

Comprehensive Annual Financial Report



City of Lauderhill, FL
For Year Ended September 30, 2013

Comprehensive Annual Financial Report

City of Lauderdale, Florida



For the Fiscal Year Ended September 30, 2013

Prepared by

City of Lauderdale Finance Department

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

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March 20, 2014

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, 2013, is hereby submitted as mandated by both local ordinances and state statutes. The financial statements included in this report conform with 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, 2013 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, 2013, 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.

Like most cities in South Florida, Lauderhill is recovering from the economic downturn that has affected most municipalities throughout the country. In fact, because of proactive changes to increase efficiencies and reduce operating costs, the City was able to navigate through the tough economic times with minimal impact on Fund Balance. 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 2014. Lauderhill's assessed valuation has slightly increased, resulting in an increase in property value in City. 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 neighborhood Stabilization Program funding have resulted in the increase of property values throughout the Community.

Major Initiatives and Capital Projects

During fiscal year 2013, the City continued its commitment to the residents by improving roadways, providing landscaping and acquiring capital assets to assist with the development of the overall community. With the exception of the \$5 million allocated for the Performing Arts Center, all other General Obligation Bond projects were completed during this fiscal year. The major capital initiatives in the 2014 budget are the construction of the Lauderhill Performing Arts Center, Fire Station 110 and the purchase of equipment for the Public Safety Communication System. The proposed fire station will be an estimated 13,000 square feet. A Police Sub Station, fueling facility, and a large training tower for police and fire rescue crews will be incorporated into the design. The facility will include shared workout and meeting rooms as part of a cost savings design. Funding from the Electric Tax Bond will be utilized to purchase ambulance and command vehicles for the Fire Department as well as replaced Sustained Contained Breathing Apparatus. There will also be lighting improvement at multiple parks, St George Park restrooms and building improvements at the Golf Course. The City is in the process of purchasing the Brissett property adjacent to City Hall.

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 a future branch of the Broward County Library on-site. In addition, this location is the site of the

City's Performing Arts Center, which will host live plays, musical and dance performances, visual arts and various educational and enrichment events.

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.

Resulting from a successful grant application for Neighborhood Stabilization Funds, the City was awarded \$4.2 million to purchase dilapidated properties. As of 2013, the City acquired approximately 37 residential properties through the NSP program. The sites are slated for renovation and resale by the Lauderhill Housing Authority over the next year. The primary goal is to stabilize neighborhoods in the City of Lauderhill and encourage homeownership in the community. A substantial priority of the NSP program is the use of green building techniques. As such, these 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 2014.

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, two Utility Tax Revenue Bonds, five Water and Sewer Revenue Bonds, two 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. All of our bond issues are rated AAA by Standard and Poor's and Moody's, and are insured by Financial Guaranty Insurance Company, the Municipal Bond Insurance Association, or by AMBAC Indemnity Corporation. The total

outstanding principal as of September 30, 2013 is \$18,060 thousand for the Sales Tax Bonds, \$8,927 thousand for Water Utility Tax Bond, \$11,225 thousand for Electric Utility Revenue Bond, \$22,950 thousand for the Water and Sewer Revenue Bonds, \$9,105 thousand for the Stormwater Bonds, \$27,070, thousand for the General Obligation Bonds and \$19,631 thousand for Notes Payable. Revenue bonds have been issued between 2003 and 2013 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. The debt service coverage required by the bond covenants is displayed in the Statistical Section of these 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, repainting 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 asset 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, 2012. This is the twenty-fifth consecutive year (fiscal year ended September 30, 1988-2012) 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, 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,

Kennie Hobbs, Jr

Kennie Hobbs, Jr.

Assistant City Manager/Finance & Support Services Director



Government Finance Officers Association

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

Presented to

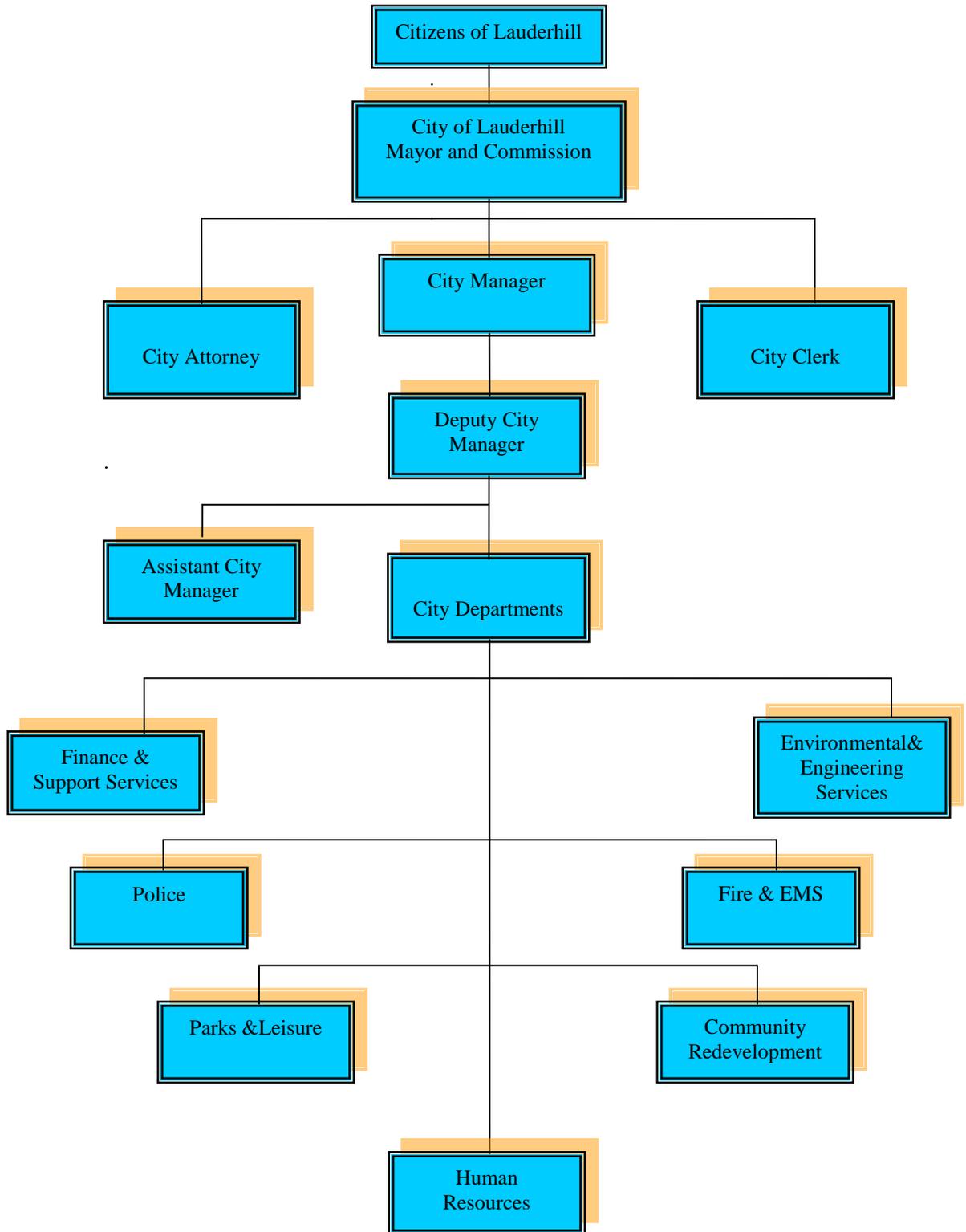
**City of Lauderhill
Florida**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2012

Executive Director/CEO

City of Lauderhill, Florida



City of Lauderdale, Florida

Commission/Manager Form of Government



Mayor
Richard J. Kaplan

Vice Mayor – M. Margaret Bates
Commissioner – Ken Thurston
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>
Department of Environmental & Engineering Services 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>Andrew Smalling</i>



INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

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 City of Lauderhill, Florida, (the City) as of and for the year ended September 30, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the City's Police Officers' Retirement Plan, General Employees Retirement System, Firefighters' Retirement System and Confidential and Managerial Employees Defined Benefit Retirement Plan which represent respectively, 100 percent, of the net position and revenues of the aggregate remaining fund information. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the fiduciary funds, is based solely on the report of the other auditors. The financial statements of the Police Officers' Retirement Plan, Firefighters' Retirement System and the Confidential and Managerial Employees Defined Benefit Retirement Plan were not conducted in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall financial statement 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, each major fund, and the aggregate remaining fund information of the City as of September 30, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the other required supplementary information on pages 15–25 and 76–80, respectively be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and the other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, other budgetary comparison schedules 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, other budgetary comparison schedules and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, other budgetary comparison schedules and the schedule of expenditures of federal awards are 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 them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 20, 2014, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.

HCT Certified Public Accountants & Consultants, LLC

Hollywood, Florida
March 20, 2014

CITY OF LAUDERHILL, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FISCAL YEAR ENDED SEPTEMBER 30, 2013

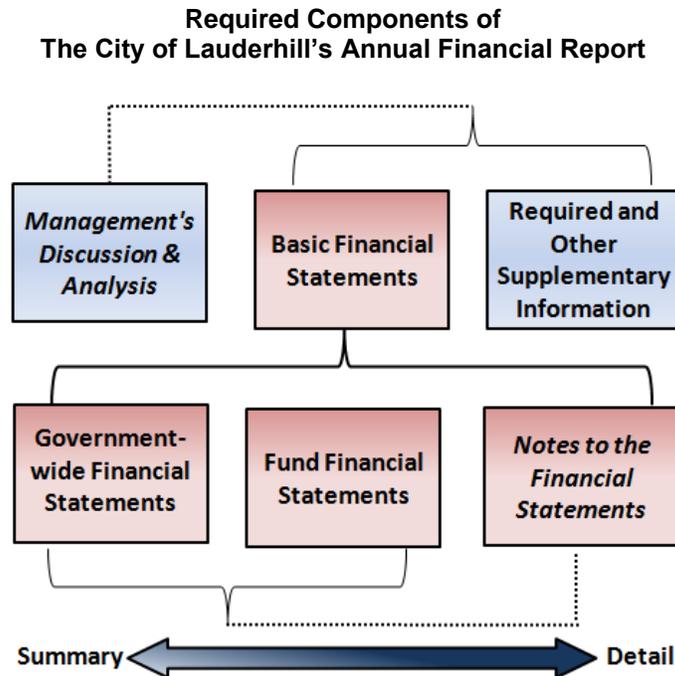
We, the management of the City of Lauderhill (the "City"), offer readers of the City's financial statement a narrative representation of the City's financial performance for fiscal year ended September 30, 2013. This discussion and analysis will provide an overview of the City's financial activities 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 \$69,771 (net position). Of this amount, \$27,681 (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.
- During fiscal year 2013, the government's total net position increased by \$5,158 to \$69,771. Governmental net assets increased by \$562 (2.61 percent), while business-type activity net assets increased by \$4,596 (10.67 percent).
- During fiscal year 2013, revenues of all Governmental Funds totaled \$63,123 while expenditures (before other financing sources and uses) totaled \$64,581. As a result, Governmental Revenues were \$1,458 less than Governmental Fund Expenditures. Also, the City realized an increase in total Governmental Funds Fund Balance (net of other financing sources and uses) of \$9,976 during fiscal year 2013.
- Business-type activities yielded a net operating income of \$3,629 and non-operating expenses of \$2,223. During fiscal year 2013, operating revenues increased by \$1,226 from fiscal year 2012, totaled \$22,906 compared to \$21,680 during 2012. The increase in operating revenues is a result of higher utility consumption and a slight increase in rates. 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 \$83,858 or \$1,328 (1.56 percent) less than fiscal year 2012. The General Government costs decreased by more than \$2,575 and Enterprise costs increase by \$1,247 during fiscal year 2013.
- As of the close of the current fiscal year, the General Fund reported revenues in excess of expenditures of \$6,493 before other financing sources (uses) of \$(3,894). Comparing 2013 income to 2012, there is an increase of \$4,348.

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.



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 assets changed during the most recent fiscal year. All changes in net assets 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 eleven (11) 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 eight (8) 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. 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 76-80 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 81 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

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 2012 and 2013 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 2013 and 2012:

**City of Lauderdale
Net Position
(In Thousands)**

	Governmental Activities		Business-type Activities		Total Government	
	2013	2012	2013	2012	2013	2012
Current and other assets	\$34,695	\$23,582	\$27,020	\$27,932	\$61,715	\$51,514
Capital assets	80,964	81,225	61,482	57,856	142,446	139,081
Total assets	<u>115,659</u>	<u>104,807</u>	<u>88,502</u>	<u>85,788</u>	<u>204,161</u>	<u>190,595</u>
Deferred outflows of resources	604	1,208	248	496	852	1,704
Long-term debt outstanding	88,806	80,208	39,210	41,272	128,016	121,480
Other liabilities	2,743	4,271	1,867	1,935	4,610	6,206
Total liabilities	<u>91,549</u>	<u>84,479</u>	<u>41,077</u>	<u>43,207</u>	<u>132,626</u>	<u>127,686</u>
Deferred inflows of resources	2,616	-	-	-	2,616	-
Net position	<u>\$22,098</u>	<u>\$21,536</u>	<u>\$47,673</u>	<u>\$43,077</u>	<u>\$69,771</u>	<u>\$64,613</u>
Invested in capital assets, net of debt	\$16,202	\$13,182	\$22,273	\$16,583	\$38,475	\$29,765
Restricted	2,616	3,033	1,000	2,000	3,616	5,033
Unrestricted	<u>3,280</u>	<u>5,321</u>	<u>24,400</u>	<u>24,494</u>	<u>27,680</u>	<u>29,815</u>
Total net position	<u>\$22,098</u>	<u>\$21,536</u>	<u>\$47,673</u>	<u>\$43,077</u>	<u>\$69,771</u>	<u>\$64,613</u>

The City's combined net position was \$69,771 at the 2013 fiscal year end: \$22,098 for governmental activities and \$47,673 for business-type activities. This represents an increase of \$5,158 from fiscal year 2012 net position, with the majority of the increase derived from construction of the Performing Art Center. For governmental activities, capital assets decreased by \$261 and restricted assets decreased by \$417, while current and other assets increased by \$11,113 from fiscal year 2012. The increase in current and other assets is a result of available funds to complete various capital projects. Total assets for business-type activities increased by \$2,714 as compared to 2012.

