning	<u>(19,860,050)</u>	<u>(20,253,234)</u>	<u>(18,650,780)</u>
Plan fiduciary net position - ending	<u>(21,762,029)</u>	<u>(19,860,050)</u>	<u>(20,253,234)</u>
City's Net Pension Liability	<u>\$ 7,516,831</u>	<u>\$ 8,089,993</u>	<u>\$ 6,452,669</u>
Total pension liability	\$ 29,278,860	\$ 27,950,043	\$ 26,705,903
Plan fiduciary net position	(21,762,029)	(19,860,050)	(20,253,234)
City's net pension liability	<u>\$ 7,516,831</u>	<u>\$ 8,089,993</u>	<u>\$ 6,452,669</u>
Plan fiduciary net position as a percentage of the total pension liability	74.33%	71.06%	75.84%
Covered - employee payroll	\$ 3,585,740	\$ 3,563,060	\$ 3,585,490
City's net pension liability as a percentage of covered - employee payroll	209.63%	227.05%	179.97%

\*Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**Required Supplementary Information**  
**Lauderhill Retirement Systems**  
**Schedule of Net Pension Liability (unaudited)**  
**Firefighters' Retirement System**

	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>Total pension liability</b>			
Service cost	\$ 2,527,101	\$ 2,558,195	\$ 2,440,094
Interest	6,519,385	6,289,742	5,928,052
Changes of benefit terms	338,414	357,454	345,399
Differences between expected and actual experience	(749,900)	(1,715,691)	(551,848)
Changes of assumptions	1,946,542	101,056	96,389
Benefit payments, including refunds of member contributions	(5,500,238)	(3,730,013)	(3,982,063)
Contribution refunds	(52,793)	(69,592)	(4,028)
Other	598,906	-	-
Net change in total pension liability	<u>5,627,417</u>	<u>3,791,151</u>	<u>4,271,995</u>
Total pension liability - beginning	<u>81,913,355</u>	<u>78,122,204</u>	<u>73,850,209</u>
Total pension liability - ending	<u>87,540,772</u>	<u>81,913,355</u>	<u>78,122,204</u>
<b>Plan fiduciary net position</b>			
Contributions - employer	3,822,621	4,064,434	4,164,581
Contributions - State of Florida	391,657	485,663	492,840
Contributions - member	986,417	972,711	970,011
Net investment income	6,286,349	(507,362)	5,036,474
Benefit payments, including refunds of member contributions	(5,500,238)	(3,730,013)	(3,982,063)
Contribution refunds	(52,793)	(69,592)	(4,028)
Administrative expenses	(219,180)	(176,928)	(169,317)
Other: Adjustment to beginning of year	-	-	-
Net change in plan fiduciary net position	<u>5,714,833</u>	<u>1,038,913</u>	<u>6,508,498</u>
Plan fiduciary net position - beginning	<u>63,881,885</u>	<u>62,842,972</u>	<u>56,334,474</u>
Plan fiduciary net position - ending	<u>69,596,718</u>	<u>63,881,885</u>	<u>62,842,972</u>
City's Net Pension Liability	<u>\$ 17,944,054</u>	<u>\$ 18,031,470</u>	<u>\$ 15,279,232</u>
Total pension liability	\$ 87,540,772	\$ 81,913,355	\$ 78,122,204
Plan fiduciary net position	(69,596,718)	(63,881,885)	(62,842,972)
City's net pension liability	<u>\$ 17,944,054</u>	<u>\$ 18,031,470</u>	<u>\$ 15,279,232</u>
Plan fiduciary net position as a percentage of the total pension liability	79.50%	77.99%	80.44%
Covered - employee payroll	\$ 7,136,191	\$ 6,884,383	\$ 6,945,645
City's net pension liability as a percentage of covered - employee payroll	251.45%	261.92%	219.98%

\*Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**Required Supplementary Information**  
**Lauderhill Retirement Systems**  
**Schedule of Net Pension Liability (unaudited)**  
**Police Officers' Retirement Plan**

	<b>2016</b>	<b>2015</b>	<b>2014</b>
<b>Total pension liability</b>			
Service cost	\$ 2,026,701	\$ 2,263,617	\$ 2,410,501
Interest	5,185,302	4,759,669	4,396,768
Differences between expected and actual experience	541,452	(357,156)	-
Changes of assumptions	230,889	783,793	-
Benefit payments, including refunds of member contributions	<u>(1,630,757)</u>	<u>(1,630,757)</u>	<u>(1,223,106)</u>
Net change in total pension liability	6,353,587	5,819,166	5,584,163
Total pension liability - beginning	<u>67,153,703</u>	<u>61,334,537</u>	<u>55,750,374</u>
Total pension liability - ending	<u>73,507,290</u>	<u>67,153,703</u>	<u>61,334,537</u>
<b>Plan fiduciary net position</b>			
Contributions - employer	2,724,191	2,831,755	2,872,191
Contributions - member	922,206	1,014,541	1,071,357
Net investment income	5,185,725	366,152	3,886,946
Benefit payments, including refunds of member contributions	(2,120,243)	(1,630,757)	(1,223,106)
Administrative expenses	<u>(156,372)</u>	<u>(154,489)</u>	<u>(127,535)</u>
Net change in plan fiduciary net position	6,555,507	2,427,202	6,479,853
Plan fiduciary net position - beginning	<u>51,228,241</u>	<u>4,801,039</u>	<u>42,321,186</u>
Plan fiduciary net position - ending	<u>57,783,748</u>	<u>51,228,241</u>	<u>48,801,039</u>
City's Net Pension Liability	<u>\$ 15,723,542</u>	<u>\$ 15,925,462</u>	<u>\$ 12,533,498</u>
Total pension liability	\$ 73,507,290	\$ 67,153,703	\$ 61,334,537
Plan fiduciary net position	<u>(57,783,748)</u>	<u>(51,228,241)</u>	<u>(48,801,039)</u>
City's net pension liability	<u>\$ 15,723,542</u>	<u>\$ 15,925,462</u>	<u>\$ 12,533,498</u>
Plan fiduciary net position as a percentage of the total pension liability	78.61%	76.29%	79.57%
Covered - employee payroll	\$ 8,479,879	\$ 9,712,011	\$ 9,671,315
City's net pension liability as a percentage of covered - employee payroll	185.42%	163.98%	129.59%

\*Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**Required Supplementary Information**  
**Lauderhill Retirement Systems**  
**Schedule of Net Pension Liability (unaudited)**  
**Confidential and Managerial Employee**  
**Defined Benefit Retirement Plan**

	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>Total pension liability</b>			
Service cost	\$ 800,492	\$ 923,381	\$ 909,893
Interest	2,229,762	2,031,023	1,986,883
Differences between expected and actual experience	1,029,320	(729,411)	-
Changes of assumptions	(1,244,174)	200,920	-
Benefit payments, including refunds of member contributions	(1,542,953)	(1,501,544)	(1,517,087)
Net change in total pension liability	<u>1,272,447</u>	<u>924,369</u>	<u>1,379,689</u>
Total pension liability - beginning	<u>29,333,057</u>	<u>28,408,688</u>	<u>27,028,999</u>
Total pension liability - ending	<u>30,605,504</u>	<u>29,333,057</u>	<u>28,408,688</u>
<b>Plan fiduciary net position</b>			
Contributions - employer	1,822,643	1,614,792	1,733,274
Contributions - member	512,410	419,320	404,147
Net investment income	1,842,073	(501,421)	1,382,606
Benefit payments, including refunds of member contributions	(1,542,953)	(1,501,544)	(1,517,087)
Administrative expenses	(146,820)	(134,898)	(84,843)
Net change in plan fiduciary net position	<u>2,487,353</u>	<u>(103,751)</u>	<u>1,918,097</u>
Plan fiduciary net position - beginning	<u>18,010,653</u>	<u>18,114,404</u>	<u>16,196,307</u>
Plan fiduciary net position - ending	<u>20,498,006</u>	<u>18,010,653</u>	<u>18,114,404</u>
City's Net Pension Liability	<u>\$ 10,107,498</u>	<u>\$ 11,322,404</u>	<u>\$ 10,294,284</u>
Total pension liability	\$ 30,605,504	\$ 29,333,057	\$ 28,408,688
Plan fiduciary net position	<u>(20,498,006)</u>	<u>(18,010,653)</u>	<u>(18,114,404)</u>
City's net pension liability	<u>\$ 10,107,498</u>	<u>\$ 11,322,404</u>	<u>\$ 10,294,284</u>
Plan fiduciary net position as a percentage of the total pension liability	66.97%	61.40%	63.76%
Covered - employee payroll	\$ 4,231,786	\$ 4,337,897	\$ 3,967,314
City's net pension liability as a percentage of covered - employee payroll	238.85%	257.81%	259.48%

\*Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**Required Supplementary Information**  
**Lauderhill Retirement Systems**  
**Schedule of Contributions by Employer ( Unaudited)**  
**Last 10 Fiscal years**

**GERS**

<b>FY Ending September 30,</b>	<b>Actuarially Determined Contribution</b>	<b>Actual Contribution</b>	<b>Contribution Deficiency (Excess)</b>	<b>Covered- employee Payroll</b>	<b>Contribution as a percentage of covered- employee payroll</b>
2007	\$ 695,661	\$ 695,661	\$ -	\$ 4,435,906	15.68%
2008	814,864	814,864	-	4,926,990	16.54%
2009	809,482	809,482	-	4,760,650	17.00%
2010	920,970	920,970	-	4,005,580	22.99%
2011	993,731	993,731	-	3,631,980	27.36%
2012	1,056,516	1,056,516	-	3,495,200	30.23%
2013	1,103,955	1,103,955	-	3,798,110	29.07%
2014	1,224,361	1,224,361	-	3,585,490	34.15%
2015	1,200,656	1,212,601	(11,945)	3,563,060	34.03%
2016	1,174,771	1,162,968	11,803	3,585,740	32.43%

**FRS**

<b>FY Ending September 30,</b>	<b>Actuarially Determined Contribution</b>	<b>Actual Contribution</b>	<b>Contribution Deficiency (Excess)</b>	<b>Covered- employee Payroll</b>	<b>Contribution as a percentage of covered- employee payroll</b>
2007	\$ 2,320,002	\$ 2,320,002	\$ -	\$ 5,696,122	40.73%
2008	2,534,923	2,534,923	-	5,943,239	42.65%
2009	2,448,774	2,448,774	-	6,357,484	38.52%
2010	2,952,870	2,952,870	-	6,024,458	49.01%
2011	3,003,218	3,003,218	-	6,018,473	49.90%
2012	3,691,300	3,691,300	-	6,445,935	57.27%
2013	4,369,844	4,369,844	-	6,716,257	65.06%
2014	4,331,942	4,331,942	-	6,945,643	62.37%
2015	4,231,795	4,231,795	-	6,884,383	61.47%
2016	3,989,982	3,989,982	-	7,136,191	55.91%