The use of a portion of net position is restricted and can not be used to meet the ongoing obligations of the City. For fiscal year 2013, restricted net position equaled \$2,616 for governmental activities and \$1,000 for business-type activities. Unrestricted net position of governmental activities represent \$3,280 or 14.84 percent of total net position; while business-type activities unrestricted net position are \$24,400 or 51.18 percent of total net position; which 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 increased in the governmental activities as a result of the City issuing debt to continue financing capital improvements and decreased in the business-type activities due to obligation repayments. At the end of the current fiscal year, the City is able to report positive balances of net position as it relates to the government

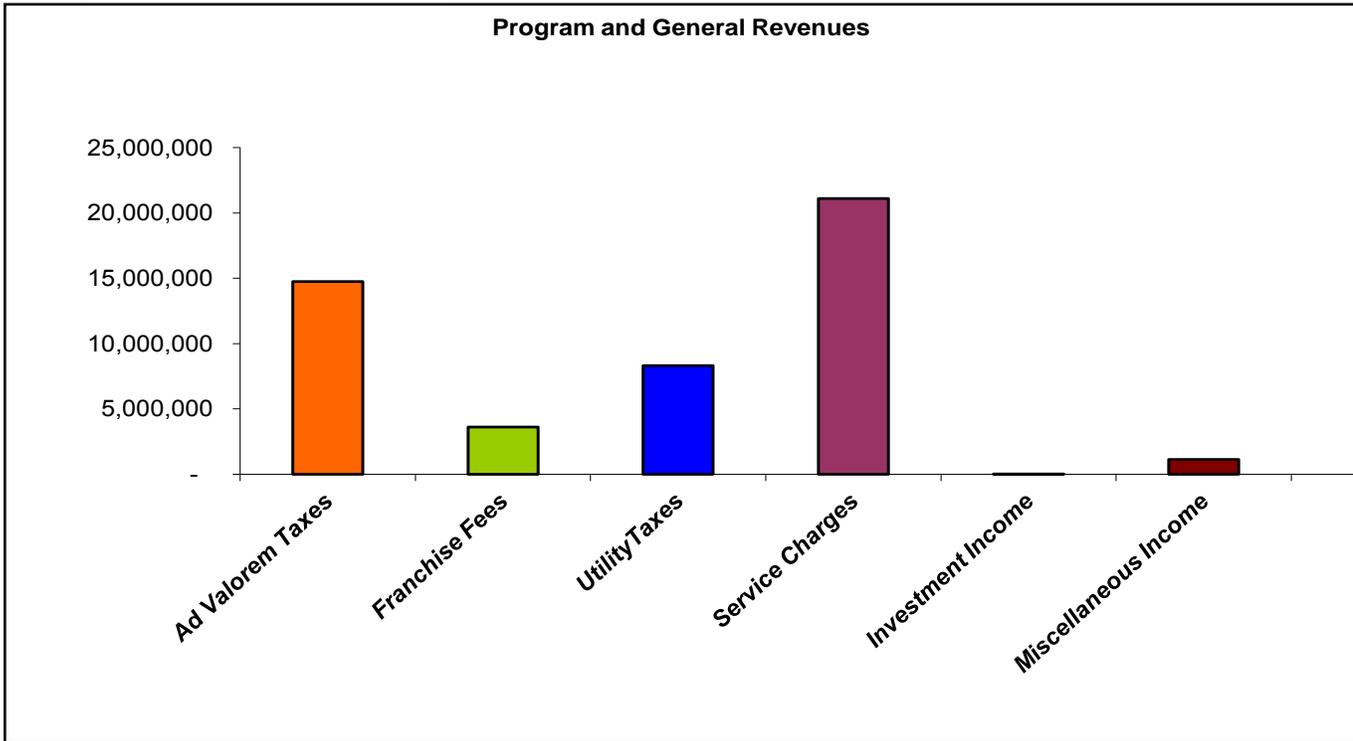
as a whole and business-type activities.

Statement of Activities

Governmental activities for the current fiscal year increased net position by \$562, primarily due to increase in operating revenues relative to the overall operating expenses. The increase in charges for services is to provide efficient and adequate public safety to the residents of Lauderhill. Key elements of the changes in net assets are presented in the schedule below and described in the following section:

City of Lauderhill						
Change in Net Position						
(In Thousands)						
	<u>Governmental</u>		<u>Business-type</u>		<u>Total</u>	
	<u>Activities</u>		<u>Activities</u>		<u>Government</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Revenues:						
Program revenues:						
Charges for services	\$21,116	\$20,565	\$22,906	\$21,680	\$44,022	\$42,245
Operating grants	2,931	3,233	-	-	2,931	3,233
Capital grants and contributions	-	-	3,190	2,622	3,190	-
General revenues:						
Property taxes	14,750	14,379	-	-	14,750	14,379
Other taxes	11,912	12,181	-	-	11,912	12,181
Other	12,383	10,898	14	2,462	12,397	13,360
Total revenues	<u>63,092</u>	<u>61,256</u>	<u>26,110</u>	<u>26,764</u>	<u>89,202</u>	<u>85,398</u>
Expenses:						
General government	10,251	12,627	-	-	10,251	12,627
Public safety	35,348	36,483	-	-	35,348	36,483
Physical environment	3,078	4,557	-	-	3,078	4,557
Transportation	2,795	2,549	-	-	2,795	2,549
Recreation and social services	8,182	6,415	-	-	8,182	6,415
Interest on long-term debt	2,876	2,787	-	-	2,876	2,787
Water and sewer	-	-	16,452	15,002	16,452	15,002
Stormwater	-	-	5,062	4,242	5,062	4,242
Total expenses	<u>62,530</u>	<u>65,418</u>	<u>21,514</u>	<u>19,244</u>	<u>84,044</u>	<u>84,662</u>
Increase (decrease) in net assets	562	(4,162)	4,596	7,520	5,158	3,358
Net position, October 1	<u>21,536</u>	<u>25,698</u>	<u>43,077</u>	<u>35,557</u>	<u>64,613</u>	<u>61,255</u>
Net position, September 30	<u>\$22,098</u>	<u>\$21,536</u>	<u>\$47,673</u>	<u>\$43,077</u>	<u>\$69,771</u>	<u>\$64,613</u>

Governmental Activities

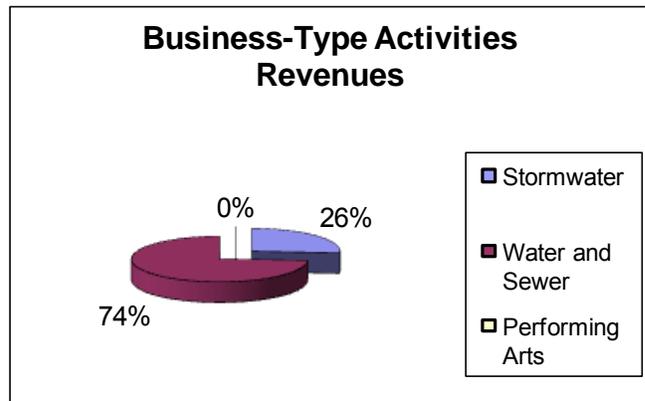


- Property taxes revenue increased in the governmental activities by \$371 thousand (2.58 percent) during fiscal year 2013 compared to fiscal year 2012. The millage rate increased from 6.82 to 7.42 in 2013.

Business-type Activities

Business-type activities for the year resulted in an increase in net position of \$4,596. Key elements of this change are as follows:

- The Stormwater Utility revenues exceeded total expenses by \$2,057.
- The Water and Sewer Utility increased net position by \$493.
- The Performing Arts change in net position was \$2,046.



FINANCIAL ANALYSIS OF THE GOVERNMENTAL FUNDS

The City of Lauderdale 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				
(In Thousands)				
	<u>General</u>	<u>Capital Projects</u>	<u>Other Funds</u>	<u>Total Governmental</u>
Fund balance, September 30, 2012	\$8,991	\$4,753	\$1,391	\$15,135
Revenues	59,051	2,159	1,913	63,123
Expenditures	(52,558)	(3,528)	(8,495)	(64,581)
Other financing sources(uses)	(3,894)	9,201	6,128	11,435
Fund balance, September 30, 2013	<u>\$11,590</u>	<u>\$12,585</u>	<u>\$937</u>	<u>\$25,112</u>

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 \$25,112 with general fund representing \$11,590. Of the \$11,590 general fund balance \$2,385 is assigned, leaving a \$7,990 unassigned fund balance at year-end.

The capital projects fund had a fund balance of \$12,585 at year-end, up by \$7,832 in fiscal year 2013. The primary reason for the increase is the issuance of an electric utility revenue bond to fund capital projects. Fund balance in the capital projects fund is directly affected by the pace at which capital projects are completed. Funding comes from the issuance of debt and is budgeted, sometimes over multiple fiscal years, for the construction of specific projects.

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 2013 were below final budget by \$469 . This is due to an overall decrease in revenue than anticipated. Actual expenditures for the year were approximately \$1,458 less than the final budget or 2.70% below. The major expenditure variance between the final budget and actual budget in the general fund is reflected in General government, which is due to a decrease in insurance expenditures.

Capital Assets

The City’s investment in capital assets for its governmental and business-type activities as of September 30, 2013, amounts to \$142,446 (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 Lauderdale						
Capital Assets (net of depreciation)						
(In Thousands)						
	Governmental		Business-type		Total	
	Activities		Activities		Government	
	2013	2012	2013	2012	2013	2012
Land	\$ 27,691	\$ 26,732	\$ 349	\$ 349	\$ 28,040	\$ 27,081
Building	18,835	18,892	18,195	18,934	37,030	37,826
Machinery and equipment	2,440	2,626	458	180	2,898	2,806
Improvements(other than buildings)	27,478	28,192	21,115	19,915	48,593	48,107
Infrastructure	4,250	4,496	15,831	16,416	20,081	20,912
Construction-in-progress	270	287	5,534	2,063	5,804	2,350
	<u>\$ 80,964</u>	<u>\$ 81,225</u>	<u>\$ 61,482</u>	<u>\$ 57,857</u>	<u>\$ 142,446</u>	<u>\$ 139,082</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, street repaving and landscaping renovations, improvements to parks, the construction of two new community centers, and expansion and renovations to existing fire departments and community centers.

Additional information on the City's capital assets can be found in the notes to the financial statements on pages 58-60 of this report.

DEBT ADMINISTRATION

At the end of the current fiscal year, the City has total long-term debt outstanding of \$124,978. Governmental Activities debt increased net by \$8,210 as a result of revenue bond issued to finance capital investments.

City of Lauderdale Outstanding Debt (In Thousands)						
	Governmental Activities		Business-type Activities		Total Government	
	2013	2012	2013	2012	2013	2012
General Obligation Bonds	\$ 27,070	\$ 28,155	\$ -	\$ -	\$ 27,070	\$ 28,155
Revenue Bonds	38,212	39,888	32,055	33,590	70,267	73,478
State Revolving Fund	-	-	7,155	7,682	7,155	7,682
Capital Leases	842	576	-	-	842	576
Insurance Claim Payable	13	13	-	-	13	13
Notes Payable	19,631	8,926	-	-	19,631	8,926
	<u>\$ 85,768</u>	<u>\$ 77,558</u>	<u>\$ 39,210</u>	<u>\$ 41,272</u>	<u>\$ 124,978</u>	<u>\$ 118,830</u>

Additional information on the City's long-term debt can be found in the notes to the financial statements on pages 63-66.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

In the fiscal year 2014 budget, general fund revenues are budgeted to decrease by \$464 thousand, or 0.78% when compared to fiscal year 2013. General fund property taxes make up approximately 22.22% of general fund budgeted revenues and are projected to increase by \$701 thousand or 5.64% from fiscal year 2013. General fund expenditures are budgeted to decrease by \$404 thousand when compared to fiscal year 2013.

For the Water and Sewer and Stormwater funds, there are no significant changes for budgeted revenues when compared to fiscal year 2013.

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.