**PRS**

<b>FY Ending September 30,</b>	<b>Actuarially Determined Contribution</b>	<b>Actual Contribution</b>	<b>Contribution Deficiency (Excess)</b>	<b>Covered- employee Payroll</b>	<b>Contribution as a percentage of covered- employee payroll</b>
2007	\$ 1,782,115	\$ 1,782,115	\$ -	\$ 7,098,797	25.10%
2008	2,095,909	2,095,909	-	8,102,977	25.87%
2009	2,076,113	2,076,113	-	7,677,961	27.04%
2010	2,320,277	2,320,277	-	8,751,221	26.51%
2011	2,306,698	2,306,698	-	9,149,345	25.21%
2012	2,629,422	2,629,422	-	8,818,777	29.82%
2013	2,769,493	2,769,493	-	8,844,361	31.31%
2014	2,872,191	2,872,191	-	9,671,315	29.70%
2015	2,831,595	2,831,595	-	9,712,011	29.16%
2016	2,723,906	2,723,906	-	8,479,879	32.12%

**CMRS**

<b>FY Ending September 30,</b>	<b>Actuarially Determined Contribution</b>	<b>Actual Contribution</b>	<b>Contribution Deficiency (Excess)</b>	<b>Covered- employee Payroll</b>	<b>Contribution as a percentage of covered- employee payroll</b>
2008	\$ 1,151,671	\$ 1,151,671	\$ -	\$ 4,520,343	25.48%
2009	1,225,500	1,225,500	-	3,492,838	35.09%
2010	1,464,812	1,464,812	-	3,917,402	37.39%
2011	1,566,677	1,566,677	-	4,414,548	35.49%
2012	1,442,701	1,442,701	-	3,995,271	36.11%
2013	1,643,680	1,643,680	-	3,565,534	46.10%
2014	1,732,035	1,732,035	-	3,967,314	43.66%
2015	1,614,792	1,614,792	-	4,337,897	37.23%
2016	1,822,643	1,822,643	-	4,231,763	43.07%

\*Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**Required Supplementary Information  
Lauderhill Retirement Systems  
Schedule of Investment Returns (Unaudited)  
Last 10 Fiscal years**

**Annual money-weighted rate of return, net of investment expense:**

	<u>GERS</u>	<u>FRS</u>	<u>PRS</u>	<u>CMRS</u>
2007	14.80%	17.23%	14.6%	13.60%
2008	(11.8%)	(13.67%)	(11.9%)	(10.2%)
2009	0.90%	(4.16%)	1.2%	1.40%
2010	9.40%	9.66%	9.5%	8.10%
2011	(4.39%)	(1.51%)	(4.4%)	(3.6%)
2012	17.70%	20.21%	17.4%	16.00%
2013	15.00%	15.70%	16.1%	10.60%
2014	9.50%	8.83%	9.2%	7.50%
2015	(2.5%)	(.66%)	1.2%	(2.4%)
2016	10.90%	10.02%	10.2%	10.30%

**CITY OF LAUDERHILL, FLORIDA**  
Combining Balance Sheet  
Nonmajor Governmental Funds  
September 30, 2016

	<b>Special Revenue</b>							<b>Total</b>
	<b>SHIP</b>	<b>Law Enforcement</b>	<b>Federal Forfeiture</b>	<b>Safe Neighborhood</b>	<b>N.S.P Fund</b>	<b>CDBG</b>	<b>Home Grant</b>	
<b>ASSETS</b>								
Equity in pooled cash and investments	\$ 245,488	\$ 65,990	\$ 316,020	\$ 844,071	\$ 7,542	\$ 154,666	\$ 21,644	\$ 1,655,421
Notes receivable	-	-	-	-	-	529,570	-	529,570
Due from other governments	-	-	-	-	-	103,696	170,204	273,900
<b>Total assets</b>	<b>\$ 245,488</b>	<b>\$ 65,990</b>	<b>\$ 316,020</b>	<b>\$ 844,071</b>	<b>\$ 7,542</b>	<b>\$ 787,932</b>	<b>\$ 191,848</b>	<b>\$ 2,458,891</b>
<b>LIABILITIES</b>								
Accrued payable and accrued expenses	\$ -	\$ -	\$ -	\$ 73,017	\$ -	\$ -	\$ -	73,017
Accrued payroll	2,076	-	-	-	-	6,500	-	8,576
Due to other funds	-	-	-	-	-	-	216,604	216,604
<b>Total liabilities</b>	<b>2,076</b>	<b>-</b>	<b>-</b>	<b>73,017</b>	<b>-</b>	<b>6,500</b>	<b>216,604</b>	<b>298,197</b>
<b>FUND BALANCES</b>								
Assigned:								
Social services:								
Safe neighborhood	-	-	-	771,054	-	-	-	771,054
Housing	243,412	-	-	-	7,542	781,432	-	1,032,386
Public safety-law enforcement	-	65,990	316,020	-	-	-	-	382,010
Unassigned:								
Social services-housing	-	-	-	-	-	-	(24,756)	(24,756)
<b>Total fund balances (deficits)</b>	<b>243,412</b>	<b>65,990</b>	<b>316,020</b>	<b>771,054</b>	<b>7,542</b>	<b>781,432</b>	<b>(24,756)</b>	<b>2,160,694</b>
<b>Total liabilities and fund balances</b>	<b>\$ 245,488</b>	<b>\$ 65,990</b>	<b>\$ 316,020</b>	<b>\$ 844,071</b>	<b>\$ 7,542</b>	<b>\$ 787,932</b>	<b>\$ 191,848</b>	<b>\$ 2,458,891</b>

**CITY OF LAUDERHILL, FLORIDA**  
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
 Nonmajor Governmental Funds  
 For the Year Ended September 30, 2016

	Special Revenue							Total
	SHIP	Law Enforcement	Federal Forfeitures	Safe Neighborhoods	N.S.P Fund	CDBG	Home Grant	
<b>REVENUES</b>								
Intergovernmental	\$ 347,318	\$ -	\$ -	\$ -	\$ -	\$ 930,787	\$ 310,049	\$ 1,588,154
Property taxes	-	-	-	627,899	-	-	-	627,899
Fines and forfeitures	-	41,952	6,380	-	-	-	-	48,332
Investment income	476	79	437	1,087	-	26,819	-	28,898
Other income	-	-	-	-	22,392	-	-	22,392
Total revenues	<u>347,794</u>	<u>42,031</u>	<u>6,817</u>	<u>628,986</u>	<u>22,392</u>	<u>957,606</u>	<u>310,049</u>	<u>2,315,675</u>
<b>EXPENDITURES</b>								
Current:								
Public safety	-	26,452	3,068	-	-	-	-	29,520
Recreation and social services	400,742	-	-	569,677	14,850	649,962	310,049	1,945,280
Capital Outlay:								
Improvements	-	-	-	-	-	66,939	-	66,939
Total Expenditures	<u>400,742</u>	<u>26,452</u>	<u>3,068</u>	<u>569,677</u>	<u>14,850</u>	<u>716,901</u>	<u>310,049</u>	<u>2,041,739</u>
Excess (deficiency) of revenue over (under) expenditures	<u>(52,948)</u>	<u>15,579</u>	<u>3,749</u>	<u>59,309</u>	<u>7,542</u>	<u>240,705</u>	<u>-</u>	<u>273,936</u>
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers in	-	-	-	150,000	-	72,315	-	222,315
Transfer out	-	-	-	(72,645)	-	-	-	(72,645)
Total other financing sources and (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>77,355</u>	<u>-</u>	<u>72,315</u>	<u>-</u>	<u>149,670</u>
Net change in fund balances	(52,948)	15,579	3,749	136,664	7,542	313,020	-	423,606
Fund balances( deficits) - beginning	<u>296,360</u>	<u>50,411</u>	<u>312,271</u>	<u>634,390</u>	<u>-</u>	<u>468,412</u>	<u>(24,756)</u>	<u>1,737,088</u>
Fund balances( deficits) - ending	<u>\$ 243,412</u>	<u>\$ 65,990</u>	<u>\$ 316,020</u>	<u>\$ 771,054</u>	<u>\$ 7,542</u>	<u>\$ 781,432</u>	<u>\$ (24,756)</u>	<u>\$ 2,160,694</u>

**CITY OF LAUDERHILL, FLORIDA**

Capital Projects Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

For the Year Ended September 30, 2016

	BUDGETED AMOUNTS		ACTUAL AMOUNT	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		Positive (Negative)
<b>REVENUES</b>				
Property taxes	\$ 2,115,998	\$ 2,175,998	\$ 2,175,927	\$ (71)
Investment income	5,000	5,000	-	(5,000)
Miscellaneous	5,000	8,000	8,519	519
Total revenues	<u>2,125,998</u>	<u>2,188,998</u>	<u>2,184,446</u>	<u>(4,552)</u>
<b>EXPENDITURES</b>				
General government:				
Administrative expense	-	120,673	153,725	(33,052)
Capital Outlay:				
Land	-	867,449	867,448	1
Buildings	-	22,143	8,642	13,501
Improvements	-	685,068	433,982	251,086
Infrastructure	-	-	-	-
Machinery & equipment	413,710	524,858	344,313	180,545
Total expenditures	<u>413,710</u>	<u>2,220,191</u>	<u>1,808,110</u>	<u>412,081</u>
Excess (Deficiency) of Revenue over Expenditures	1,712,288	(31,193)	376,336	407,529
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer in	396,710	440,008	440,008	-
Transfers out	(2,108,998)	(2,139,201)	(2,139,201)	-
Sale of land	-	801,652	801,652	-
Total other financing sources and uses	<u>(1,712,288)</u>	<u>(897,541)</u>	<u>(897,541)</u>	<u>-</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ (928,734)</u>	<u>(521,205)</u>	<u>\$ 407,529</u>
Fund balances (deficits) - beginning			(292,256)	
Fund balances (deficits) - ending			<u>\$ (813,461)</u>	

**CITY OF LAUDERHILL, FLORIDA**  
**Fire Protection Fund**  
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended September 30, 2016

	<b>BUDGETED AMOUNTS</b>		<b>ACTUAL AMOUNT</b>	<b>VARIANCE WITH FINAL BUDGET</b>
	<b>ORIGINAL</b>	<b>FINAL</b>		<b>Positive (Negative)</b>
<b>REVENUES</b>				
Property tax	\$ 20,000.00	50,000	\$ 16,186	\$ (33,814)
Charge for service	15,470,912	15,470,912	14,660,313	(810,599)
Licenses and permits	-	-	3,193	3,193
Investment income	<u>100</u>	<u>100</u>	<u>-</u>	<u>(100)</u>
Total revenues	<u>15,491,012</u>	<u>15,521,012</u>	<u>14,679,692</u>	<u>(841,320)</u>
<b>EXPENDITURES</b>				
Public safety	15,066,196	15,970,681	15,697,402	273,279
Debt service:				
Principal retirement	-	-	272,548	(272,548)
Interest	-	-	32,543	(32,543)
Capital Outlay:				
Land	258,026	548,368	209,760	338,608
Machinery & equipment	<u>166,790</u>	<u>100,000</u>	<u>62,551</u>	<u>37,449</u>
Total expenditures	<u>15,491,012</u>	<u>16,619,049</u>	<u>16,274,804</u>	<u>344,245</u>
Excess (Deficiency) of Revenue over Expenditures	-	(1,098,037)	(1,595,112)	(497,075)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer out	-	(180,829)	(248,369)	(67,540)
Capital lease	<u>-</u>	<u>(1,096,227)</u>	<u>-</u>	<u>1,096,227</u>
Total other financing sources (uses)	<u>-</u>	<u>(1,277,056)</u>	<u>(248,369)</u>	<u>1,028,687</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (2,375,093)</u>	<u>(1,843,481)</u>	<u>\$ 531,612</u>
Fund balances (deficits) - beginning			<u>(6,737,807)</u>	
Fund balances (deficits) - ending			<u>\$ (8,581,288)</u>	

**CITY OF LAUDERHILL, FLORIDA**  
Debt Service Fund  
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended September 30, 2016

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>AMOUNT</u>	<u>FINAL BUDGET</u>
				<u>Positive (Negative)</u>
<b>REVENUES</b>				
Intergovernmental	\$ 458,665	\$ 514,021	\$ 495,216	\$ (18,805)
Investment Income	-	3,000	7,116	4,116
Total revenues	<u>458,665</u>	<u>517,021</u>	<u>502,332</u>	<u>(14,689)</u>
<b>EXPENDITURES</b>				
General government	-	4,805	4,805	-
Debt service:				
Principal retirement	4,557,199	4,834,341	4,834,340	1
Interest	<u>2,708,099</u>	<u>2,588,771</u>	<u>2,634,851</u>	<u>(46,080)</u>
Total expenditures	<u>7,265,298</u>	<u>7,427,917</u>	<u>7,473,996</u>	<u>(46,079)</u>
Excess (Deficiency) of Revenue over Expenditures	<u>(6,806,633)</u>	<u>(6,910,896)</u>	<u>(6,971,664)</u>	<u>60,768</u>
<b>Other Financing Sources (Uses)</b>				
Transfer in	<u>7,111,942</u>	<u>7,222,107</u>	<u>7,473,996</u>	<u>251,889</u>
Total Other Financing Sources (Uses)	<u>7,111,942</u>	<u>7,222,107</u>	<u>7,473,996</u>	<u>251,889</u>
Net change in fund balances	<u>\$ 305,309</u>	<u>\$ 311,211</u>	502,332	<u>\$ 191,121</u>
Fund balances - beginning			<u>1,096,785</u>	
Fund balances - ending			<u>\$ 1,599,117</u>	

**CITY OF LAUDERHILL, FLORIDA**  
Special Revenue Fund - State Housing Initiative Program (SHIP)  
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended September 30, 2016

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNT</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>Positive (Negative)</u>
<b>REVENUES</b>				
Intergovernmental	\$ 328,263	\$ 348,263	\$ 347,318	\$ (945)
Investment income	-	1,000	476	(524)
Total revenues	<u>328,263</u>	<u>349,263</u>	<u>347,794</u>	<u>(1,469)</u>
<b>EXPENDITURES</b>				
Recreation and social services	<u>328,263</u>	<u>429,263</u>	<u>400,742</u>	<u>28,521</u>
Total expenditures	<u>328,263</u>	<u>429,263</u>	<u>400,742</u>	<u>28,521</u>
Excess (Deficiency) of Revenue over				
Expenditures	-	-	(52,948)	(52,948)
Net change in fund balances	<u>\$ -</u>	<u>\$ (80,000)</u>	(52,948)	<u>\$ 27,052</u>
Fund balances - beginning			<u>296,360</u>	
Fund balances - ending			<u>\$ 243,412</u>	

**CITY OF LAUDERHILL, FLORIDA**  
Special Revenue Fund - Law Enforcement  
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended September 30, 2016

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>AMOUNT</u>	<u>FINAL BUDGET</u>
				<u>Positive (Negative)</u>
<b>REVENUES</b>				
Fines and forfeitures	\$ -	\$ 18,000	\$ 41,952	\$ 23,952
Investment income	-	-	79	79
Total revenues	<u>-</u>	<u>18,000</u>	<u>42,031</u>	<u>24,031</u>
<b>EXPENDITURES</b>				
Public safety	-	68,000	26,452	41,548
Total expenditures	<u>-</u>	<u>68,000</u>	<u>26,452</u>	<u>41,548</u>
Excess (Deficiency) of Revenue over				
Expenditures	-	(50,000)	15,579	65,579
Net change in fund balances	<u>\$ -</u>	<u>\$ (50,000)</u>	15,579	<u>\$ 65,579</u>
Fund balances - beginning			50,411	
Fund balances - ending			<u>\$ 65,990</u>	

**CITY OF LAUDERHILL, FLORIDA**  
Special Revenue Fund - Federal Forfeitures  
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended September 30, 2016

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>AMOUNT</u>	<u>FINAL BUDGET</u>
				<u>Positive (Negative)</u>
<b>REVENUES</b>				
Fines and forfeitures	\$ -	\$ 10,000	\$ 6,380	\$ (3,620)
Investment income	-	300	437	137
Total revenues	<u>-</u>	<u>10,300</u>	<u>6,817</u>	<u>(3,483)</u>
<b>EXPENDITURES</b>				
Public safety	-	320,300	3,068	317,232
Total expenditures	<u>-</u>	<u>320,300</u>	<u>3,068</u>	<u>317,232</u>
Excess (Deficiency) of Revenue over				
Expenditures	-	(310,000)	3,749	313,749
Net change in fund balance	<u>\$ -</u>	<u>\$ (310,000)</u>	<u>3,749</u>	<u>\$ 313,749</u>
Fund balances - beginning			<u>312,271</u>	
Fund balances - ending			<u>\$ 316,020</u>	

**CITY OF LAUDERHILL, FLORIDA**  
Special Revenue Fund - Safe Neighborhood  
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended September 30, 2016

	<b>BUDGETED AMOUNTS</b>		<b>ACTUAL</b>	<b>VARIANCE WITH</b>
	<b>ORIGINAL</b>	<b>FINAL</b>	<b>AMOUNT</b>	<b>FINAL BUDGET</b>
				<b>Positive (Negative)</b>
<b>REVENUES</b>				
Property taxes	\$ 922,597	\$ 624,273	\$ 627,899	\$ 3,626
Investment income	-	-	1,087	1,087
Total revenues	<u>922,597</u>	<u>624,273</u>	<u>628,986</u>	<u>4,713</u>
<b>EXPENDITURES</b>				
Current:				
Recreation and social services	<u>922,597</u>	<u>1,450,371</u>	<u>569,677</u>	<u>880,694</u>
Total expenditures	<u>922,597</u>	<u>1,450,371</u>	<u>569,677</u>	<u>880,694</u>
Excess (Deficiency) of Revenue over				
Expenditures	-	(826,098)	59,309	885,407
Other Financing Sources (Uses)				
Transfers in		150,000	150,000	
Transfers out	-	<u>(72,645)</u>	<u>(72,645)</u>	-
Total Other Financing Sources (Uses)	-	<u>77,355</u>	<u>77,355</u>	-
Change in fund balance	<u>\$ -</u>	<u>\$ (748,743)</u>	136,664	<u>\$ 885,407</u>
Fund balances - beginning			<u>634,390</u>	
Fund balances - ending			<u>\$ 771,054</u>	

**CITY OF LAUDERHILL, FLORIDA**  
Special Revenue Fund - Neighborhood Stabilization Program (NSP)  
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended September 30, 2016

	<b>BUDGETED AMOUNTS</b>		<b>ACTUAL</b>	<b>VARIANCE WITH</b>
	<b>ORIGINAL</b>	<b>FINAL</b>	<b>AMOUNT</b>	<b>FINAL BUDGET</b>
				<b>Positive (Negative)</b>
<b>REVENUES</b>				
Other income	\$ -	\$ -	\$ 22,392	\$ 22,392
Total revenues	-	-	22,392	22,392
<b>EXPENDITURES</b>				
Recreation and social services	-	-	14,850	(14,850)
Total expenditures	-	-	14,850	(14,850)
Excess (Deficiency) of Revenue over Expenditures	-	-	7,542	7,542
Change in fund balances	\$ -	\$ -	7,542	\$ 7,542
Fund balances( deficit) - beginning			-	
Fund balances - ending			\$ 7,542	

**CITY OF LAUDERHILL, FLORIDA**  
Special Revenue Fund - Community Development Block Grant (CDBG)  
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended September 30, 2016

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>AMOUNT</u>	<u>FINAL BUDGET</u>
				<u>Positive (Negative)</u>
<b>REVENUES</b>				
Intergovernmental	\$ 706,608	\$ 706,608	\$ 930,787	\$ 224,179
Investment income	-	-	26,819	26,819
Total revenues	<u>706,608</u>	<u>706,608</u>	<u>957,606</u>	<u>250,998</u>
<b>EXPENDITURES</b>				
Current:				
Recreation and social services	565,608	1,354,704	649,962	704,742
Capital Outlay:				
Improvements	<u>141,000</u>	<u>437,634</u>	<u>66,939</u>	<u>370,695</u>
Total expenditures	<u>706,608</u>	<u>1,792,338</u>	<u>716,901</u>	<u>1,075,437</u>
Excess (Deficiency) of Revenue over Expenditures	-	(1,085,730)	240,705	1,326,435
Other Financing Sources (Uses)				
Transfers in	-	-	72,315	72,315
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>72,315</u>	<u>72,315</u>
Change in fund balances	<u>\$ -</u>	<u>\$ (1,085,730)</u>	313,020	<u>\$ 1,398,750</u>
Fund balances - beginning			<u>468,412</u>	
Fund balances - ending			<u>\$ 781,432</u>	