CITY OF LAUDERHILL, FLORIDA
STATEMENT OF NET POSITION
September 30, 2013

ASSETS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Cash and equity in pooled cash and investments	\$ 15,825,659	\$ 7,353,225	\$ 23,178,884
Accounts receivable - net	6,437,780	5,970,402	12,408,182
Due from other governments	4,348,255	1,742,345	6,090,600
Internal balances	(3,621,130)	3,621,130	-
Inventories	191,462	52,578	244,040
Prepaid expenses	467,895	-	467,895
Restricted assets:			
Equity in pooled cash and investments	1,060,083	1,057,766	2,117,849
Land held for investment	2,888,575	-	2,888,575
Other assets	1,837,558	-	1,837,558
Due from related entity	5,258,806	7,222,357	12,481,163
Non-depreciable assets-			
Land	27,691,097	349,010	28,040,107
Construction in progress	269,731	5,533,825	5,803,556
Depreciable assets-net	<u>53,003,292</u>	<u>55,599,423</u>	<u>108,602,715</u>
Total assets	<u>115,659,063</u>	<u>88,502,061</u>	<u>204,161,124</u>
 DEFERRED OUTFLOWS OF RESOURCES			
Debt issuance costs	<u>604,165</u>	<u>247,997</u>	<u>852,162</u>
 LIABILITIES			
Accounts payable and accrued expenses	469,381	953,389	1,422,770
Accrued interest payable	1,034,392	718,608	1,753,000
Accrued payroll	1,130,446	143,540	1,273,986
Customer deposits	95,795	51,985	147,780
Noncurrent liabilities:			
Net OPEB obligation	1,132,000	-	1,132,000
The amount within one year	4,483,000	2,093,007	6,576,007
The amount due in more than one year	<u>83,203,950</u>	<u>37,116,607</u>	<u>120,320,557</u>
Total Liabilities	<u>91,548,964</u>	<u>41,077,136</u>	<u>132,626,100</u>
 DEFERRED INFLOWS OF RESOURCES			
Unearned revenue	<u>2,616,172</u>	<u>-</u>	<u>2,616,172</u>
 NET POSITION			
Net Investment in capital assets	16,202,120	22,272,644	38,474,764
Restricted for:			
Renewal and replacement	-	1,000,000	1,000,000
Social services	555,655	-	555,655
Debt service	2,060,083	-	2,060,083
Unrestricted	<u>3,280,234</u>	<u>24,400,278</u>	<u>27,680,512</u>
Total Net Position	<u>\$ 22,098,092</u>	<u>\$ 47,672,922</u>	<u>\$ 69,771,014</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, 2013

	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS			
	Expenses	Charges for services	Operating grants and contributions	Capital grants and contributions	Governmental activities	Business-type activities	Total
Functions/programs							
Primary Government:							
Governmental activities:							
General government	\$ 10,251,322	\$ 2,982,745	\$ 1,302,257	\$ -	\$ (5,966,320)	\$ -	\$ (5,966,320)
Public safety	35,347,845	17,972,874	51,124	-	(17,323,847)	-	(17,323,847)
Physical environment	3,078,233	-	-	-	(3,078,233)	-	(3,078,233)
Transportation	2,794,920	1,564	255,000	-	(2,538,356)	-	(2,538,356)
Recreation and social services	8,182,418	158,339	1,322,251	-	(6,701,828)	-	(6,701,828)
Interest on long-term debt	2,875,566	-	-	-	(2,875,566)	-	(2,875,566)
Total governmental activities	62,530,304	21,115,522	2,930,632	-	(38,484,150)	-	(38,484,150)
Business-type activities:							
Water & Sewer	16,451,957	16,936,949	-	-	-	484,992	484,992
Stormwater	5,061,828	5,968,523	-	1,144,547	-	2,051,242	2,051,242
Performing Arts	-	-	-	2,045,574	-	2,045,574	2,045,574
Total business-type activities	21,513,785	22,905,472	-	3,190,121	-	4,581,808	4,581,808
Total primary government	\$ 84,044,089	\$ 44,020,994	\$ 2,930,632	\$ 3,190,121	(38,484,150)	4,581,808	(33,902,342)

General revenues:

Property taxes, levied for general purpose	14,749,938	-	14,749,938
Franchise taxes	3,614,238	-	3,614,238
Public service taxes	8,297,897	-	8,297,897
Unrestricted intergovernmental	11,235,524	-	11,235,524
Investment income	70,703	14,366	85,069
Miscellaneous	1,077,429	-	1,077,429
Total general revenues	39,045,729	14,366	39,060,095
Change in net position	561,579	4,596,174	5,157,753
Net position, October 1,	21,536,513	43,076,748	64,613,261
Net position, September 30,	\$ 22,098,092	\$ 47,672,922	\$ 69,771,014

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

CITY OF LAUDERHILL, FLORIDA
 Balance Sheet
 Governmental Funds
 September 30, 2013

	MAJOR FUNDS				
	General	Community Redevelopment Agency	Capital Projects	Other Nonmajor Governmental Funds	TOTAL GOVERNMENTAL FUNDS
ASSETS					
Cash and equity in pooled cash and investments	\$ 3,216,501	\$ 612,523	\$ 11,585,179	\$ 411,456	\$ 15,825,659
Accounts receivable - net	6,431,130	6,650	-	-	6,437,780
Due from other funds	728,426	-	1,000,000	-	1,728,426
Due from other governments	2,960,731	-	-	1,387,524	4,348,255
Inventories	191,462	-	-	-	191,462
Prepaid expenses	467,895	-	-	-	467,895
Restricted assets:					
Equity in pooled cash and investments	-	-	-	1,060,083	1,060,083
Land held for investment	-	2,888,575	-	-	2,888,575
Other assets	1,837,558	-	-	-	1,837,558
Total assets	<u>\$ 15,833,703</u>	<u>\$ 3,507,748</u>	<u>\$ 12,585,179</u>	<u>\$ 2,859,063</u>	<u>\$ 34,785,693</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable and accrued expenses	\$ 469,381	\$ -	\$ -	\$ -	\$ 469,381
Accrued payroll	1,119,759	-	-	10,687	1,130,446
Notes payable	-	3,621,130	-	-	3,621,130
Due to other funds	-	-	-	1,728,426	1,728,426
Customer deposits	25,795	70,000	-	-	95,795
Unearned revenue	2,616,172	-	-	-	2,616,172
Insurance claims payable	12,690	-	-	-	12,690
Total liabilities	<u>4,243,797</u>	<u>3,691,130</u>	<u>-</u>	<u>1,739,113</u>	<u>9,674,040</u>
Fund balances:					
Nonspendable:					
Inventories	191,462	2,888,575	-	-	3,080,037
Prepaid expenses	467,895	-	-	-	467,895
Restricted for:					
Social services	555,090	565	-	-	555,655
Committed for:					
Capital projects	-	-	12,585,179	-	12,585,179
Assigned:					
Natural disaster	778,279	-	-	-	778,279
Debt reserve	1,000,000	-	-	1,060,083	2,060,083
Social services	-	-	-	523,068	523,068
Public safety	-	-	-	197,595	197,595
Employee pension	607,100	-	-	-	607,100
Unassigned:					
General fund	7,990,080	-	-	-	7,990,080
Community redevelopment agency	-	(3,072,522)	-	-	(3,072,522)
Social services	-	-	-	(660,796)	(660,796)
Total fund balances (deficit)	<u>11,589,906</u>	<u>(183,382)</u>	<u>12,585,179</u>	<u>1,119,950</u>	<u>25,111,653</u>
Total liabilities and fund balances	<u>\$ 15,833,703</u>	<u>\$ 3,507,748</u>	<u>\$ 12,585,179</u>	<u>\$ 2,859,063</u>	<u>\$ 34,785,693</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, 2013

Fund balances - total government funds \$ 25,111,653

Amounts reported for governmental activities in the statement of net assets 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 80,964,120

Funds due from related entity 5,258,806

Deferred charges for issuance cost, net 604,165

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

2003 Sales Tax Bonds	(3,960,000)	
2005 Sales Tax Bonds	(2,060,000)	
2010 Sales Tax Bonds	(6,275,000)	
2011-A Sales BB&T	(2,270,000)	
2011-B Sales BB&T	(3,495,000)	
Water Utility Tax Bonds	(8,927,000)	
2005 General Obligation Bonds	(27,070,000)	
Electric Utility Revenue Bond	(11,225,000)	
Notes payable	(19,631,039)	
Net OPEB obligation	(1,132,000)	
Capital Lease	(842,248)	
Accrued interest	(1,034,392)	
Compensated absences	(1,918,973)	<u>(89,840,652)</u>

Net position of governmental activities \$ 22,098,092

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, 2013

	MAJOR FUNDS				TOTAL GOVERNMENTAL FUNDS
	General	Community Redevelopment Agency	Capital Projects	Other Nonmajor Governmental Funds	
REVENUES					
Taxes:					
Property taxes	\$ 12,272,124	\$ -	\$ 2,139,982	\$ 337,831	\$ 14,749,937
Franchise taxes	3,614,238	-	-	-	3,614,238
Public service taxes	8,297,897	-	-	-	8,297,897
Charges for services	17,841,126	-	-	-	17,841,126
Administrative charges	4,957,242	-	-	-	4,957,242
Intergovernmental	7,892,618	-	-	1,384,579	9,277,197
Licenses and permits	2,417,456	-	-	-	2,417,456
Fines and forfeitures	657,718	-	-	106,671	764,389
Investment income	52,087	141	14,380	4,095	70,703
Rental income	368,103	79,497	-	-	447,600
Miscellaneous	680,754	-	4,400	-	685,154
Total revenues	<u>59,051,363</u>	<u>79,638</u>	<u>2,158,762</u>	<u>1,833,176</u>	<u>63,122,939</u>
EXPENDITURES					
Current:					
General government	9,404,267	177,471	33,793	-	9,615,531
Public safety	33,628,761	-	-	36,735	33,665,496
Physical environment	2,792,573	-	-	-	2,792,573
Transportation	2,264,951	-	-	-	2,264,951
Recreation and social services	4,467,860	-	-	2,115,976	6,583,836
Debt service:					
Principal retirement	-	-	-	3,439,512	3,439,512
Interest and issuance cost	-	-	-	2,708,991	2,708,991
Capital Outlay:					
Land	-	-	959,290	-	959,290
Buildings	-	-	590,947	-	590,947
Improvements	-	-	1,029,389	-	1,029,389
Machinery & equipment	-	-	914,237	16,646	930,883
Total Expenditures	<u>52,558,412</u>	<u>177,471</u>	<u>3,527,656</u>	<u>8,317,860</u>	<u>64,581,399</u>
Excess (deficiency) of revenues over (under) expenditures	<u>6,492,951</u>	<u>(97,833)</u>	<u>(1,368,894)</u>	<u>(6,484,684)</u>	<u>(1,458,460)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	215,664	607,679	1,559	5,663,499	6,488,401
Transfers out	(4,109,971)	(31,150)	(2,240,180)	(107,100)	(6,488,401)
Payment to refunded bond escrow agent	-	-	(210,216)	(4,500)	(214,716)
Issuance of debt	-	-	11,225,000	-	11,225,000
Capital leases	-	-	424,537	-	424,537
Total Other Financing Sources (Uses)	<u>(3,894,307)</u>	<u>576,529</u>	<u>9,200,700</u>	<u>5,551,899</u>	<u>11,434,821</u>
Net change in fund balances	2,598,644	478,696	7,831,806	(932,785)	9,976,361
Fund balances (deficit) - beginning	<u>8,991,262</u>	<u>(662,078)</u>	<u>4,753,373</u>	<u>2,052,735</u>	<u>15,135,292</u>
Fund balances (deficit) - ending	<u>\$ 11,589,906</u>	<u>\$ (183,382)</u>	<u>\$ 12,585,179</u>	<u>\$ 1,119,950</u>	<u>\$ 25,111,653</u>

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, 2013

Changes in fund balances - total government funds 9,976,361

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	3,510,509	
Less current year depreciation	<u>(3,771,181)</u>	(260,672)

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 assets. 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.

Debt issuance	(11,649,537)	
Amortization of issuance costs	(604,165)	
Principal repayments	<u>3,439,512</u>	(8,814,190)

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. (339,920)

Change in net position of governmental activities \$ 561,579

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, 2013

ASSETS	BUSINESS-TYPE ACTIVITIES-ENTERPRISE FUNDS-MAJOR FUNDS			
	Water & Sewer	Stormwater	Performing Arts	Total
Current assets:				
Cash and equity in pooled cash and investments	\$ 4,391,489	\$ 2,901,479	\$ 60,257	\$ 7,353,225
Accounts receivable - net	5,970,402	-	-	5,970,402
Notes receivable	3,621,130	-	-	3,621,130
Due from related entity	7,222,357	-	-	7,222,357
Due from other government	-	-	1,742,345	1,742,345
Due from other funds	1,000,000	1,004,422	-	2,004,422
Inventories	52,578	-	-	52,578
Total current assets	22,257,956	3,905,901	1,802,602	27,966,459
Non-current assets:				
Restricted Assets:				
Equity in pooled cash and investments	487,473	570,293	-	1,057,766
Capital assets:				
Land	349,010	-	-	349,010
Buildings	30,446,303	2,081,643	-	32,527,946
Improvements other than building	8,360,222	23,761,694	-	32,121,916
Machinery and equipment	4,964,244	1,067,258	-	6,031,502
Infrastructure	18,876,918	8,425,782	-	27,302,700
Construction in progress	155,978	38,421	5,339,426	5,533,825
Less accumulated depreciation	(30,525,869)	(11,858,772)	-	(42,384,641)
Total capital assets (net of accumulated depreciation)	32,626,806	23,516,026	5,339,426	61,482,258
Total non-current assets	33,114,279	24,086,319	5,339,426	62,540,024
Total Assets	55,372,235	27,992,220	7,142,028	90,506,483
Deferred outflows of resources:				
Debt issuance costs	247,997	-	-	247,997
LIABILITIES				
Current Liabilities:				
Accounts payable and accrued expenses	668,386	-	285,003	953,389
Accrued payroll	115,339	28,201	-	143,540
Accrued interest payable	446,680	271,928	-	718,608
Bonds payable - current portion	1,420,000	130,000	-	1,550,000
Loans payable-current portion	14,112	528,895	-	543,007
Due to other funds	-	-	2,004,422	2,004,422
Customer deposits	51,985	-	-	51,985
Total current liabilities	2,716,502	959,024	2,289,425	5,964,951
Non-current liabilities:				
Bonds payable - noncurrent	21,530,000	8,975,000	-	30,505,000
Loans payable-noncurrent	297,955	6,313,652	-	6,611,607
Total noncurrent liabilities	21,827,955	15,288,652	-	37,116,607
Total Liabilities	24,544,457	16,247,676	2,289,425	43,081,558
NET POSITION				
Invested in capital assets, net of related debt	9,364,739	7,568,479	5,339,426	22,272,644
Restricted for:				
Renewal and replacement	1,000,000	-	-	1,000,000
Unrestricted	20,711,036	4,176,065	(486,823)	24,400,278
Total Net Position	\$ 31,075,775	\$ 11,744,544	\$ 4,852,603	\$ 47,672,922