**CITY OF LAUDERHILL, FLORIDA**  
Special Revenue Fund - Home Grant  
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended September 30, 2016

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNT</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>Positive (Negative)</u>
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ 160,000	\$ 310,049	\$ 150,049
Total revenues	<u>-</u>	<u>160,000</u>	<u>310,049</u>	<u>150,049</u>
<b>EXPENDITURES</b>				
Recreation and social services	-	466,000	310,049	155,951
Total expenditures	<u>-</u>	<u>466,000</u>	<u>310,049</u>	<u>155,951</u>
Excess (Deficiency) of Revenue over Expenditures	-	(306,000)	-	306,000
Change in fund balances	<u>\$ -</u>	<u>\$ (306,000)</u>	<u>-</u>	<u>\$ 306,000</u>
Fund balances - begining			<u>(24,756)</u>	
Fund balances - ending			<u>\$ (24,756)</u>	

**CITY OF LAUDERHILL, FLORIDA**  
Combining Statement of Fiduciary Net Position  
Pension Trust Funds  
September 30, 2016

	<b>PENSION TRUST FUNDS</b>				<b>TOTAL</b>
	<b>General Employees Retirement</b>	<b>Firefighters Retirement</b>	<b>Police Retirement</b>	<b>Confidential and Managerial</b>	
<b>ASSETS</b>					
Cash and short-term investments	\$ 238,617	\$ 2,684,172	\$ 1,303,869	\$ 572,783	\$ 4,799,441
Receivables:					
Interest and dividends	-	115,326	48,139	7,061	170,526
Receivable for securities sold	-	117,629	181,955	-	299,584
Contributions	-	49	20,121	3,922	24,092
Total Receivables	<u>-</u>	<u>233,004</u>	<u>250,215</u>	<u>10,983</u>	<u>494,202</u>
Investments, at fair value					
Fixed income mutual funds	4,652,094	-	8,185,490	6,158,639	18,996,223
Debt securities	-	12,732,358	-	-	12,732,358
Income opportunity mutual funds	1,017,352	-	-	-	1,017,352
Absolute return equity funds	-	-	17,760,323	-	17,760,323
Domestic equity funds	11,806,671	33,010,627	11,355,879	10,226,557	66,399,734
International equity funds	3,188,394	8,825,829	7,369,842	3,159,035	22,543,100
Notes receivable	-	1,000,000	2,000,000	400,000	3,400,000
Real estate funds	850,000	11,297,030	9,804,788	-	21,951,818
Investments, at fair value	<u>21,514,511</u>	<u>66,865,844</u>	<u>56,476,322</u>	<u>19,944,231</u>	<u>164,800,908</u>
Accrued investment income	13,572	-	-	-	13,572
<b>Total Assets</b>	<u>21,766,700</u>	<u>69,783,020</u>	<u>58,030,406</u>	<u>20,527,997</u>	<u>170,108,123</u>
<b>LIABILITIES</b>					
Accounts payable and accrued expenses	4,671	79,135	33,265	29,350	146,421
Payable for securities purchased	-	102,999	213,393	-	316,392
Prepaid City contributions	-	4,168	-	641	4,809
<b>Total Liabilities</b>	<u>4,671</u>	<u>186,302</u>	<u>246,658</u>	<u>29,991</u>	<u>467,622</u>
<b>NET POSITION RESTRICTED FOR PENSIONS</b>					
Net position restricted for Deferred Retirement Option Plan Benefits	241,531	-	-	-	241,531
Net position restricted for Defined Benefits	21,520,498	69,596,718	57,783,748	20,498,006	169,398,970
Total Net Position Restricted for Pensions	<u>\$ 21,762,029</u>	<u>\$ 69,596,718</u>	<u>\$ 57,783,748</u>	<u>\$ 20,498,006</u>	<u>\$ 169,640,501</u>

**CITY OF LAUDERHILL, FLORIDA**  
Combining Statements of Changes in Fiduciary Net Position  
Pension Trust Funds  
For the Year Ended September 30, 2016

	<b>PENSION TRUST FUNDS</b>				<b>TOTAL</b>
	<b>General Employees Retirement</b>	<b>Firefighters Retirement</b>	<b>Police Retirement</b>	<b>Confidential and Managerial</b>	
<b>ADDITIONS</b>					
<b>Contributions:</b>					
City	\$ 1,162,968	\$ 3,822,621	\$ 2,342,742	\$ 1,822,643	\$ 9,150,974
Plan members	358,574	986,417	922,206	512,410	2,779,607
State revenue	-	391,657	381,449	-	773,106
Total contributions	<u>1,521,542</u>	<u>5,200,695</u>	<u>3,646,397</u>	<u>2,335,053</u>	<u>12,703,687</u>
<b>Investment income:</b>					
Net depreciation in fair value of investments	1,081,773	5,847,582	4,044,268	941,492	11,915,115
Interest and dividend income	1,096,765	862,747	1,310,514	934,900	4,204,926
Total investment income	2,178,538	6,710,329	5,354,782	1,876,392	16,120,041
Less: Investment expenses	29,533	423,980	169,057	34,319	656,889
Net investment income (loss)	<u>2,149,005</u>	<u>6,286,349</u>	<u>5,185,725</u>	<u>1,842,073</u>	<u>15,463,152</u>
Other income	20,333				20,333
Total additions	<u>3,690,880</u>	<u>11,487,044</u>	<u>8,832,122</u>	<u>4,177,126</u>	<u>28,187,172</u>
<b>DEDUCTIONS</b>					
Benefits paid	1,633,810	5,500,238	1,922,841	1,540,545	10,597,434
Administrative expenses	81,069	52,793	197,402	146,820	478,084
Refunds of contributions	74,140	219,180	156,372	2,408	452,100
Total deductions	<u>1,789,019</u>	<u>5,772,211</u>	<u>2,276,615</u>	<u>1,689,773</u>	<u>11,527,618</u>
Net increase ( decrease)	1,901,861	5,714,833	6,555,507	2,487,353	16,659,554
<b>NET POSITION RESTRICTED FOR PENSIONS</b>					
Net position restricted for pensions, October 1	19,860,168	63,881,885	51,228,241	18,010,653	152,980,947
Net position restricted for pensions, September 30	<u>\$ 21,762,029</u>	<u>\$ 69,596,718</u>	<u>\$ 57,783,748</u>	<u>\$ 20,498,006</u>	<u>\$ 169,640,501</u>

**CITY OF LAUDERHILL, FLORIDA**  
**STATISTICAL SECTION**  
**FISCAL YEAR ENDED SEPTEMBER 30, 2016**

This part of the City of Lauderhill'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 financial standing.

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<p style="margin-left: 40px;">These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.</p>	
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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.

CITY OF LAUDERHILL, FLORIDA

Net Position by Component

Last Ten Fiscal Years

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Governmental Activities</b>										
Net investment in capital assets	\$ 31,011,883	\$ 24,796,635	\$ 24,156,205	\$20,325,910	\$ 22,182,988	\$ 13,181,792	\$ 16,202,120	\$ 7,419,048	\$ 11,419,795	\$ 13,443,358
Restricted	3,352,740	6,504,816	4,397,068	5,370,240	2,036,571	3,033,340	2,615,738	3,212,780	3,195,881	3,080,126
Unrestricted	6,214,805	6,538,599	2,330,325	5,550,566	1,478,691	5,321,381	3,280,234	3,049,541	(41,662,942)	(40,730,139)
Total government activities net position	<u>40,579,428</u>	<u>37,840,050</u>	<u>30,883,598</u>	<u>31,246,716</u>	<u>25,698,250</u>	<u>21,536,513</u>	<u>22,098,092</u>	<u>13,681,369</u>	<u>(27,047,266)</u>	<u>(24,206,655)</u>
<b>Business Activities</b>										
Net investment in capital assets	11,361,249	14,087,557	12,292,025	15,557,718	17,163,711	16,583,392	22,272,644	33,559,984	37,741,534	41,446,576
Restricted	3,225,904	200,000	3,200,000	4,911,700	11,317,275	2,000,000	1,000,000	-	-	-
Unrestricted	12,408,154	13,013,219	13,532,070	12,637,267	7,075,980	24,493,356	24,400,278	28,706,475	22,351,885	24,679,585
Total business-type activities net position	<u>\$ 26,995,307</u>	<u>\$ 27,300,776</u>	<u>\$ 29,024,095</u>	<u>\$33,106,685</u>	<u>\$ 35,556,966</u>	<u>\$ 43,076,748</u>	<u>\$ 47,672,922</u>	<u>\$ 62,266,459</u>	<u>\$ 60,093,419</u>	<u>\$ 66,126,161</u>
<b>Total:</b>										
Net investment in capital assets	\$ 42,373,132	\$ 38,884,192	\$ 36,448,230	\$35,883,628	\$ 39,346,699	\$ 29,765,184	\$ 38,474,764	\$ 40,979,032	\$ 49,161,329	\$ 54,889,934
Restricted	6,578,644	6,704,816	7,597,068	10,281,940	13,353,846	5,033,340	3,615,738	3,212,780	3,195,881	3,080,126
Unrestricted	18,622,959	19,551,818	15,862,395	18,187,833	8,554,671	29,814,737	27,680,512	31,756,016	(19,311,057)	(16,050,554)
Total net position	<u>\$ 67,574,735</u>	<u>\$ 65,140,826</u>	<u>\$ 59,907,693</u>	<u>\$64,353,401</u>	<u>\$ 61,255,216</u>	<u>\$ 64,613,261</u>	<u>\$ 69,771,014</u>	<u>\$ 75,947,828</u>	<u>\$ 33,046,153</u>	<u>\$ 41,919,506</u>