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, 2013

	BUSINESS-TYPE ACTIVITIES-ENTERPRISE FUNDS-MAJOR FUNDS			
	Water & Sewer	Stormwater	Performing Arts	Total
OPERATING REVENUES				
Charges for services	\$ 16,933,004	\$ 5,968,523	\$ -	\$ 22,901,527
Connection fees	3,945	-	-	3,945
Total Operating Revenues	<u>16,936,949</u>	<u>5,968,523</u>	<u>-</u>	<u>22,905,472</u>
OPERATING EXPENSES				
Personal services	3,328,523	1,069,893	-	4,398,416
Administrative expenses	4,223,314	855,686	-	5,079,000
Contractual services	5,125,779	232,035	-	5,357,814
Utilities	395,483	43,623	-	439,106
Repairs and maintenance	225,827	114,123	-	339,950
Materials and supplies	502,164	339,629	-	841,793
Depreciation and amortization	1,495,855	1,324,347	-	2,820,202
Total Operating Expenses	<u>15,296,945</u>	<u>3,979,336</u>	<u>-</u>	<u>19,276,281</u>
Operating income	<u>1,640,004</u>	<u>1,989,187</u>	<u>-</u>	<u>3,629,191</u>
NONOPERATING REVENUES (EXPENSES)				
Investment income	8,047	6,096	223	14,366
Interest expense and fees	(1,155,012)	(1,082,492)	-	(2,237,504)
Total Nonoperating Revenues (Expenses)	<u>(1,146,965)</u>	<u>(1,076,396)</u>	<u>223</u>	<u>(2,223,138)</u>
Income before contributions	493,039	912,791	223	1,406,053
CAPITAL CONTRIBUTIONS - GRANTS				
	<u>-</u>	<u>1,144,547</u>	<u>2,045,574</u>	<u>3,190,121</u>
Change in net position	493,039	2,057,338	2,045,797	4,596,174
NET POSITION, OCTOBER 1	<u>30,582,736</u>	<u>9,687,206</u>	<u>2,806,806</u>	<u>43,076,748</u>
NET POSITION, SEPTEMBER 30	<u>\$ 31,075,775</u>	<u>\$ 11,744,544</u>	<u>\$ 4,852,603</u>	<u>\$ 47,672,922</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, 2013

	BUSINESS TYPE ACTIVITIES ENTERPRISE FUNDS			
	<u>Water & Sewer</u>	<u>Stormwater</u>	<u>Performing Arts</u>	<u>TOTAL</u>
CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash received from customers, other government and users	\$ 16,220,348	\$ 7,770,952	\$ -	\$ 23,991,300
Payments for interfund activities	(4,223,314)	(855,686)	-	(5,079,000)
Cash paid to suppliers	(6,231,705)	(1,164,552)	-	(7,396,257)
Cash paid to employees	(3,291,217)	(1,062,184)	-	(4,353,401)
Net Cash Provided by Operating Activities	<u>2,474,112</u>	<u>4,688,530</u>	<u>-</u>	<u>7,162,642</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Advances from other funds	-	-	2,004,422	2,004,422
Transfer to other funds	(1,855,385)	(1,004,422)	-	(2,859,807)
Net Cash Provided by noncapital and related financing activities	<u>(1,855,385)</u>	<u>(1,004,422)</u>	<u>2,004,422</u>	<u>(855,385)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Cash from other governmental grants	-	1,144,547	303,229	1,447,776
Acquisition and construction of capital assets	(825,733)	(2,179,978)	(3,155,918)	(6,161,629)
Principal retirements of long-term debt	(1,113,746)	(949,077)	-	(2,062,823)
Interest paid on long-term debt	(856,391)	(1,105,937)	-	(1,962,328)
Net Cash Provided (used) by Capital and Related Financing Activities	<u>(2,795,870)</u>	<u>(3,090,445)</u>	<u>(2,852,689)</u>	<u>(8,739,004)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest on investments	8,047	6,096	223	14,366
Net Cash Provided by Investing Activities	<u>8,047</u>	<u>6,096</u>	<u>223</u>	<u>14,366</u>
NET INCREASE(DECREASE) IN POOLED CASH AND CASH EQUIVALENTS	(2,169,096)	599,759	(848,044)	(2,417,381)
POOLED CASH AND CASH EQUIVALENTS, OCTOBER 1	<u>7,048,058</u>	<u>2,872,013</u>	<u>908,301</u>	<u>10,828,372</u>
POOLED CASH AND CASH EQUIVALENTS, SEPTEMBER 30	<u>\$ 4,878,962</u>	<u>\$ 3,471,772</u>	<u>\$ 60,257</u>	<u>\$ 8,410,991</u>
POOLED CASH AND CASH EQUIVALENTS PER STATEMENT OF NET ASSETS				
Unrestricted	\$ 4,391,489	\$ 2,901,479	\$ 60,257	\$ 7,353,225
Restricted	487,473	570,293	-	1,057,766
TOTAL, SEPTEMBER 30	<u>\$ 4,878,962</u>	<u>\$ 3,471,772</u>	<u>\$ 60,257</u>	<u>\$ 8,410,991</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:				
Operating Income	\$ 1,640,004	\$ 1,989,187	\$ -	\$ 3,629,191
Adjustments to reconcile operating income to net Cash provided by Operating Activities:				
Depreciation and amortization	1,495,855	1,324,347	-	2,820,202
Change in Assets and Liabilities:				
(Increase) decrease in accounts receivable-net	(716,601)	-	-	(716,601)
(Increase) decrease due from other governments	-	1,802,429	-	1,802,429
(Increase) decrease in inventories	6,902	-	-	6,902
Increase (decrease) in accounts payable and accrued expenses	10,646	(435,142)	-	(424,496)
Increase (decrease) in accrued payroll	37,306	7,709	-	45,015
Increase (decrease) in customer deposit	-	-	-	-
Total adjustments	<u>834,108</u>	<u>2,699,343</u>	<u>-</u>	<u>3,533,451</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 2,474,112</u>	<u>\$ 4,688,530</u>	<u>\$ -</u>	<u>\$ 7,162,642</u>

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, 2013

	Pension Trust Funds
ASSETS	
Cash and short-term investments	\$ 5,685,792
Receivables:	
Interest and dividends	168,312
Receivable for securities sold	429,506
Contributions	29,164
Total Receivables	<u>626,982</u>
Investments, at fair value	
Corporate bonds and notes	22,900,417
Mutual funds	26,708,708
Common stocks	52,959,521
International equity funds	16,976,113
Note receivable	2,400,000
Real estate funds	6,074,097
Investments, at fair value	<u>128,018,856</u>
Total Assets	<u>134,331,630</u>
LIABILITIES	
Accounts payable and accrued expenses	155,226
Deferred revenues/future benefits	1,937,515
Payable for securities purchased	660,962
Prepaid City contributions	11,491
Total Liabilities	<u>2,765,194</u>
NET POSITION	
Held in trust for pension benefits	<u>\$ 131,566,436</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, 2013

	Pension Trust Funds
ADDITIONS	
Contributions:	
City	\$ 9,347,258
Plan members	2,722,294
State revenue	782,965
Total contributions	12,852,517
Investment income:	
Net appreciation in fair value of investments	14,070,329
Interest and dividend income	3,407,378
Other	22,406
Total investment income	17,500,113
Less: Investment expenses	580,884
Deferred retirement option plan	94,938
Net investment income	16,824,291
Claim settlement	34,628
Total additions	29,711,436
DEDUCTIONS	
Benefits paid	7,517,657
Administrative expenses	458,302
Refunds of contributions	73,394
Total deductions	8,049,353
CHANGE IN NET POSITION	21,662,083
NET POSITION, OCTOBER 1	109,904,353
NET POSITION, SEPTEMBER 30	\$ 131,566,436

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

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2013

NOTE 1 –SUMMARY OF SIGNIFICANT ACCOUNTING POLICES

A. Financial reporting entity

The City of Lauderdale, 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. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The City has elected not to follow subsequent private-sector guidance. 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
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2013

As of September 30, 2013, 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*.

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. 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, 2013

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 Lauderhill, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2013

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 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 Lauderhill will 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.

City of Lauderhill, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2013

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 Lauderhill utilized fund balance as a source of funds for the General Fund budget for the year ended September 30, 2013. The City budgeted and utilized the following amounts:

	Original Budget	Additional Appropriations	Final Budget
Restricted fund balance:			
General government	\$ 8,761,068	\$ 1,163,031	\$ 9,924,099
Public safety	32,396,802	1,769,370	34,166,172
Physical environment	4,282,777	(1,440,517)	2,842,260
Transportation	2,227,302	102,368	2,329,670
Recreation and social services	3,323,052	1,431,109	4,754,161
Total	<u>\$ 50,991,001</u>	<u>\$ 3,025,361</u>	<u>\$ 54,016,362</u>

City of Lauderdale, Florida
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On September 26, 2013 The City Commission passed a resolution authorizing transfer of funds between departments to balance the General Fund expenditures for fiscal year 2013.

The Community Redevelopment Agency, and Neighborhood Stabilization Program funds had deficit fund balances of \$183,382, and \$660,796 respectively as of September 30, 2013. The funds increased expenditures to acquire real property for sale or redevelopment and other operating expenditures. The City plans to use the proceeds of the sales tax revenue 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 implementation of GASB Statement No. 54 did not have material impact on the financial statements of the City.

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.

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.

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

City of Lauderdale, Florida
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unassigned funds when an expenditure is incurred for which committed, assigned or unassigned fund balance available.

E .New Pronouncements

The City adopted the provisions of GASB Statement No. 60, "Accounting and Financial Reporting for Service Concession Arrangements." This Statement establishes guidance for accounting and financial reporting for service concession arrangements (SCAs). These arrangements are often referred to as public-private partnerships or public-public partnerships (PPP). The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2011. Implementation of the provisions of this statement 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. 61, "The Financial Reporting Entity: Omnibus; an amendment of GASB Statements No. 14 and No. 34." This Statement modifies existing requirements for the assessment of potential component units in determining what should be included in the financial reporting entity, the display of component units (blending vs. discrete presentation, and certain disclosure requirements. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2012. Implementation of the provisions of this statement 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. 62, "Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements." This Statement codifies into GASB accounting and financial reporting standards the "legacy" standards from the private-sector. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2011. Implementation of the provisions of this statement 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. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position." This Statement establishes standards for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and also requires related disclosures. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2011. Implementation of the provisions of this statement did not have a material impact on the financial position or results of operation of the City.

City of Lauderdale, Florida
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The City will be required to adopt the provision of GASB Statement No. 65, "Items Previously Reported as Assets and Liabilities." This Statement specifies the items that were previously reported as assets and liabilities that should now be reported as deferred outflows of resources, deferred inflows of resources, outflows of resources, or inflows of resources. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2012. The City is currently evaluating the impact, if any, of implementing the provisions of this statement on its financial position and results of operations. Management does not believe the impact will be material on the financial position or results of operation.

The City will be required to adopt the provision of GASB Statement No.66, "Technical Corrections - 2012; an amendment of Statements No. 10 and No. 62." The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2012. The City is currently evaluating the impact, if any, of implementing the provisions of this statement on its financial position and results of operations. Management does not believe the impact will be material on the financial position or results of operation.

The City will be required to adopt the provision of GASB Statement No. 67, "Financial Reporting for Pension Plans; an amendment of GASB Statement No. 25." This Statement replaces the requirements of Statements No. 25 and No. 50 related to pension plans that administered through trusts or equivalent arrangements. The requirements of Statements No. 25 and No. 50 remain applicable to pension plans that are not administered through trust or equivalent arrangements. The requirements of this Statement are effective for financial statements for fiscal years beginning after June 15, 2013. The City is currently evaluating the impact, if any, of implementing the provisions of this statement on its financial position and results of operations.

The City will be required to adopt the provision of GASB Statement No. 68, "Accounting and Financial Reporting for Pensions; an amendment of GASB Statement No. 27." This Statement replaces the requirements of Statements No. 27 and No. 50 related to pension plans that are administered through trusts or equivalent arrangements. The requirements of Statements No. 27 and No. 50 remain applicable for pensions that are not administered as trusts or equivalent arrangements. The requirements of this Statement are effective for financial statements for fiscal years beginning after June 15, 2014. The City is currently evaluating the impact, if any, of implementing the provisions of this statement on its financial position and results of operations.

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For the Fiscal Year Ended September 30, 2013

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.

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.

All investments are reported at fair value. Fair value is determined by quoted market prices. SBA operates in accordance with appropriate state laws and regulations. The reported value of SBA is the fair value of the pool shares.

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."

City of Lauderdale, Florida
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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 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, 2013.

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, 2013 as 7.4198 mills (\$7.4198 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

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2013

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 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:

Asset	Years
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 debt issuance costs. Debt issuance costs are deferred and amortized over the term of the bonds using the straight-line method, which approximates the effective interest method. The

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2013

unamortized portion is recorded as deferred outflows of resources on the statement of net position.

The Statement of Net Position also includes a separate section for deferred inflows of resources and the only item reported in this category is unearned revenues. This amount, business tax billed in advance, will be recognized as revenues in subsequent year.

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 assets. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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.

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2013

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 combined 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 \$21,981,172 including petty cash on hand of \$ 3,860 as of September 30, 2013; 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:

	Maximum % Portfolio
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%

As of September 30, 2013, the City had the following investments and maturities:

City of Lauderdale, Florida
Notes to the Financial Statements
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	<u>Credit Quality</u> <u>Ratings</u>	<u>Fair Value</u>	<u>Weighted Avg.</u> <u>Maturity (Years)</u>
Money Market Funds	Not Rated	\$ 585,626	-
SBA	Not Rated	42,678	-
US Government Securities	Aaa/AA+	1,601,866	4.36
		<u>\$ 2,230,170</u>	<u>4.36</u>

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

<u>Issuer</u>	<u>Type</u>	<u>Amount</u>	<u>%</u>
FNMA	Governmental Agencies	\$ 1,329,460	59.61

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

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2013

plan investments are held by Fifth Third Bank, Regions Bank and Fiduciary Trust which consisted of the following:

Investment type	Amounts in Thousands			
	General Employees Retirement System	Firefighter Retirement System	Police Officer Retirement System	Confidential and Managerial Retirement Plan
Corporate bonds and notes	\$ -	\$ 9,506	\$ 8,932	\$ 4,463
Mutual funds	17,600	-	9,108	-
International equities	-	7,803	5,775	3,397
Common stocks	-	30,188	15,105	7,667
Notes receivable	-	1,000	1,000	400
Real estate funds	850	4,136	1,088	-
	<u>\$ 18,450</u>	<u>\$ 52,633</u>	<u>\$ 41,008</u>	<u>\$ 15,927</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.

Investment type	Amounts in Thousands				
	Fair Value	Investment Maturities (in Years)			
		Less than 1 Year	1-5 Years	6-10 Years	More than 10 Years
Money market	\$ 161	\$ -	\$ -	\$ -	\$ -
Mutual bond funds	4,283	188	2,400	1,402	293
Total	<u>\$ 4,444</u>	<u>\$ 188</u>	<u>\$ 2,400</u>	<u>\$ 1,402</u>	<u>\$ 293</u>

Interest rate risk. As a mean of limiting its exposure to fair value losses arising from rising interest rates, the plan's investment policy limits the duration of its fixed income portfolio to less than 135% of the duration of the market index. The market index is defined as the Barclay Bond Index. As of September 30, 2013, the fixed income portfolio's weighted average maturity was 6.05 years.

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

Credit Risk Rating

Fixed income securities

AA-/BA

City of Lauderdale, Florida
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As of September 30, 2013, the plan was in compliance with the established guidelines.

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. The following are the established target allocations for the plan:

	<u>Target Allocation</u>
Domestic equity securities	50%
Foreign equity securities	15%
Fixed income securities	35%

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 assets as of September 30, 2013.

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, 2013 International Equity Funds amounted to \$7,803,276.

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, 2013.

City of Lauderdale, Florida
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<u>Investment type</u>	Amounts in Thousands				
	<u>Fair Value</u>	<u>Investment Maturities (in Years)</u>			<u>More than 10 Years</u>
		<u>Less than 1 Year</u>	<u>1-5 Years</u>	<u>6-10 Years</u>	
U.S. Treasuries	\$ 1,315	\$ -	\$ -	\$ 1,153	\$ 162
U.S. Agencies	2,229	-	79	157	1,993
Corporate Bonds	5,962	547	1,392	2,039	1,985
Total	<u>\$ 9,506</u>	<u>\$ 547</u>	<u>\$ 1,471</u>	<u>\$ 3,349</u>	<u>\$ 4,140</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, 2013 as applicable:

	<u>Fair Value In Thousands</u>	<u>Percentage of Portfolio</u>
US Government guaranteed*	<u>\$ 3,544</u>	<u>37.28%</u>
Quality rating of credit risk debt securities		
AAA	591	6.19%
AA+	932	10.28%
AA	316	3.31%
AA-	185	1.93%
A+	636	6.64%
A	1,659	17.37%
A-	1,416	14.83%
BBB+	208	2.18%
BBB	19	0.20%
Total credit risk debt securities	<u>5,962</u>	<u>62.72%</u>
Total fixed income securities	<u>\$ 9,506</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 percentages. There were no individual investments that represent 5% or more of combined plan net assets at September 30, 2013.

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.

City of Lauderdale, Florida
Notes to the Financial Statements
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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".

Interest rate risk. As a mean of limiting its exposure to interest rate risk, the Plan diversifies its investment by security type and institution, and limits holdings in anyone 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, 2013:

<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>
Bond funds	\$ 8,931	\$ -	\$ -	\$ 8,931	\$ -
Total	<u>\$ 8,931</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,931</u>	<u>\$ -</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, 2013 as applicable:

City of Lauderdale, Florida
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	In Thousands	Percentage of
	<u>Fair Value</u>	<u>Portfolio</u>
Quality rating of credit risk debt securities		
AAA	2,270	25.40%
AA	346	3.90%
A	1,055	11.80%
BBB	2,485	27.80%
BB	935	10.50%
B	729	8.20%
Below B	1,111	12.50%
Total credit risk debt securities	\$ 8,931	100%

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 combined plan net assts at September 30, 2013.

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.

As of September 30, 2013, the Plan had the following investment and maturities in its portfolio:

<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>
Corporate bonds and notes	\$ 4,463	\$ -	\$ -	\$ 4,463	\$ -
Total	\$ 4,463	\$ -	\$ -	\$ 4,463	\$ -

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.

Credit risk. State law and Plan's investment policy limits investments in bonds, stocks, or other evidence of indebtedness issued or guaranteed by a corporation organized under the laws of the United States, any state or organized territory of the United States, or the District of Columbia, provided the corporation is listed on any one or more

City of Lauderdale, Florida
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of the recognized national stock exchange or on the National Market System of the NASDAQ Stock Market and in the case of bonds only, holds a rating in one of the three highest classifications by a major rating service. The fixed income portfolio shall be comprised of securities rated "A" or higher by Moody's or Standard & Poor's rating services with no more than 10% of an investment manager's total fixed income portfolio invested in the securities of any single corporate issuer.

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, 2013, the value of each position held by the Plan portfolio comprised less than 5% of the Plan assets.

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
Governmental Activities			
General	\$ 16,378,447	\$ 2,960,731	\$ 19,339,178
Community Redevelopment Agency	6,650	-	6,650
Capital Projects	-	-	-
Other Non-Major Government	-	1,387,524	1,387,524
	<u>16,385,097</u>	<u>4,348,255</u>	<u>20,733,352</u>
Allowance for uncollectibles	<u>(9,947,317)</u>	<u>-</u>	<u>(9,947,317)</u>
	<u>6,437,780</u>	<u>4,348,255</u>	<u>10,786,035</u>
Business-type Activities			
Water and Sewer	6,016,486	-	6,016,486
Performing arts	-	1,742,345	1,742,345
	<u>6,016,486</u>	<u>1,742,345</u>	<u>7,758,831</u>
Allowance for uncollectibles	<u>(46,084)</u>	<u>-</u>	<u>(46,084)</u>
	<u>5,970,402</u>	<u>1,742,345</u>	<u>7,712,747</u>
Pension trust funds	626,982	-	626,982
TOTAL	<u>\$ 13,035,164</u>	<u>\$ 6,090,600</u>	<u>\$ 19,125,764</u>

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2013

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, 2013, unearned revenue in the governmental funds and government-wide statements amounted to \$2,616,172.

Payables at September 30, 2013 were as follows:

Governmental Activities:	
General	\$ 469,381
	<u>469,381</u>
Business-type Activities:	
Water and sewer	668,386
Performing arts	285,003
	<u>953,389</u>
Fiduciary Funds:	
Pension trust funds	155,226
Total	<u>\$ 1,577,996</u>

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2013

NOTE 4 – CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2013 was as follows (in thousands):

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 26,732	\$ 959	\$ -	\$ 27,691
Construction in progress	287	-	17	270
Total capital assets not being depreciated	<u>27,019</u>	<u>959</u>	<u>17</u>	<u>27,961</u>
Capital assets being depreciated:				
Building	26,129	607	-	26,736
Improvements (other than building)	43,007	1,030	-	44,037
Machinery and equipment	19,746	931	-	20,677
Infrastructure	15,798	-	-	15,798
Total capital assets being depreciated	<u>104,680</u>	<u>2,568</u>	<u>-</u>	<u>107,248</u>
Less: accumulated depreciation for:				
Building	(7,237)	(664)	-	(7,901)
Improvements (other than building)	(14,815)	(1,744)	-	(16,559)
Machinery and equipment	(17,120)	(1,117)	-	(18,237)
Infrastructure	(11,302)	(246)	-	(11,548)
Total accumulated depreciation	<u>(50,474)</u>	<u>(3,771)</u>	<u>-</u>	<u>(54,245)</u>
Total capital assets, being depreciated, net	<u>54,206</u>	<u>(1,203)</u>	<u>-</u>	<u>53,003</u>
Governmental activities capital assets, net,	<u>\$ 81,225</u>	<u>\$ (244)</u>	<u>\$ 17</u>	<u>\$ 80,964</u>

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2013

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 349	\$ -	\$ -	\$ 349
Construction in progress	<u>2,063</u>	<u>3,471</u>	<u>-</u>	<u>5,534</u>
Total capital assets not being depreciated	<u>2,412</u>	<u>3,471</u>	<u>-</u>	<u>5,883</u>
Capital assets being depreciated:				
Building	32,491	37	-	32,528
Improvements (other than building)	29,536	2,586	-	32,122
Machinery and equipment	5,678	354	-	6,032
Infrastructure	<u>27,303</u>	<u>-</u>	<u>-</u>	<u>27,303</u>
Total capital assets being depreciated	<u>95,008</u>	<u>2,977</u>	<u>-</u>	<u>97,985</u>
Less: accumulated depreciation for:				
Building	(13,557)	(776)	-	(14,333)
Improvements (other than building)	(9,622)	(1,385)	-	(11,007)
Machinery and equipment	(5,498)	(76)	-	(5,574)
Infrastructure	<u>(10,887)</u>	<u>(585)</u>	<u>-</u>	<u>(11,472)</u>
Total accumulated depreciation	<u>(39,564)</u>	<u>(2,822)</u>	<u>-</u>	<u>(42,386)</u>
Total capital assets, being depreciated, net	<u>55,444</u>	<u>155</u>	<u>-</u>	<u>55,599</u>
Business-type activities capital assets, net	<u>\$ 57,856</u>	<u>\$ 3,626</u>	<u>\$ -</u>	<u>\$ 61,482</u>

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

Governmental activities

General government	\$ 460
Public safety	1,076
Physical environment	235
Transportation	489
Recreation and social services	<u>1,511</u>
Total depreciation expense - governmental activities	<u>\$ 3,771</u>

Business-type activities

Water and sewer	\$ 1,497
Stormwater	<u>1,325</u>
Total depreciation expense - business-type activities	<u>\$ 2,822</u>

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2013

Construction commitments

The City of Lauderdale has active construction projects as of September 30, 2013:

<u>Project Title</u>	<u>Construction Cost-to-Date</u>	<u>Remaining Commitment</u>
Performing Arts Center	\$ 5,340	\$ 12,504
Sunrise Blvd.	205	20
Recreational Improvement	64	466
Water and Sewer Projects	156	150
Stormwater Projects	39	20
Total	<u>\$ 5,804</u>	<u>\$ 13,160</u>

The commitment for sewer line and inflow mitigation and stormwater projects are being financed by water and sewer revenue and stormwater bonds. The commitment for gateway, recreational improvement, and City building are being financed by the resources from the proceeds of general obligation bonds.

NOTE 5 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund Receivables and Payables

The composition of inter-fund balances as of September 30, 2013, is as follows:

Due to / from other funds

<u>Receivable Fund</u>	<u>Amount</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	\$ 728,426	Nonmajor Governmental Funds	\$ 1,728,426
Capital Project Fund	1,000,000		
Total	<u>\$ 1,728,426</u>	Total	<u>\$ 1,728,426</u>

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 Capital Project Fund are to provide interim resources to NSP Fund, CDBG and HOME grant to pay expenses related to reimbursable grants.

City of Lauderhill, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2013

Inter-fund transfers

<u>Fund</u>	<u>Transfer in</u>	<u>Transfer out</u>
General	\$ 215,664	\$ 4,109,971
Community Redevelopment Agency	607,679	31,150
Capital Projects	1,559	2,240,180
Nonmajor Governmental Funds	5,663,499	107,100
	<u>\$ 6,488,401</u>	<u>\$ 6,488,401</u>

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.