**CITY OF LAUDERHILL, FLORIDA**  
**Changes in Net Position**  
**Last Ten Fiscal Years**

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>EXPENSES</b>										
<b>Governmental Activities</b>										
General Government	\$ 13,106,473	\$ 11,701,546	\$ 11,264,320	\$ 12,990,449	\$ 12,419,477	\$ 12,627,083	\$ 10,251,322	\$ 11,676,450	\$ 11,832,581	\$ 12,198,669
Public Safety	27,220,653	30,617,084	32,537,466	33,387,260	31,673,615	36,483,202	35,347,845	36,505,031	41,266,892	37,687,877
Public Works	5,045,729	7,184,547	6,491,970	5,421,282	-	-	-	-	-	-
Physical Environment	-	-	-	-	4,523,931	4,556,731	3,078,233	3,688,905	3,741,937	3,320,971
Transportation	-	-	-	-	1,202,644	2,548,863	2,794,920	2,490,663	2,307,102	2,302,723
Recreation and Social Services	7,980,172	6,242,142	7,089,302	7,450,136	8,604,826	6,415,018	8,182,418	7,907,784	8,884,752	9,138,237
Interest on long-term debt	2,429,421	2,257,723	2,478,666	2,384,424	2,475,944	2,786,822	2,875,566	3,033,403	2,869,306	2,491,542
<b>Total Governmental Activities Expenses</b>	<b>55,782,448</b>	<b>58,003,042</b>	<b>59,861,724</b>	<b>61,633,551</b>	<b>60,900,437</b>	<b>65,417,719</b>	<b>62,530,304</b>	<b>65,302,236</b>	<b>70,902,570</b>	<b>67,140,019</b>
<b>Business-type Activities</b>										
Water and Sewer	11,928,642	12,124,864	13,260,962	14,331,033	15,917,186	15,002,150	16,451,957	16,825,053	18,005,856	17,722,190
Stormwater	3,498,582	3,348,091	3,702,211	4,712,486	4,266,871	4,242,358	5,061,828	4,532,290	4,542,898	3,200,739
Performing Art	-	-	-	400	38,871	-	-	-	-	1,049,950
<b>Total Business-type Activities Expenses</b>	<b>15,427,224</b>	<b>15,472,955</b>	<b>16,963,173</b>	<b>19,043,919</b>	<b>20,222,928</b>	<b>19,244,508</b>	<b>21,513,785</b>	<b>21,357,343</b>	<b>22,548,754</b>	<b>21,972,879</b>
<b>Total Primary Government Expenses</b>	<b>71,209,672</b>	<b>73,475,997</b>	<b>76,824,897</b>	<b>80,677,470</b>	<b>81,123,365</b>	<b>84,662,227</b>	<b>84,044,089</b>	<b>86,659,579</b>	<b>93,451,324</b>	<b>89,112,898</b>
<b>PROGRAM REVENUES</b>										
<b>Governmental Activities</b>										
<b>Charges for Services</b>										
General Government	\$ 3,011,098	1,819,432	2,051,614	2,497,796	3,042,987	2,676,589	2,982,745	3,123,087	3,749,250	3,508,624
Public Safety	6,818,193	11,549,938	9,373,245	11,562,332	11,245,316	17,713,085	17,972,874	18,156,100	15,857,166	17,638,059
Recreation and Social Services	523,069	308,439	283,526	184,650	168,015	94,961	158,339	297,546	282,442	307,066
Transportation	-	-	-	-	98,314	80,771	1,564	5,249	1,700	1,494
Operating Grants/ Contributions	4,219,394	3,623,561	3,238,350	6,987,592	4,055,407	3,233,682	2,930,632	955,178	2,356,168	2,197,337
Capital Grants/Contributions	-	-	-	36,859	654,640	-	-	-	-	-
<b>Total Governmental Activities Program Revenues</b>	<b>14,571,754</b>	<b>17,301,370</b>	<b>14,946,735</b>	<b>21,269,229</b>	<b>19,264,679</b>	<b>23,799,088</b>	<b>24,046,154</b>	<b>22,537,160</b>	<b>22,246,726</b>	<b>23,652,580</b>
<b>Business-type Activities</b>										
Water and Sewer	12,227,142	11,904,684	14,643,598	18,688,110	17,172,007	15,978,038	16,936,949	17,147,012	18,193,371	21,122,088
Stormwater	3,662,059	3,737,707	3,965,906	4,329,392	5,028,664	5,701,690	5,968,523	5,822,334	6,007,958	5,947,705
Performing Arts	-	-	-	-	-	-	-	-	-	5,000
Operating Grants/ Contributions	-	-	-	-	-	-	-	-	-	-
Capital Grants/Contributions	-	-	-	-	-	2,622,188	3,190,121	5,678,309	132,201	7,909
<b>Total Business-type Activities Program Revenues</b>	<b>15,889,201</b>	<b>15,642,391</b>	<b>18,609,504</b>	<b>23,017,502</b>	<b>22,200,671</b>	<b>24,301,916</b>	<b>26,095,593</b>	<b>28,647,655</b>	<b>24,333,530</b>	<b>27,082,702</b>
<b>Total Primary Government Program Revenues</b>	<b>\$ 30,460,955</b>	<b>\$ 32,943,761</b>	<b>\$ 33,556,239</b>	<b>\$ 44,286,731</b>	<b>\$ 41,465,350</b>	<b>\$ 48,101,004</b>	<b>\$ 50,141,747</b>	<b>\$ 51,184,815</b>	<b>\$ 46,580,256</b>	<b>\$ 50,735,282</b>
<b>NET (EXPENSE) REVENUE</b>										
Governmental Activities	\$(41,210,694)	\$(40,701,672)	\$(44,914,989)	\$(40,364,322)	\$(41,635,758)	\$(41,618,631)	\$(38,484,150)	\$(42,765,076)	\$(48,655,844)	\$(43,487,439)
Business-type Activities	461,977	169,436	1,646,331	3,973,583	1,977,743	5,057,408	4,581,808	7,290,312	1,784,776	5,109,823
<b>Total Primary Government Net Revenue</b>	<b>\$(40,748,717)</b>	<b>\$(40,532,236)</b>	<b>\$(43,268,658)</b>	<b>\$(36,390,739)</b>	<b>\$(39,658,015)</b>	<b>\$(36,561,223)</b>	<b>\$(33,902,342)</b>	<b>\$(35,474,764)</b>	<b>\$(46,871,068)</b>	<b>\$(38,377,616)</b>

**CITY OF LAUDERHILL, FLORIDA**  
**Changes in Net Position-Continued**  
**Last Ten Fiscal Years**

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>GENERAL REVENUES AND TRANSFERS</b>										
Governmental Activities										
Property Taxes	\$17,100,159	\$16,179,042	\$ 15,955,227	\$ 15,921,086	\$ 12,932,606	\$ 14,379,270	\$ 14,749,938	\$ 15,752,313	\$ 16,535,701	\$ 18,155,144
Other Taxes	12,591,796	12,520,752	12,662,694	13,384,607	12,538,173	12,180,315	11,912,135	12,759,724	13,147,314	13,456,265
Investment Earnings	2,098,581	1,504,060	459,343	496,141	207,339	117,479	70,703	175,167	82,774	56,283
Other	9,690,510	8,137,619	8,866,132	10,925,606	11,709,383	10,779,830	12,312,953	13,015,519	18,530,714	17,061,851
Gain (Loss) on Sale of Land	-	-	-	-	-	-	-	-	-	249,621
Insurance Recoveries	-	1,556,485	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	15,144	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	(7,336,239)	(1,209,821)	(910,600)
<b>Total Governmental Activities Revenues</b>	<b>41,481,046</b>	<b>39,897,958</b>	<b>37,958,540</b>	<b>40,727,440</b>	<b>37,387,501</b>	<b>37,456,894</b>	<b>39,045,729</b>	<b>34,366,484</b>	<b>47,086,682</b>	<b>48,068,564</b>
Business-type Activities										
Investment Earnings	\$ 217,841	\$ 136,036	\$ 36,658	\$ 109,007	\$ 32,538	\$ 56,318	\$ 14,366	\$ 214,983	\$ 232,573	\$ 12,319
Miscellaneous	921,652	-	-	-	440,000	2,406,056	-	-	-	-
Transfers	-	-	-	-	-	-	-	7,336,239	1,209,821	910,600
<b>Total Business-type Activities Revenues</b>	<b>1,139,493</b>	<b>136,036</b>	<b>36,658</b>	<b>109,007</b>	<b>472,538</b>	<b>2,462,374</b>	<b>14,366</b>	<b>7,551,222</b>	<b>1,442,394</b>	<b>922,919</b>
<b>Total Primary Government Revenues</b>	<b>\$42,620,539</b>	<b>\$40,033,994</b>	<b>\$ 37,995,198</b>	<b>\$ 40,836,447</b>	<b>\$ 37,860,039</b>	<b>\$ 39,919,268</b>	<b>\$ 39,060,095</b>	<b>\$ 41,917,706</b>	<b>\$ 48,529,076</b>	<b>\$ 48,991,483</b>
<b>NET (EXPENSE) REVENUE</b>										
Governmental Activities	\$ 270,352	\$ (803,713)	\$ (6,956,449)	\$ 363,118	\$ (4,248,257)	\$ (4,161,737)	\$ 561,579	\$ (8,398,592)	\$ (1,569,162)	\$ 4,581,125
Business-type Activities	1,601,470	305,471	1,646,331	4,082,590	2,450,281	7,519,782	4,596,174	14,841,534	3,227,170	6,032,742
<b>Total Primary Government</b>	<b>\$ 1,871,822</b>	<b>\$ (498,242)</b>	<b>\$ (5,310,118)</b>	<b>\$ 4,445,708</b>	<b>\$ (1,797,976)</b>	<b>\$ 3,358,045</b>	<b>\$ 5,157,753</b>	<b>\$ 6,442,942</b>	<b>\$ 1,658,008</b>	<b>\$ 10,613,867</b>

**CITY OF LAUDERHILL, FLORIDA**  
**Fund Balances-Governmental Funds**  
**Last Ten Fiscal Years**

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>General Fund</b>										
Reserved	\$ 707,160	\$ 897,221	\$ 1,348,172	\$ 1,152,662	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	5,958,123	6,966,048	6,215,673	5,237,482	-	-	-	-	-	-
Nonspendable	-	-	-	-	166,778	219,609	659,357	4,570,887	3,950,388	5,797,443
Restricted	-	-	-	-	446,493	542,471	555,090	358,694	281,471	186,703
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	4,239,121	932,248	2,385,379	2,748,582	6,704,712	5,088,840
Unassigned	-	-	-	-	5,403,528	7,296,934	7,990,080	8,078,178	6,407,524	6,903,093
	<u>\$ 6,665,283</u>	<u>\$ 7,863,269</u>	<u>\$ 7,563,845</u>	<u>\$ 6,390,144</u>	<u>\$ 10,255,920</u>	<u>\$ 8,991,262</u>	<u>\$ 11,589,906</u>	<u>\$ 15,756,341</u>	<u>\$ 17,344,095</u>	<u>\$ 17,976,079</u>
<b>All Other Governmental Funds</b>										
Reserved	\$ 3,781,937	\$ 5,773,949	\$ 3,687,422	\$ 4,806,205	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reserved Reported In										
Special Revenue	2,994,178	(740,475)	(644,168)	(524,064)	-	-	-	-	-	-
Capital Project	19,397,877	2,988,433	43,293	5,313,431	-	-	-	-	-	-
Nonspendable	-	-	-	-	2,888,575	2,888,575	2,888,575	2,888,575	2,228,575	2,228,575
Restricted	-	-	-	-	107,282	565	565	565	565	565
Committed	-	-	-	-	9,994,625	4,753,373	12,585,179	1,620,666	-	-
Assigned	-	-	-	-	1,482,796	2,052,735	1,780,746	4,954,831	2,858,629	3,784,567
Unassigned	-	-	-	-	(3,693,435)	(3,551,218)	(3,733,318)	(8,960,775)	(10,343,453)	(12,895,048)
	<u>\$ 26,173,992</u>	<u>\$ 8,021,907</u>	<u>\$ 3,086,547</u>	<u>\$ 9,595,572</u>	<u>\$ 10,779,843</u>	<u>\$ 6,144,030</u>	<u>\$ 13,521,747</u>	<u>\$ 503,862</u>	<u>\$ (5,255,684)</u>	<u>\$ (6,881,341)</u>

Note: Information for fiscal years 2005 to 2010 have not been restated for Governmental Accounting Standards Board (GASB) Statement No. 54 classifications.