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, 2013 follows:

<u>Fiscal Year Ending in:</u>	<u>Building Lease</u>
2014	\$ 1,114,800
2015	1,115,300
2016	1,114,394
2017	1,111,644
2018	1,111,878
Later Years	9,961,591
	<u>\$ 15,529,607</u>

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2013

On September 2007, the City entered into a Ground Lease Agreement with Lauderdale 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.

Capital Leases

The City entered into lease purchase agreements with Old National Bank and Suntrust Bank as lessees for financing the acquisition of equipment in the amount of \$1,232,715. The agreements were initiated 2009, 2011 and 2014 and expired in 2014, 2016 and 2020 respectively. The lease agreements qualify as capital leases for accounting purposes and, therefore have been recorded at the present value of future lease payments as of the inception dates. The leases carry interest rates of 4.79%, 3.33% and 2.77% with annual payments of \$45,932, \$47,710, \$85,306 and \$67,540.

The future (minimum) lease obligations and the net present value of capital lease payments as of September 30, 2013 are as follows:

2014	\$ 246,489
2015	200,558
2016	200,557
2017	67,540
2018	67,540
2019	67,540
2020	<u>67,540</u>
Total Lease Payment	917,764
Less: Amount of Interest	<u>(75,516)</u>
Present Value of Lease Payment	<u><u>\$ 842,248</u></u>

NOTE 7 – COMMITMENTS AND CONTINGENT LIABILITIES

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

<u>Governmental Funds</u>	
Capital Projects Funds	\$ 486,000
	<u>486,000</u>
<u>Enterprise Funds</u>	
Water and Sewer	150,000
Stormwater Fund	20,000
Performing Arts Center Funds	12,504,000
	<u>12,674,000</u>
	<u><u>\$ 13,160,000</u></u>

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2013

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 governmental and business-type activities. The original amount of revenue bonds issued in prior years was \$81,405,000 and during the year, revenue bond totaling \$11,225,000 was issued to finance various enterprise capital projects.

Revenue bonds outstanding as at September 30, 2013 were as follows:

	<u>Amounts in Thousands</u>				
	<u>Interest Rates</u>	<u>Maturity</u>	<u>Average</u>		
			<u>Semi-annual Payment</u>	<u>Original Amount</u>	<u>Outstanding Balance</u>
Governmental activities:					
2003 Half-cent sales tax	4.00% - 4.45%	2025	\$268	\$5,000	\$3,960
2005 Half-cent sales tax - refunding	2.38% - 4.15%	2017	382	4,645	2,060
2010 Half-cent sales tax	2.86%	2024	433	6,565	6,275
2010 Water utility tax	3.23%	2025	333	10,000	8,927
2011 A Sales tax	2.11%	2018	371	2,595	2,270
2011 B Sales tax	2.71%	2023	308	3,700	3,495
2013-Electric utility revenue bonds	2.00%-4.00%	2038	449	11,225	<u>11,225</u>
					<u>38,212</u>
Business-type activities:					
Water and Sewer					
2005A Water and sewer	3.00% - 4.50%	2026	278	5,000	4,540
2005B Water and sewer - refunding	2.75% - 4.13%	2016	364	3,850	1,715
2006 Water and sewer	4.13% - 4.25%	2031	556	5,000	5,000
2007 Water and sewer	3.40% - 4.25%	2022	579	8,165	6,695
2012 Water and sewer	2.85%	2027	207	5,000	5,000
Stormwater					
2004 Stormwater	4.00% - 5.00%	2028	239	5,000	4,300
2010 Stormwater	4.92%	2024	400	5,690	<u>4,805</u>
					<u>32,055</u>
Total Revenue Bonds					<u>\$70,267</u>

B. General obligation

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. General obligation bonds outstanding at year-end are as follows:

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2013

	<u>Interest Rates</u>	<u>Maturity</u>	<u>In Thousands</u>	
			<u>Payment</u>	<u>Amount</u>
2005 General Obligation	3% - 4.50%	2030	\$1,085	\$27,070

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 \$7,155,000 is outstanding in the Stormwater and Water and Sewer Funds as of September 30, 2013. These loans require annual payment of approximately \$492,378 and interest rate ranging from 2.71% to 3.52%.

D. Bank Loans

The City has established bank promissory notes. These funds were used to purchase and improve capital projects throughout the City. As of September 30, 2013 the outstanding balance is \$19,631,000 and is reflected in the Governmental Activities.

	<u>Interest Rates</u>	<u>Maturity</u>	<u>In Thousands</u>	
			<u>Payment</u>	<u>Amount</u>
2011-Communication BOA	3.52%	2026	\$446	\$5,795
2011-Communication Chase	2.68%	2031	273	4,910
2011 BOA-Electric Franchise	2.64%-3.88%	2026	686	8,926

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2013

E. Debt service requirements

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

<u>30-Sep</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>
2014	\$ 2,609	\$ 1,562	\$ 1,125	\$ 1,122	\$ 516	\$ 277	\$ 4,250	\$ 2,961
2015	2,677	1,495	1,170	1,079	532	261	4,379	2,835
2016	2,751	1,413	1,215	1,033	549	244	4,515	2,690
2017	2,835	1,327	1,265	983	567	226	4,667	2,536
2018	2,925	1,234	1,315	932	584	207	4,824	2,373
2019-2023	16,263	4,689	7,460	3,156	3,215	740	26,938	8,585
2024-2028	11,829	2,106	9,220	2,411	2,964	194	24,013	4,711
2029-2033	3,840	1,022	4,300	434	-	-	8,140	1,456
2034-2038	3,190	351	-	-	-	-	3,190	351
	<u>\$ 48,919</u>	<u>\$ 15,199</u>	<u>\$ 27,070</u>	<u>\$ 11,150</u>	<u>\$ 8,927</u>	<u>\$ 2,149</u>	<u>\$ 84,916</u>	<u>\$ 28,498</u>

Business-Type Activities

<u>Year Ending</u> <u>30-Sep</u>	<u>Water & 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>
2014	\$ 1,434	\$ 868	\$ 989	\$ 424	\$ 2,423	\$ 1,292
2015	1,485	815	1,024	402	2,509	1,217
2016	1,535	759	1,060	380	2,595	1,139
2017	1,595	697	1,101	356	2,696	1,053
2018	1,411	637	1,143	332	2,554	969
2019-2023	6,985	2,360	6,245	1,239	13,230	3,599
2024-2028	4,412	1,337	3,756	402	8,168	1,739
2029-2033	4,406	379	630	12	5,035	391
	<u>\$ 23,263</u>	<u>\$ 7,852</u>	<u>\$ 15,948</u>	<u>\$ 3,547</u>	<u>\$ 39,210</u>	<u>\$ 11,399</u>

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2013

F. Changes in long-term liabilities

Long-term liability activity for the year ended September 30, 2013 is listed below (in thousands):

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities:					
Bonds payable					
Revenue bonds	\$ 28,693	\$ 11,225	\$ 1,706	\$ 38,212	\$ 2,084
General obligation bonds	28,155	-	1,085	27,070	1,125
Notes payable	20,121	-	490	19,631	1,041
Total bonds payable	<u>76,969</u>	<u>11,225</u>	<u>3,281</u>	<u>84,913</u>	<u>4,250</u>
Capital lease	576	425	159	842	220
Insurance claims payable	13	-	-	13	13
Compensated absences	1,839	80	-	1,919	-
Governmental activity Long-term liabilities	<u>\$ 79,397</u>	<u>\$ 11,730</u>	<u>\$ 3,440</u>	<u>\$ 87,687</u>	<u>\$ 4,483</u>
Business-type activities					
Bonds payable					
Revenue bonds	\$ 33,590	\$ -	\$ 1,535	\$ 32,055	\$ 1,550
State revolving fund loan	7,682	-	527	7,155	543
Business-type activity Long-term liabilities	<u>\$ 41,272</u>	<u>\$ -</u>	<u>\$ 2,062</u>	<u>\$ 39,210</u>	<u>\$ 2,093</u>

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

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2013

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, 2013 amounted to \$1,606,083, of which \$12,690 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	
	09/30/2013	09/30/2012
Unpaid claims, beginning	\$923,445	\$736,187
New claims	2,071,289	1,311,441
Claim payments	(1,388,651)	(1,124,183)
Unpaid claims, ending	\$1,606,083	\$923,445

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 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 2013, the City's financial statements include revenue and expenditures from contributions received from State Department of Revenues and Division of

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2013

Retirement on behalf of its Firefighter and Police Officers Retirement Systems amounting to \$472,633 and \$310,332 respectively. The monies were deposited within 5 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	\$1,547,556
Revenue bond reserve	570,293

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.

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.

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2013

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 Lauderdale, 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 Administrator in City Hall.

Plans' Membership Information

At October 1, 2012, the date of the latest actuarial valuation, the Plans' membership consisted of:

	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	86	67	27	55
Current employees:				
Fully-Vested	48	22	83	35
Non-Vested	34	58	26	28
	<u>168</u>	<u>147</u>	<u>136</u>	<u>118</u>

A. General Employees Retirement System (GERS)

Annual Pension Cost. For 2013, the City's annual pension cost of \$1,103,955 equaled its required and actual contribution. The required contribution was determined by the October 1, 2012 actuarial valuation using the entry age normal actuarial cost method. Actuarial assumptions are 8% investment return, 3.5 inflation and 7% 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. Thirty years remained in the amortization period at September 30, 2013.

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2013

Three-Year Trend Information for GERS

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
September 30, 2013	\$1,103,955	100%	N/A
September 30, 2012	1,056,516	100%	N/A
September 30, 2011	993,731	100%	N/A

B. Firefighter Retirement System (FRS)

Annual Pension Cost. For 2013, the City's annual pension cost of \$4,369,844 equaled its required and actual contribution. The required contribution was determined by the October 1, 2012 actuarial valuation using the entry age normal actuarial cost method. Actuarial assumptions are 8% investment return, 4% 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 \$167,361 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, 2013.

Three-Year Trend Information for FRS

<u>Fiscal Year Ending</u>	<u>Cost (APC)</u>	<u>APC Contributed</u>	<u>Obligation</u>
September 30, 2013	\$4,369,844	100%	N/A
September 30, 2012	3,691,300	100%	N/A
September 30, 2011	3,003,218	100%	N/A

C. Police Retirement System (PRS)

Annual Pension Cost. For 2013, the City's annual pension cost of \$2,769,493 equaled its required and actual contribution. The required contribution of 10% was determined by the October 1, 2012 actuarial valuation, using the entry age normal actuarial cost method. Actuarial assumptions are 7.75% investment return, 3.5% inflation and 6% 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 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, contributions in the

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2013

amount of \$310,332 were 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, 2013.

Three-Year Trend Information for PRS

<u>Fiscal Year Ending</u>	<u>Cost (APC)</u>	<u>APC Contributed</u>	<u>Obligation</u>
September 30, 2013	\$2,769,493	100%	N/A
September 30, 2012	2,629,422	100%	N/A
September 30, 2011	2,306,698	100%	N/A

D. Confidential and Managerial Retirement System (CMRS)

Annual Pension Cost. For 2013, the City's annual pension cost of \$1,643,680 equaled its required and actual contribution. The required contribution of 8% was determined by the October 1, 2012 actuarial valuation, using the entry age normal actuarial cost method. Actuarial assumptions are 7.75% investment return, 3.5% inflation and 6% projected salary increases. Cost-of-Living adjustment is 3% 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. Seventeen years remained in the amortization period as of September 30, 2013.

Three-Year Trend Information for CMRS

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
September 30, 2013	\$1,643,680	100%	N/A
September 30, 2012	1,422,701	100%	N/A
September 30, 2011	1,468,618	100%	N/A

Funded Status and Funding Progress

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

City of Lauderhill, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2013

	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	10/1/2012	\$ 15,606,667	\$ 22,723,956	\$ 7,117,289	68.7%	\$ 3,453,665	206.1%
FRS	10/1/2012	43,060,519	68,761,666	25,701,147	62.6%	6,463,700	397.6%
PRS	10/1/2012	34,645,000	48,670,000	14,025,000	71.2%	8,844,000	158.6%
CMRS	10/1/2012	14,725,000	24,171,000	9,446,000	60.9%	3,566,000	264.9%
OPEB	4/1/2013	-	2,002,000	2,002,000	0.0%	25,677,000	7.8%

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 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 additional, 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

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2013

PPO plan and whether the retiree elects single of 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, 2013, 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 \$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, 2013, the amount actually contributed and the changes in the City's net OPEB obligation:

Annual required contributions(ARC)	\$ 328,000
Interest on Net OPEB Obligation	39,000
Adjustment to the ARC	(116,000)
Annual OPEB Cost (AOC)	<u>251,000</u>
Employer Contributions	(97,000)
Interest on Employer Contributions	<u>(2,000)</u>
Increase in Net OPEB obligation	152,000
Net OPEB obligation at beginning of the year	980,000
Net OPEB obligation at end of the year	<u><u>\$ 1,132,000</u></u>

Funded Status and Funding Progress

As of October 1, 2012, the most recent actuarial valuation date, the actuarial accrued liability for benefits was \$2,002,000, and actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability of \$2,002,000. The covered payroll (annual

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2013

payroll of active employees) was \$25,677,000 and the ratio of the unfunded actuarial liability to the covered payroll was 7.8%.

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

Fiscal Year Ended In:	<u>AOC</u>	<u>Contribution</u>	<u>Percent Contributed</u>	<u>NOO</u>
2013	\$ 251,000	\$ 97,000	39%	\$ 1,132,000
2012	255,000	109,000	39%	980,000
2011	444,000	109,000	25%	824,000

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	April 1, 2013
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%
Projected salary increases	4%
Medical Trend Rate of inflation	5%

City of Lauderhill, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2013

NOTE 12 – SUBSEQUENT EVENTS

In preparing the accompanying financial statements, the City has evaluated events and transactions for potential recognition or disclosure through March 20, 2014, the date the financial statements were available to be issued. There were no significant events that Management believes require disclosure.

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, 2013

	Budgeted Amounts		ACTUAL	VARIANCE WITH FINAL BUDGET
	Original	Final		Positive (Negative)
REVENUES				
Taxes:				
Property taxes	\$ 12,586,258	\$ 12,415,310	\$ 12,272,124	\$ (143,186)
Franchise taxes	3,950,000	3,955,000	3,614,238	(340,762)
Public service taxes	7,237,000	8,112,667	8,297,897	185,230
Charges for services	16,301,843	17,752,405	17,841,126	88,721
Administrative charges	4,738,000	4,979,227	4,957,242	(21,985)
Intergovernmental	7,430,841	7,980,453	7,892,618	(87,835)
Licenses and permits	2,387,100	2,594,130	2,417,456	(176,674)
Fines and forfeitures	566,500	611,000	657,718	46,718
Investment income	10,000	49,000	52,087	3,087
Rental income	-	319,000	368,103	49,103
Miscellaneous	745,500	752,447	680,754	(71,693)
Total revenues	<u>55,953,042</u>	<u>59,520,639</u>	<u>59,051,363</u>	<u>(469,276)</u>
EXPENDITURES				
Current:				
General government:				
City Clerk	537,040	652,835	620,571	32,264
City Commission	750,336	742,681	668,541	74,140
Administration	2,085,260	2,316,752	2,163,700	153,052
Finance	3,433,467	3,870,934	3,642,808	228,126
Legal	460,000	608,580	606,999	1,581
Human resources	1,494,965	1,732,317	1,701,648	30,669
Total general government	<u>8,761,068</u>	<u>9,924,099</u>	<u>9,404,267</u>	<u>519,832</u>
Public safety:				
Police	16,552,095	17,956,723	17,789,570	167,153
Fire and Rescue	15,844,707	16,209,449	15,839,191	370,258
Total public safety	<u>32,396,802</u>	<u>34,166,172</u>	<u>33,628,761</u>	<u>537,411</u>
Physical environment:				
Building maintenance	2,404,629	2,107,771	2,089,425	18,346
Grounds maintenance	1,878,148	734,489	703,148	31,341
Total Physical environment	<u>4,282,777</u>	<u>2,842,260</u>	<u>2,792,573</u>	<u>49,687</u>
Transportation:				
Street maintenance	2,227,302	2,329,670	2,264,951	64,719
Total transportation	<u>2,227,302</u>	<u>2,329,670</u>	<u>2,264,951</u>	<u>64,719</u>
Recreation and social services:				
Recreation and social services	3,323,052	4,754,161	4,467,860	286,301
Total recreation and social services:	<u>3,323,052</u>	<u>4,754,161</u>	<u>4,467,860</u>	<u>286,301</u>
Total Expenditures	<u>50,991,001</u>	<u>54,016,362</u>	<u>52,558,412</u>	<u>1,457,950</u>
Excess (Deficiency) of Revenue over Expenditures	4,962,041	5,504,277	6,492,951	988,674
OTHER FINANCING SOURCES (USES)				
Transfer in	-	239,527	215,664	(23,863)
Transfers out	(4,962,041)	(5,683,804)	(4,109,971)	1,573,833
Total other financing sources (uses)	<u>(4,962,041)</u>	<u>(5,444,277)</u>	<u>(3,894,307)</u>	<u>1,549,970</u>
Net change in fund balances	-	60,000	2,598,644	2,538,644
Fund balances - beginning	7,563,845	3,571,175	8,991,262	5,420,087
Fund balances - ending	<u>\$ 7,563,845</u>	<u>\$ 3,631,175</u>	<u>\$ 11,589,906</u>	<u>\$ 7,958,731</u>

The notes to the budgetary 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, 2013

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNT</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>Positive (Negative)</u>
REVENUES				
Investment income	\$ -	\$ -	\$ 141	\$ 141
Rental income	<u>257,225</u>	<u>72,000</u>	<u>79,497</u>	<u>7,497</u>
Total revenues	<u>257,225</u>	<u>72,000</u>	<u>79,638</u>	<u>7,638</u>
EXPENDITURES				
General government:				
Administrative expense	<u>226,075</u>	<u>192,302</u>	<u>177,471</u>	<u>14,831</u>
Total expenditures	<u>226,075</u>	<u>192,302</u>	<u>177,471</u>	<u>14,831</u>
Excess (Deficiency) of Revenue over Expenditures	31,150	(120,302)	(97,833)	22,469
Other Financing Sources (Uses)				
Operating transfers in	-	151,452	607,679	456,227
Operating transfers out	<u>(31,150)</u>	<u>(31,150)</u>	<u>(31,150)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(31,150)</u>	<u>120,302</u>	<u>576,529</u>	<u>456,227</u>
Net change in fund balances	-	-	478,696	478,696
Fund balances - beginning	<u>(644,168)</u>	<u>(644,168)</u>	<u>(662,078)</u>	<u>(17,910)</u>
Fund balances - ending	<u>\$ (644,168)</u>	<u>\$ (644,168)</u>	<u>\$ (183,382)</u>	<u>\$ 460,786</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, 2013

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 Commission. The legal level of budgetary control (i.e. the level at which expenditures may not exceed appropriations) is the department level. The 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.

**Required Supplementary Information
Lauderhill Retirement Systems
Schedule of Funding Progress**

GERS

(1)	(2)	(3)	(4)	(5)	(6)	(7)
Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Entry Age	Unfunded Actuarial Accrued Liability (UAAL) (3)-(2)	Funded Ratio (2)/(3)	Covered Payroll	UAAL as % of Covered Payroll (4)/(6)
10/1/2012	\$ 15,606,667	\$ 22,723,956	\$ 7,117,289	68.7%	\$ 3,453,665	206.1%
10/1/2011	15,336,711	22,250,932	6,914,221	68.9%	3,616,860	191.2%
10/1/2010	15,597,828	21,784,980	6,187,152	71.6%	3,756,141	164.7%

FRS

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Entry Age	Unfunded Actuarial Accrued Liability (UAAL) (3)-(2)	Funded Ratio (2)/(3)	Covered Payroll	UAAL as % of Covered Payroll (4)/(6)
10/1/2012	\$ 43,060,519	\$ 68,761,666	\$ 25,701,147	62.6%	\$ 6,463,700	397.6%
10/1/2011	39,620,622	62,438,797	22,818,175	63.5%	6,128,065	372.4%
10/1/2010	39,963,208	59,032,701	19,069,493	67.7%	5,975,394	319.1%

PRS

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Entry Age	Unfunded Actuarial Accrued Liability (UAAL) (3)-(2)	Funded Ratio (2)/(3)	Covered Payroll	UAAL as % of Covered Payroll (4)/(6)
10/1/2012	\$ 34,645,000	\$ 48,670,000	\$ 14,025,000	71.2%	\$ 8,844,000	158.6%
10/1/2011	29,530,000	42,473,000	12,943,000	69.5%	8,819,000	146.8%
10/1/2010	27,137,000	35,483,000	8,346,000	76.5%	9,149,000	91.2%

CMRS

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)
10/1/2012	\$ 14,725,000	\$ 24,171,000	\$ 9,446,000	60.9%	\$ 3,566,000	264.9%
10/1/2011	14,009,000	22,211,000	8,202,000	63.1%	3,995,000	205.3%
10/1/2010	13,284,000	20,806,000	7,522,000	63.8%	4,415,000	170.4%

**Required Supplementary Information
Lauderhill Retirement Systems
Schedule of Funding Progress**

OPEB

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Entry Age	Unfunded Actuarial Accrued Liability (UAAL) (3)-(2)	Funded Ratio (2)/(3)	Covered Payroll	UAAL as % of Covered Payroll (4)/(6)
4/1/2013	\$ -	\$ 2,002,000	\$ 2,002,000	0.00%	\$ 25,677,000	7.8%
10/1/2010	-	2,857,000	2,857,000	0.00%	25,166,000	11.4%
10/1/2007	-	433,000	433,000	0.00%	17,420,000	2.5%



CITY OF LAUDERHILL, FLORIDA
 Combining Balance Sheet
 Nonmajor Governmental Funds
 September 30, 2013

	Special Revenue							Total	
	SHIP	Law Enforcement	Federal Forfeiture	Safe Neighborhood	N.S.P Fund	CDBG	Home Grant		
ASSETS									
Equity in pooled cash and investments	\$ -	\$ 126,894	\$ 103,675	\$ 93,920	\$ 47,707	\$ 20,469	\$ 15,322	\$ 3,469	\$ 411,456
Due from other governments	-	-	-	-	-	801,520	497,772	88,232	1,387,524
Restricted assets:									
Equity in pooled cash and investments	\$ 1,060,083	-	-	-	-	-	-	-	1,060,083
Total assets	\$ 1,060,083	\$ 126,894	\$ 103,675	\$ 93,920	\$ 47,707	\$ 821,989	\$ 513,094	\$ 91,701	\$ 2,859,063
LIABILITIES									
Accrued payroll	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,687	\$ -	\$ 10,687
Due to other funds	-	-	-	-	-	1,482,785	200,539	45,102	1,728,426
Total liabilities	-	-	-	-	-	1,482,785	211,226	45,102	1,739,113
FUND BALANCES									
Assigned:									
Debt reserve	1,060,083	-	-	-	-	-	-	-	1,060,083
Social services	-	126,894	-	-	47,707	-	301,868	46,599	523,068
Public safety	-	-	103,675	93,920	-	-	-	-	197,595
Unassigned:									
Social services	-	-	-	-	-	(660,796)	-	-	(660,796)
Total fund balances (deficits)	1,060,083	126,894	103,675	93,920	47,707	(660,796)	301,868	46,599	1,119,950
Total liabilities and fund balances	\$ 1,060,083	\$ 126,894	\$ 103,675	\$ 93,920	\$ 47,707	\$ 821,989	\$ 513,094	\$ 91,701	\$ 2,859,063

CITY OF LAUDERHILL, FLORIDA
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 Nonmajor Governmental Funds
 For the Year Ended September 30, 2013

	Debt Service	SHIP	Special Revenue					CDBG	Home Grant	Total
			Law Enforcement	Federal Forfeitures	Safe Neighborhoods	N.S.P Fund				
REVENUES										
Intergovernmental	-	\$ 120,167	\$ -	\$ -	\$ -	\$ 858,262	\$ -	\$ 406,150	\$ 1,384,579	
Property taxes	-	-	-	-	337,831	-	-	-	337,831	
Fines and forfeitures	-	-	46,191	60,480	-	-	-	-	106,671	
Investment income	2,063	39	41	-	1,952	-	-	-	4,095	
Total revenues	2,063	120,206	46,232	60,480	339,783	858,262	-	406,150	1,833,176	
EXPENDITURES										
Current:										
Public safety	-	-	15,491	-	-	-	-	-	36,735	
Recreation and social services	-	10,557	-	-	368,871	848,168	528,829	359,551	2,115,976	
Debt Service:	3,439,512	-	-	-	-	-	-	-	3,439,512	
Principal retirement	2,708,991	-	-	-	-	-	-	-	2,708,991	
Interest	-	-	-	-	-	-	-	-	-	
Capital Outlay:										
Machinery and equipment	-	-	16,646	-	-	-	-	-	16,646	
Total Expenditures	6,148,503	10,557	32,137	21,244	368,871	848,168	528,829	359,551	8,317,860	
Excess (deficiency) of revenue over (under) expenditures	(6,146,440)	109,649	14,095	39,236	(29,088)	10,094	(528,829)	46,599	(6,484,684)	
OTHER FINANCING SOURCES (USES)										
Transfers in	5,070,471	-	-	149,585	-	-	443,443	-	5,663,499	
Transfer out	-	-	-	-	(107,100)	-	-	-	(107,100)	
Payment to refunded bond escrow agent	(4,500)	-	-	-	-	-	-	-	(4,500)	
Total other financing sources and (uses)	5,065,971	-	-	149,585	(107,100)	-	443,443	-	5,551,899	
Net change in fund balances	(1,080,469)	109,649	14,095	188,821	(136,188)	10,094	(85,386)	46,599	(932,785)	
Fund balances(deficits) - beginning	2,140,552	17,245	89,580	(94,901)	183,895	(670,890)	387,254	-	2,052,735	
Fund balances(deficits) - ending	\$ 1,060,083	\$ 126,894	\$ 103,675	\$ 93,920	\$ 47,707	\$ (660,796)	\$ 301,868	\$ 46,599	\$ 1,119,950	