**CITY OF LAUDERHILL, FLORIDA**  
**Changes in fund Balances-Governmental Funds**  
**Last Ten Fiscal Years**

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>REVENUES</b>										
Property Taxes	\$ 17,100,159	\$ 16,179,042	\$ 15,955,227	\$ 15,921,086	\$ 12,932,608	\$ 14,379,270	\$ 14,749,937	\$ 15,752,313	\$ 16,535,701	\$ 18,155,146
Franchise Taxes	4,420,174	4,281,390	3,968,536	4,552,969	4,133,917	3,912,249	3,614,238	4,217,704	4,405,487	4,440,784
Public Service Taxes	8,171,622	8,239,362	8,694,157	8,831,638	8,404,256	8,268,066	8,297,897	8,542,020	8,741,827	9,015,481
Charges for services	7,280,089	8,038,796	10,040,958	11,276,229	11,221,702	16,963,862	17,841,126	17,909,475	15,409,625	17,278,595
Administrative Charges	3,131,312	2,051,343	3,624,548	4,713,999	5,344,558	5,073,029	4,957,242	5,108,603	7,903,572	8,314,619
Intergovernmental	9,494,549	12,015,037	8,143,497	12,191,590	11,229,104	8,233,766	9,277,197	8,116,564	11,347,439	10,280,240
License and Permits	2,848,814	1,740,312	1,916,602	2,057,512	1,952,467	2,222,920	2,417,456	2,583,521	1,971,292	3,003,092
Fines and Forfeiture	617,224	3,902,553	691,736	677,075	585,134	1,378,623	764,389	1,088,252	1,239,761	1,151,164
Investment Income	2,098,581	1,504,060	459,343	496,141	207,313	117,479	70,703	175,167	82,774	78,674
Rental Income	133,142	174,458	255,757	255,560	361,587	369,315	447,600	379,910	368,960	392,140
Other	626,531	515,915	84,103	1,598,548	279,534	337,403	685,154	518,815	3,022,491	356,646
<b>Total Revenue</b>	<b>55,922,197</b>	<b>58,642,268</b>	<b>53,834,464</b>	<b>62,572,347</b>	<b>56,652,180</b>	<b>61,255,982</b>	<b>63,122,939</b>	<b>64,392,344</b>	<b>71,028,929</b>	<b>72,466,581</b>
<b>EXPENDITURE</b>										
Current:										
General Government	12,265,063	11,329,546	10,886,907	12,734,557	11,607,562	12,270,763	9,615,531	11,169,703	10,569,176	12,199,661
Public Safety	26,088,653	29,470,084	31,044,616	31,901,233	30,277,908	35,424,845	33,665,496	35,364,606	37,072,694	38,528,388
Public Work	4,334,729	6,335,756	5,620,699	5,086,473	-	-	-	-	-	-
Physical environment	-	-	-	-	4,209,013	4,339,131	2,792,573	3,465,528	3,387,963	3,159,961
Transportation	-	-	-	-	676,078	2,078,314	2,264,951	1,957,271	1,719,003	1,802,477
Recreation and social services	6,984,153	5,342,142	6,136,233	8,392,014	7,132,328	5,101,008	6,563,836	6,436,763	6,866,763	7,892,902
Miscellaneous	-	-	-	-	-	-	-	-	-	-
Economic and Community Development	-	-	-	-	-	-	-	-	-	-
Debt Service:										
Principal retirement	1,807,500	995,000	2,124,992	2,159,247	2,284,670	2,824,579	3,439,512	4,469,488	6,649,251	5,106,888
Interest and issuance cost	2,429,420	2,254,223	2,359,299	2,319,841	2,475,944	1,704,290	2,708,991	2,987,542	3,018,959	2,667,394
Capital Outlay:	10,516,800	17,168,754	7,926,487	5,224,302	4,516,269	3,413,523	3,510,509	2,817,317	5,624,220	1,993,635
<b>Total Expenditures</b>	<b>64,426,318</b>	<b>72,895,505</b>	<b>66,099,233</b>	<b>67,817,667</b>	<b>63,179,772</b>	<b>67,156,453</b>	<b>64,581,399</b>	<b>68,668,218</b>	<b>74,908,029</b>	<b>73,351,306</b>
Excess Revenue Over (Under Expenditures)	(8,504,121)	(14,253,237)	(12,264,769)	(5,245,320)	(6,527,592)	(5,900,471)	(1,458,460)	(4,275,874)	(3,879,100)	(884,725)
<b>OTHER FINANCING SOURCE (USES)</b>										
Transfer In	8,424,175	4,286,828	10,042,142	6,102,670	11,470,253	7,238,055	6,488,401	11,707,672	8,789,100	8,784,449
Transfer Out	(8,424,175)	(4,286,828)	(10,042,142)	(6,102,670)	(11,470,253)	(7,238,055)	(6,488,401)	(19,043,911)	(9,998,921)	(9,695,049)
Payment to refunded bond escrow agent	4,864,619	(3,500)	(62,000)	(108,250)	(225,576)	-	(214,716)	(61,029)	(27,005,514)	-
Refunding bonds issued	-	-	-	-	-	-	-	-	25,265,000	-
Premium on refunding issued	-	-	-	-	-	-	-	-	1,740,514	-
Issuance of debt	-	778,071	7,054,000	10,065,000	11,803,215	-	11,225,000	2,060,000	-	-
Capital leases	-	-	576,841	-	-	-	424,537	175,658	1,402,829	-
Advance	-	-	(554,000)	-	-	-	-	-	-	-
Sale of capital assets	(2,220,237)	-	15,144	-	-	-	-	-	-	801,652
Loss on sale	-	-	-	-	-	-	-	-	(485,700)	-
Insurance recoveries	-	1,556,485	-	623,894	-	-	-	-	-	-
Total Other Financing Sources (Uses)	2,644,382	2,331,056	7,029,985	10,580,644	11,577,639	-	11,434,821	(5,161,610)	(292,692)	(108,949)
Net Change in Fund Balance	<b>\$ (5,659,739)</b>	<b>\$ (11,922,181)</b>	<b>\$ (5,234,784)</b>	<b>\$ 5,335,324</b>	<b>\$ 5,050,047</b>	<b>\$ (9,900,471)</b>	<b>\$ 9,976,361</b>	<b>\$ (9,437,484)</b>	<b>\$ (4,171,792)</b>	<b>\$ (993,673)</b>
Debt Service as a Percentage of Non-capital Expenditures	7.86%	5.83%	7.71%	7.16%	8.12%	7.10%	10.07%	11.32%	13.95%	10.89%

**CITY OF LAUDERHILL, FLORIDA**  
 Assessed Value and Estimated Actual Value of Taxable Property  
 Last Ten Fiscal Years

FISCAL YEAR	TAX ROLL YEAR	RESIDENTIAL PROPERTY	COMMERCIAL PROPERTY	INDUSTRIAL PROPERTY	ALL OTHER PROPERTIES	LESS: EXEMPTIONS					TOTAL TAXABLE ASSESSED VALUE	TOTAL DIRECT TAX RATE
						HOMESTEAD	GOVERNMENTAL	INSTITUTIONAL	SAVE OUR HOMES	OTHER		
2007	2006	n/a	n/a	n/a	n/a	\$ 354,840,809	\$ 64,418,643	\$ 71,831,051	\$ 413,823,392	\$ 3,529,238	\$ 2,138,901,131	6.65
2008	2007	n/a	n/a	n/a	n/a	355,994,920	187,710,230	75,452,364	950,577,710	5,887,900	2,675,359,177	5.48
2009	2008	n/a	n/a	n/a	n/a	380,328,250	246,808,100	98,329,092	1,176,566,740	1,013,308	3,035,752,766	5.93
2010	2009	n/a	n/a	n/a	n/a	629,541,380	246,808,100	106,601,588	868,255,460	8,263,680	2,776,843,012	6.93
2011	2010	n/a	n/a	n/a	n/a	591,870,172	269,469,940	207,596,040	407,855,100	7,723,220	2,376,012,968	7.20
2012	2011	n/a	n/a	n/a	n/a	508,426,900	281,891,010	103,825,609	103,549,150	7,354,630	1,852,925,615	8.09
2013	2012	n/a	n/a	n/a	n/a	459,112,080	288,509,821	85,296,229	86,673,880	7,062,740	1,754,261,980	8.70
2014	2013	n/a	n/a	n/a	n/a	448,525,450	294,876,428	87,551,121	153,744,933	7,229,440	1,808,062,038	8.65
2015	2014	n/a	n/a	n/a	n/a	441,644,030	300,290,287	93,175,377	317,459,390	7,209,630	1,909,152,144	8.65
2016	2015	n/a	n/a	n/a	n/a	436,481,910	303,231,926	60,198,365	507,960,920	8,987,240	2,128,509,560	8.66

Source: City of Lauderhill Finance Department

**CITY OF LAUDERHILL, FLORIDA**  
Property Tax Millage Rates  
Direct and Overlapping Governments  
Last Ten Fiscal Year

City of Lauderhill					Overlapping Rates											Total Tax Rate
Fiscal Year	Tax Roll	Operating Millage	Debt Service Millage	Total City Millage	Broward County			School Board of Broward County				Childrens Services	So. Florida Water Management District	Florida Inland Navigational District	North Broward Hospital District	
					Operating Millage	Debt Service Millage	Total County Millage	Operating Millage	Debt Service Millage	School Board Millage	Total Millage					
2007	2006	6.0200	0.6310	6.6510	-	-	6.7830	7.6790	0.1897	7.8687	0.4231	0.6970	0.0385	2.1746	24.6359	
2008	2007	4.7340	0.7500	5.4840	-	-	5.2868	7.4770	0.1714	7.6484	0.3572	0.6240	0.0345	1.6255	21.0604	
2009	2008	5.0646	0.8700	5.9346	-	-	5.3145	7.4170	-	7.4170	0.3754	0.6240	0.0345	1.7059	21.4059	
2010	2009	5.9574	0.9700	6.9274	4.8889	0.5000	5.3889	7.4310	-	7.4310	0.4243	0.6240	0.0345	1.7059	22.5360	
2011	2010	5.9574	1.2380	7.1954	5.1021	0.4509	5.5530	7.6310	-	7.6310	0.4696	0.6240	0.0345	1.8750	23.3825	
2012	2011	6.8198	1.2751	8.0949	5.1860	0.3670	5.5530	7.4180	-	7.4180	0.4789	0.4363	0.0345	1.8750	23.8906	
2013	2012	7.4198	1.2804	8.7002	5.2576	0.2954	5.5530	7.4560	-	7.4560	0.4902	0.4289	0.0345	1.8564	24.5192	
2014	2013	7.3698	1.2804	8.6502	5.4400	0.2830	5.7230	7.4800	-	7.4800	0.4882	0.4110	0.0345	1.7554	24.5423	
2015	2014	7.3698	1.2804	8.6502	5.4584	0.2646	5.7230	7.4380	-	7.4380	0.4882	0.3842	0.0345	1.5939	24.3120	
2016	2015	7.5898	1.0717	8.6615	5.4741	0.2489	5.7230	7.2030	0.0710	7.2740	0.4882	0.3551	0.0320	1.4425	23.9763	

Source: Broward County Property Appraiser

**CITY OF LAUDERHILL, FLORIDA**  
Principal Property Taxpayers  
Current Year and Nine Years Ago

TAXPAYER	TYPE OF BUSINESS	2016		
		TAXABLE ASSESSED VALUE	RANK	PERCENT OF TOTAL ASSESSED VALUE
PACIFICA LAUDERHILL LLC (Retirement Home)	Service	\$ 33,671,097	1	1.6%
DAEJAN INVERRARY GARDENS LLC (Apartments)	Real Estate	30,553,147	2	1.4%
TMIF GLEN LLC (Apartments)	Real Estate	28,765,008	3	1.4%
HPT-CYPRESS GROVE ASSOCIATES LTD (Apartments)	Real Estate	26,961,878	4	1.3%
SERRAMAR APARTMENTS LLC (Apartments)	Real Estate	26,748,950	5	1.3%
WATERFORD PARK APARTMENT LLC (Apartments)	Real Estate	26,026,719	6	1.2%
2500 INVERRARY CLUB APARTMENTS LLC (Apartments)	Real Estate	20,549,835	7	1.0%
INVERRARY APARTMENTS LLC (Apartments)	Real Estate	18,480,900	8	0.9%

TAXPAYER	TYPE OF BUSINESS	2007		
		TAXABLE ASSESSED VALUE	RANK	PERCENT OF TOTAL ASSESSED VALUE
Landings of Inverrary (Apartments)	Real Estate	\$ 23,556,000	1	1.6%
Westbrooke of Inverrary (Retirement Home)	Sevice	21,824,360	2	1.5%
Inverrary Gardens (Apartments)	Real Estate	21,133,570	3	1.5%
Target Corporation (Shopping Center)	Retail	18,460,680	4	1.3%
Rossland Real Estate (Lauderhill Mall)	Retail	14,266,500	5	1.0%
Inverrary 441 Trust (Apartments)	Real Estate	10,007,960	6	0.7%
Inverrary Apartments LLC (Apartments)	Real Estate	7,094,950	7	0.5%
Kimco Development (Shopping Center)	Retail	6,988,390	8	0.5%

Source: City of Lauderhill Finance Department

**CITY OF LAUDERHILL, FLORIDA**  
Property Tax Levies and Collections  
Last Ten Fiscal Years

FISCAL YEAR	TAXES LEVIED		COLLECTION WITHIN THE		PERCENTAGE OF LEVY	COLLECTIONS		<u>TOTAL COLLECTION TO DATE</u>		
	FOR THE FISCAL YEAR		<u>FISCAL YEAR OF THE LEVY</u>			IN SUBSEQUENT YEARS		<u>AMOUNT</u>	<u>PERCENTAGE OF LEVY</u>	
2007	\$	16,045,030	\$	15,414,838	96.07	\$	126,557	\$	15,477,407	96.46%
2008		14,403,466		14,294,160	99.24		148,358		14,420,718	99.09%
2009		14,063,408		13,953,535	99.22		141,571		14,101,893	99.27%
2010		14,157,121		13,632,070	96.29		123,964		13,773,641	97.29%
2011		11,129,627		10,825,254	97.27		116,673		10,949,218	98.38%
2012		11,887,054		11,550,580	97.17		98,177		11,667,253	98.15%
2013		12,415,310		12,272,124	98.85		128,490		12,370,301	99.64%
2014		13,116,133		12,720,538	96.98		121,217		12,849,028	97.96%
2015		13,929,300		13,468,609	96.69		127,652		13,589,826	97.56%
2016		15,696,380		15,272,578	97.30		-		15,400,230	98.11%

Source: Office of Broward County Revenue Collections

**CITY OF LAUDERHILL, FLORIDA**  
Ratio of Outstanding Debt by Type  
Last Ten Fiscal Years  
(Dollars in Thousands Except Percentage of Personal Income & Per Capita )

FISCAL YEAR	GOVERNMENTAL ACTIVITIES				BUSINESS-TYPE ACTIVITIES				TOTAL PRIMARY GOVERNMENT	PERCENTAGE OF PERSONAL INCOME	PER CAPITA*
	GENERAL OBLIGATION BONDS	REVENUE BONDS	ECONOMIC DEVELOPMENT NOTES PAYABLE	CAPITAL LEASES	WATER & SEWER REVENUE BONDS	STORMWATER REVENUE BONDS	STATE REVOLVING FUND LOANS				
2007	\$ 33,070	\$ 16,595	\$ 4,865	\$ -	\$ 22,785	\$ 4,890	\$ 6,920	\$ 89,125	0.11	\$ 1,173	
2008	32,150	16,595	7,503	-	23,110	4,890	6,811	91,059	0.11	1,348	
2009	31,200	22,195	7,901	458	22,195	10,780	8,570	103,299	0.03	1,359	
2010	30,220	31,335	9,001	298	21,175	10,360	8,472	110,861	0.04	1,459	
2011	29,205	41,505	8,926	736	20,125	9,960	8,200	118,657	0.06	1,774	
2012	28,155	39,888	8,926	576	24,050	9,540	7,682	118,817	0.06	1,776	
2013	27,070	38,212	19,631	842	22,950	9,105	7,155	124,965	0.07	1,868	
2014	25,945	38,188	18,590	798	21,530	10,705	6,612	122,368	0.06	1,753	
2015	23,350	35,702	17,513	1,710	20,060	9,930	6,053	114,318	0.06	1,637	
2016	22,225	33,332	16,404	1,208	16,830	9,220	5,413	104,632	0.05	1,499	

\* See Schedule of Demographic and Economic Statistics on page 119 for population data.

**CITY OF LAUDERHILL, FLORIDA**  
Ratios of Net General Bonded Debt Outstanding  
Last Ten Fiscal Years

FISCAL YEAR	GENERAL OBLIGATION BONDS	LESS: AMOUNTS AVAILABLE IN DEBT SERVICE FUND	NET GENERAL BONDED DEBT	PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY *	PER CAPITA **
2007	\$ 33,070	\$ -	\$ 33,070	1.09	\$ 435
2008	32,150	-	32,150	1.06	423
2009	31,200	-	31,200	1.31	411
2010	30,220	-	30,220	1.27	398
2011	29,205	-	29,205	1.58	437
2012	28,155	-	28,155	1.60	421
2013	27,070	-	27,070	1.54	405
2014	25,945	-	25,945	1.43	372
2015	23,350	-	23,350	1.22	334
2016	22,225	718	21,507	1.04	308

\* See Schedule of Assessed Value and Estimated Actual value of Taxable Property on page 111 for property value data.  
\*\* See Schedule of Demographic and Economic Statistics on page 119 for population data.

**CITY OF LAUDERHILL, FLORIDA**  
Direct and Overlapping Governmental Activities Net Debt  
September 30, 2016

	<u>NET DEBT OUTSTANDING</u>	<u>ESTIMATED PERCENTAGE APPLICABLE</u>	<u>ESTIMATED SHARE OF OVERLAPPING NET DEBT</u>
<b>GOVERNMENTAL UNIT</b>			
Broward County			
General Obligation Bonds	\$ 274,813,000	1.36%	\$ 3,729,066
Broward County School Board			
General Obligation Bonds	151,840,000	1.36%	<u>2,060,388</u>
Subtotal Overlapping Debt			5,789,454
City of lauderhill Direct Debt			
General Obligation Debt	22,225,000	100.00%	22,225,000
Revenue Bonds	33,332,000	100.00%	33,332,000
Capital Lease	1,208,000	100.00%	1,208,000
Notes Payable	16,404,000	100.00%	<u>16,404,000</u>
Subtotal Direct Debt			<u>73,169,000</u>
Total Direct and Overlapping Debt			\$ <u>78,958,454</u>

Sources: Assesed 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 LAUDERHILL, FLORIDA**

Revenue Bond Coverages

Last Ten Fiscal Years

Water and Sewer Revenue Bond Issues

Fiscal Year	Operating Income Before Depreciation, Amortization and Operating Grant Expenses Plus Interest Income	Debt Service	Times Coverage
2007	\$ 3,121,322	\$ 1,840,847	1.70
2008	2,441,963	1,862,584	1.31
2009	3,343,077	1,927,139	1.73
2010	6,744,874	1,909,006	3.53
2011	3,500,718	1,901,806	1.84
2012	3,211,917	1,887,425	1.70
2013	3,143,906	2,321,488	1.35
2014	3,388,009	2,287,574	1.48
2015	3,953,863	2,284,721	1.73
2016	5,426,019	2,279,296	2.38

Stormwater Revenue Bond Issues

Fiscal Year	Operating Income Before Depreciation and Amortization Plus Interest Income	Debt Service	Times Coverage
2007	\$ 1,312,936	\$ 327,878	4.00
2008	1,514,737	323,478	4.68
2009	1,741,159	319,078	5.46
2010	1,705,643	913,058	1.87
2011	2,673,115	882,226	3.03
2012	3,039,410	883,650	3.44
2013	3,319,630	878,890	3.78
2014	3,457,315	883,684	3.91
2015	2,916,478	922,123	3.16
2016	3,209,415	923,588	3.47

Capital Improvement Revenue Bond Issues

Fiscal Year	1/2 Cent Sales Tax Revenues	Debt Service	Times Coverage
2007	\$ 3,902,132	\$ 1,591,476	2.45
2008	3,581,018	1,590,988	2.25
2009	3,258,324	1,584,050	2.06
2010	3,257,795	1,741,581	1.87
2011	3,406,437	1,726,855	1.97
2012	3,675,954	1,649,678	2.23
2013	3,902,357	1,746,210	2.23
2014	4,125,078	1,765,732	2.34
2015	4,311,002	1,763,509	2.44
2016	4,539,497	1,748,755	2.60

**CITY OF LAUDERHILL, FLORIDA**  
Demographic and Economic Statistics  
Last Ten Fiscal Years

FISCAL YEAR	CITY OF LAUDERHILL POPULATION	BROWARD COUNTY POPULATION	BROWARD COUNTY PERSONAL INCOME		CITY PERSONAL INCOME		CITY PERSONAL INCOME	UNEMPLOYMENT RATE
			(IN THOUSANDS)	(IN THOUSANDS)	(IN THOUSANDS)	(IN THOUSANDS)		
2007	76,000	1,787,636	\$ 73,595,186	41,169	\$ 1,469,612	\$ 19,337	3.1	
2008	76,000	1,759,591	72,440,602	41,169	1,469,612	19,337	6.3	
2009	76,000	1,751,234	72,096,553	41,169	1,469,612	19,337	9.8	
2010	76,000	1,751,234	72,096,553	41,169	1,469,612	19,337	9.8	
2011	66,887	1,748,066	49,758,699	28,465	1,293,394	19,337	9.8	
2012	66,887	1,748,066	49,758,699	28,465	1,293,394	19,337	9.8	
2013	66,887	1,748,066	49,758,699	28,465	1,293,394	19,337	9.8	
2014	69,813	1,838,844	51,864,595	28,205	1,295,520	18,557	5.7	
2015	69,813	1,838,844	51,864,595	28,205	1,295,520	18,557	5.7	
2016	69,813	1,838,844	51,864,595	28,205	1,295,520	18,557	5.7	

U.S. Department of Commerce, Bureau of the Census for 1960-2014

\* Estimate based on annexation of un-incorporated area's

**CITY OF LAUDERHILL, FLORIDA**  
Principal Employers  
Current Year and Nine Years Ago

EMPLOYER	2016			2007		
	EMPLOYEES	RANK	PERCENTAGE OF TOTAL EMPLOYMENT	EMPLOYEES	RANK	PERCENTAGE OF TOTAL EMPLOYMENT
City of Lauderhill	600	1	33.33%	514	1	56.24%
Broward County Public School District in Lauderhill	500	2	27.78%	400	2	43.76%
United Parcel Service	400	3	22.22%			
Target	200	4	11.11%			
Publix	100	5	5.56%			
Total	<u>1,800</u>		<u>100.00%</u>	<u>914</u>		<u>100.00%</u>

Source: City of Lauderhill Economic Development Department

**CITY OF LAUDERHILL, FLORIDA**  
 Full Time Equivalent City Government Employees by Function /Program  
 Last Five Fiscal Years

<b>FUNCTION/PROGRAM</b>	<u>2012</u>	<u>2013</u>	<u>2014</u>	2015	2016
<b>General Government</b>					
Commission	0	1	0	0	0
City Manager	3	5	6	7	7
City Clerk	4	4	4	4	3
MIS	5	4	5	4	5
Special Events	3	2	2	2	2
Park Ranger	0	0	0	0	3
Finance	7	6	5	5	5
Purchasing	2	3	2	2	3
Housing & Eco	0	0	0	0	4
Utility Customer Service	10	10	8	6	5
Management & Budget	7	6	6	7	4
Fleet Maint	2	2	3	5	4
Human Resources	4	4	5	5	5
Grants Administration	1	0	0	0	0
Building					5
Planning/Zoning	5	3	5	0	5
Code Enforcement	10	15	13	8	9
Building Maint	11	7	8	9	12
Streets & Roads	21	4	2	3	4
<b>Public Safety</b>					
Police - Administration	14	9	12	11	11
Police - Operations	87	75	72	64	65
Police - Support Serv.	20	39	40	40	44
Fire/EMS	66	70	69	67	64
Fire Inspections	2	2	3	3	3
Fire - Rescue	23	23	26	25	23
Fire-Fleet Service	0	0	0	0	1
<b>Culture and Recreation</b>					
PALS - Admin	2	2	3	3	4
PALS - Aquatics	2	2	1	2	3
PALS - Athletic Programs	2	2	2	2	4
PALS - Westside facilities	1	21	21	19	20
PALS - Sports Park	1	1	1	1	1
PALS - Childrens Programs	1	1	1	2	1
PALS - Community Services	6	6	6	8	6
<b>Business Enterprise</b>					
Engineering	9	9	10	7	3
Water Distribution	1	1	1	1	1
Stormwater Capital Projects	14	15	15	17	24
Stormwater Maintenance	1	1	3	3	2
Water Transmission	21	23	22	21	18
<b>TOTALS</b>	<b>368</b>	<b>378</b>	<b>382</b>	<b>363</b>	<b>383</b>

Source: City of Lauderhill Finance Department

**CITY OF LAUDERHILL, FLORIDA**  
**Operating Indicators by Function/Program**  
**Last Five Fiscal Years**

<b>FUNCTION/PROGRAM</b>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Public Safety					
Police					
911 & Non Emergency Calls Received	61,488	62,222	63,932	65,375	59,029
Citations Processed	6,108	5,910	7,620	5,350	3,253
Arrests Processed	1,136	1,065	1,119	1,210	828
Fire Rescue					
Total Incidents	12,998	13,052	14,569	15,679	15,330
Total Fire Incidents	166	152	152	177	181
Physical Environmen					
Water Distribution					
Water Main Failures	11	21	22	7	8
New Water Mains Construction (Feet)	870	-	180	-	-
Raw Water Treated (Billions of Gallons)	2	2	2	2	2
Water Treatment					
Raw Wastewater Treated (Bilion of Gallons)	2	2	2	2	2
Sanitation					
Household Refuse Collected (Tons)	-	-	-	-	-
Recycling Tonnage	-	-	-	-	-
Culture and Recreation					
Parks and Recreation					
Pavilion Rentals	34	15	46	109	279
Park Attendance	355,043	384,330	232,952	405,102	419,500
Pool Attendance	5,704	15,348	11,541	8,355	4,165

-Figures were unavailable

Source: City of Lauderhill Various Departments

**CITY OF LAUDERHILL, FLORIDA**  
**Capital Asset Statistics by Function/Program**  
**Last Ten Fiscal Years**

<b>FUNCTION/PROGRAM</b>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Public Safety										
Police										
Station	4	4	4	4	3	3	3	4	4	3
Patrol Units										
Fire Stations	4	4	4	4	4	4	4	4	4	4
Highways and Streets										
Streets( miles)	110	110	111	111	111	111	111	111	111	111
Streets lights	1620	1620	1620	1620	1620	1620	1620	1620	1620	1620
Culture and recreation										
Parks Acreage	105.41	105.91	235.76	236.66	237.69	237.69	237.69	237.69	237.69	237.69
Parks	17	18	20	21	22	22	22	22	22	22
Tennis Courts	18	18	18	18	18	18	18	18	18	18
Community Centers	4	4	4	5	6	7	7	7	7	7
Aquatic Center	2	2	2	2	3	3	3	3	3	3
Water										
Water Mains (miles)	141	141	145	145	145	145.16	145.16	145.16	144.04	145
Fire Hydrants	1300	1306	1318	1326	1327	1327	1331	1334	1335	1342
Maximum Daily Capacity* (millions of gallons)*	-	-	-	16	16	16	16	16	16	16
Sewer										
Sanitary Sewers (miles)	123.22	123.22	123.22	123.22	123.24	123.24	123.24	123.24	123.44	123.44
Storm Sewers (miles)	50	50.53	50.53	50.53	50.53	50.53	50.53	50.53	50.53	50.53
Maximum Daily Capacity* (millions of gallons)*	-	-	-	7	7	7	7	7	7	7

-Figures were unavailable

Source: City of Lauderhill Various Departments

## City of Lauderdale

### Brown & Brown Public Risk Insurance Agency

#### Insurance Coverage

October 1, 2015-16

**Total Premium \$994,064**

<b>Coverage</b>	<b>Limit</b>	<b>Deductibles/Retention</b>
Property	\$95,306,971	\$25,000 All other Perils, 5% occurrence per named storm minimum of \$35,000
Boiler & Machinery	\$50,000,000	\$5,000
Earthquake Annual Aggregate	\$1,000,000	\$25,000 per earth movement
Flood Aggregate	\$5,000,000	\$25,000 per flood loss except zones A&V excess NFIP
Terrorism	\$5,000,000	\$25,000
General Liability	\$1,000,000	\$100,000 (Self-Insured Retention)
Employee Benefits Liability	\$1,000,000	\$100,000 (Self-Insured Retention)
Law Enforcement Liability	\$1,000,000/\$1,000,000	\$100,000 (Self-Insured Retention)
Public Officials Liability	\$2,000,000/\$2,000,000	\$100,000 (Self-Insured Retention)
Employment Practice Liability	\$2,000,000/\$2,000,000	\$100,000 (Self-Insured Retention)
Workers Compensation	\$1,000,000	\$350,000 (Self-Insured Retention)
Auto Liability	\$1,000,000	\$100,000 (Self-Insured Retention)
Crime	\$500,000	\$5,000

Source: Brown and Brown Public Risk Insurance Agency



[www.lauderhill-fl.gov](http://www.lauderhill-fl.gov)

CITY COMMISSION

Mayor Richard J. Kaplan  
Vice Mayor Ken Thurston  
Commissioner M. Margaret Bates  
Commissioner Hayward J. Benson, Jr.  
Commissioner Howard Berger

City of Lauderhill, FL  
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Lauderhill, FL 33313