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, 2013

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNT</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>Positive (Negative)</u>
REVENUES				
Property taxes	\$ 2,240,180	\$ 2,240,180	\$ 2,139,982	\$ (100,198)
Intergovernmental	-	75,000	-	\$ (75,000)
Investment income	5,000	10,800	14,380	3,580
Miscellaneous	-	50,800	4,400	(46,400)
Total revenues	<u>2,245,180</u>	<u>2,376,780</u>	<u>2,158,762</u>	<u>(218,018)</u>
EXPENDITURES				
General government:				
Administrative expense	-	34,000	33,793	207
Capital Outlay:				
Land	-	-	959,290	(959,290)
Buildings	-	1,534,657	590,947	943,710
Improvements	2,176,940	13,337,185	1,029,389	12,307,796
Machinery & equipment	-	1,370,157	914,237	455,920
Total expenditures	<u>2,176,940</u>	<u>16,275,999</u>	<u>3,527,656</u>	<u>12,748,343</u>
Excess (Deficiency) of Revenue over Expenditures	68,240	(13,899,219)	(1,368,894)	12,530,325
OTHER FINANCING SOURCES (USES)				
Transfer in	230,292	230,292	1,559	(228,733)
Transfers out	(2,240,180)	(2,240,180)	(2,240,180)	-
Payment to refunded bond escrow agent	-	(189,536)	(210,216)	(20,680)
Issuance of debt	-	11,225,000	11,225,000	-
Capital lease	-	424,537	424,537	-
Total other financing sources and uses	<u>(2,009,888)</u>	<u>9,450,113</u>	<u>9,200,700</u>	<u>(249,413)</u>
Net change in fund balances	(1,941,648)	(4,449,105)	7,831,806	12,280,911
Fund balances - beginning	<u>43,293</u>	<u>43,293</u>	<u>4,753,373</u>	<u>4,710,080</u>
Fund balances - ending	<u>\$ (1,898,355)</u>	<u>\$ (4,405,812)</u>	<u>\$ 12,585,179</u>	<u>\$ 16,990,991</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, 2013

	<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>
REVENUES				
Investment Income	\$ -	\$ -	\$ 2,063	\$ 2,063
Total revenues	-	-	2,063	2,063
EXPENDITURES				
Debt service:				
General government	-	-	-	-
Principal retirement	3,943,971	3,943,971	3,439,512	504,459
Interest	2,663,654	2,799,309	2,708,991	90,318
Total expenditures	6,607,625	6,743,280	6,148,503	594,777
Excess (Deficiency) of Revenue over Expenditures	(6,607,625)	(6,743,280)	(6,146,440)	596,840
Other Financing Sources (Uses)				
Transfer in	6,612,625	6,748,279	5,070,471	(1,677,808)
Payment to refunded bond escrow agent	(5,000)	(5,000)	(4,500)	500
Total Other Financing Sources (Uses)	6,607,625	6,743,279	5,065,971	(1,677,308)
Net change in fund balances	-	(1)	(1,080,469)	(1,080,468)
Fund balances - beginning	2,213,537	2,213,537	2,140,552	(72,985)
Fund balances - ending	\$ 2,213,537	\$ 2,213,536	\$ 1,060,083	\$ (1,153,453)

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, 2013

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNT</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>Positive (Negative)</u>
REVENUES				
Intergovernmental	\$ -	\$ 120,167	\$ 120,167	\$ -
Investment income	-	-	39	39
Total revenues	<u>-</u>	<u>120,167</u>	<u>120,206</u>	<u>39</u>
EXPENDITURES				
Recreation and social services	-	120,167	10,557	109,610
Total expenditures	<u>-</u>	<u>120,167</u>	<u>10,557</u>	<u>109,610</u>
Excess (Deficiency) of Revenue over				
Expenditures	-	-	109,649	109,649
Net change in fund balances	-	-	109,649	109,649
Fund balances - beginning	<u>420,390</u>	<u>370,187</u>	<u>17,245</u>	<u>(352,942)</u>
Fund balances - ending	<u>\$ 420,390</u>	<u>\$ 370,187</u>	<u>\$ 126,894</u>	<u>\$ (243,293)</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, 2013

	<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>
REVENUES				
Fines and forfeitures	\$ -	\$ 22,944	\$ 46,191	\$ 23,247
Investment income	-	-	41	41
Total revenues	<u>-</u>	<u>22,944</u>	<u>46,232</u>	<u>23,288</u>
EXPENDITURES				
Public safety	-	22,944	15,491	7,453
Capital Outlay:				
Machinery & equipment	<u>-</u>	<u>-</u>	<u>16,646</u>	<u>(16,646)</u>
Total expenditures	<u>-</u>	<u>22,944</u>	<u>32,137</u>	<u>(9,193)</u>
Excess (Deficiency) of Revenue over Expenditures	-	-	14,095	14,095
Net change in fund balances	-	-	14,095	14,095
Fund balances - beginning	<u>135,267</u>	<u>135,267</u>	<u>89,580</u>	<u>(45,687)</u>
Fund balances - ending	<u>\$ 135,267</u>	<u>\$ 135,267</u>	<u>\$ 103,675</u>	<u>\$ (31,592)</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, 2013

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNT</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>Positive (Negative)</u>
REVENUES				
Fines and forfeitures	\$ -	\$ 21,418	\$ 60,480	\$ 39,062
Total revenues	<u>-</u>	<u>21,418</u>	<u>60,480</u>	<u>39,062</u>
EXPENDITURES				
Public safety	<u>-</u>	<u>21,418</u>	<u>21,244</u>	<u>174</u>
Total expenditures	<u>-</u>	<u>21,418</u>	<u>21,244</u>	<u>174</u>
Excess (Deficiency) of Revenue over Expenditures	-	-	39,236	39,236
OTHER FINANCING SOURCES (USES)				
Transfer in	<u>-</u>	<u>-</u>	<u>149,585</u>	<u>149,585</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>149,585</u>	<u>149,585</u>
Net change in fund balance	-	-	188,821	188,821
Fund balances - beginning	736,991	736,991	(94,901)	(831,892)
Fund balances - ending	<u>\$ 736,991</u>	<u>\$ 736,991</u>	<u>\$ 93,920</u>	<u>\$ (643,071)</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, 2013

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNT</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>Positive (Negative)</u>
REVENUES				
Property taxes	\$ 661,761	\$ 330,770	\$ 337,831	\$ 7,061
Investment income	-	-	1,952	1,952
Total revenues	<u>661,761</u>	<u>330,770</u>	<u>339,783</u>	<u>9,013</u>
EXPENDITURES				
Recreation and social services	<u>661,761</u>	<u>624,521</u>	<u>368,871</u>	<u>255,650</u>
Total expenditures	<u>661,761</u>	<u>624,521</u>	<u>368,871</u>	<u>255,650</u>
Excess (Deficiency) of Revenue over				
Expenditures	-	(293,751)	(29,088)	264,663
Other Financing Sources (Uses)				
Transfers out	-	(102,727)	(107,100)	(4,373)
Debt proceeds	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(102,727)</u>	<u>(107,100)</u>	<u>(4,373)</u>
Change in fund balance	-	(396,478)	(136,188)	260,290
Fund balances - beginning	<u>(30,304)</u>	<u>(30,304)</u>	<u>183,895</u>	<u>214,199</u>
Fund balances - ending	<u>\$ (30,304)</u>	<u>\$ (426,782)</u>	<u>\$ 47,707</u>	<u>\$ 474,489</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, 2013

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNT</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>Positive (Negative)</u>
REVENUES				
Intergovernmental	\$ -	\$ 963,243	\$ 858,262	\$ (104,981)
Total revenues	<u>-</u>	<u>963,243</u>	<u>858,262</u>	<u>(104,981)</u>
EXPENDITURES				
Recreation and social services	<u>-</u>	<u>963,243</u>	<u>848,168</u>	<u>115,075</u>
Total expenditures	<u>-</u>	<u>963,243</u>	<u>848,168</u>	<u>115,075</u>
Excess (Deficiency) of Revenue over Expenditures	-	-	10,094	10,094
Change in fund balance	-	-	10,094	10,094
Fund balances - beginning	<u>35,586</u>	<u>35,586</u>	<u>(670,890)</u>	<u>(706,476)</u>
Fund balances - ending	<u>\$ 35,586</u>	<u>\$ 35,586</u>	<u>\$ (660,796)</u>	<u>\$ (696,382)</u>

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, 2013

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNT</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>Positive (Negative)</u>
REVENUES				
Intergovernmental	\$ 676,097	\$ 905,681	\$ -	\$ (905,681)
Total revenues	<u>676,097</u>	<u>905,681</u>	<u>-</u>	<u>(905,681)</u>
EXPENDITURES				
Recreation and social services	676,097	905,681	528,829	376,852
Total expenditures	<u>676,097</u>	<u>905,681</u>	<u>528,829</u>	<u>376,852</u>
Excess (Deficiency) of Revenue over Expenditures	-	-	(528,829)	(528,829)
Other Financing Sources (Uses)				
Transfers in	-	-	443,443	443,443
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>443,443</u>	<u>443,443</u>
Change in fund balances	-	-	(85,386)	(85,386)
Fund balances - begining	<u>161,283</u>	<u>161,283</u>	<u>387,254</u>	<u>225,971</u>
Fund balances - ending	<u>\$ 161,283</u>	<u>\$ 161,283</u>	<u>\$ 301,868</u>	<u>\$ 140,585</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, 2013

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL AMOUNT</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>Positive (Negative)</u>
REVENUES				
Intergovernmental	\$ 178,717	\$ 178,717	\$ 406,150	\$ 227,433
Total revenues	<u>178,717</u>	<u>178,717</u>	<u>406,150</u>	<u>227,433</u>
EXPENDITURES				
Recreation and social services	<u>178,717</u>	<u>178,717</u>	<u>359,551</u>	<u>(180,834)</u>
Total expenditures	<u>178,717</u>	<u>178,717</u>	<u>359,551</u>	<u>(180,834)</u>
Excess (Deficiency) of Revenue over				
Expenditures	-	-	46,599	46,599
Net change in fund balances	-	-	46,599	46,599
Fund balances - beginning	<u>14,672</u>	<u>14,672</u>	<u>-</u>	<u>(14,672)</u>
Fund balances - ending	<u>\$ 14,672</u>	<u>\$ 14,672</u>	<u>\$ 46,599</u>	<u>\$ 31,927</u>

CITY OF LAUDERHILL, FLORIDA
Combining Statement of Fiduciary Net Position
Pension Trust Funds
September 30, 2013

	PENSION TRUST FUNDS				TOTAL
	General Employees Retirement	Firefighters Retirement	Police Retirement	Confidential and Managerial	
ASSETS					
Cash and short-term investments	\$ 192,083	\$ 3,742,911	\$ 1,477,806	\$ 272,992	\$ 5,685,792
Receivables:					
Interest and dividends	22,417	102,084	36,809	7,002	168,312
Receivable for securities sold	-	181,998	247,508	-	429,506
Contributions	-	-	29,164	-	29,164
Total Receivables	<u>22,417</u>	<u>284,082</u>	<u>313,481</u>	<u>7,002</u>	<u>626,982</u>
Investments, at fair value					
Corporate bonds and notes	-	9,506,135	8,931,674	4,462,608	22,900,417
Mutual funds	17,600,212	-	9,108,496	-	26,708,708
Common stocks	-	30,187,620	15,105,048	7,666,853	52,959,521
International equity funds	-	7,803,276	5,775,522	3,397,315	16,976,113
Notes receivable	-	1,000,000	1,000,000	400,000	2,400,000
Real estate funds	<u>850,000</u>	<u>4,136,457</u>	<u>1,087,640</u>	<u>-</u>	<u>6,074,097</u>
Investments, at fair value	<u>18,450,212</u>	<u>52,633,488</u>	<u>41,008,380</u>	<u>15,926,776</u>	<u>128,018,856</u>
Total Assets	<u>18,664,712</u>	<u>56,660,481</u>	<u>42,799,667</u>	<u>16,206,770</u>	<u>134,331,630</u>
LIABILITIES					
Accounts payable and accrued expenses	12,728	106,518	25,759	10,221	155,226
Deferred revenues/future benefits	394,064	1,097,677	176,108	269,666	1,937,515
Payable for securities purchased	-	215,473	445,489	-	660,962
Prepaid City contributions	<u>-</u>	<u>4,016</u>	<u>7,233</u>	<u>242</u>	<u>11,491</u>
Total Liabilities	<u>406,792</u>	<u>1,423,684</u>	<u>654,589</u>	<u>280,129</u>	<u>2,765,194</u>
NET POSITION					
Held in trust for pension benefits	<u>\$ 18,257,920</u>	<u>\$ 55,236,797</u>	<u>\$ 42,145,078</u>	<u>\$ 15,926,641</u>	<u>\$ 131,566,436</u>

CITY OF LAUDERHILL, FLORIDA
Combining Statements of Changes in Fiduciary Net Position
Pension Trust Funds
For the Year Ended September 30, 2013

	PENSION TRUST FUNDS				TOTAL
	General Employees Retirement	Firefighters Retirement	Police Retirement	Confidential and Managerial	
ADDITIONS					
Contributions:					
City	\$ 1,041,934	\$ 4,202,483	\$ 2,459,161	\$ 1,643,680	\$ 9,347,258
Plan members	379,811	929,722	1,050,427	362,334	2,722,294
State revenue	-	472,633	310,332	-	782,965
Total contributions	1,421,745	5,604,838	3,819,920	2,006,014	12,852,517
Investment income:					
Net appreciation in fair value of investments	1,848,966	6,877,341	4,165,726	1,178,296	14,070,329
Interest and dividend income	599,245	924,284	1,421,871	461,978	3,407,378
Other	-	-	22,406	-	22,406
Total investment income	2,448,211	7,801,625	5,610,003	1,640,274	17,500,113
Less: Investment expenses	42,554	357,642	123,793	56,895	580,884
Deferred retirement option plan	-	49,174	22,344	23,420	94,938
Net investment income	2,405,657	7,394,809	5,463,866	1,559,959	16,824,291
Claim settlement	34,628	-	-	-	34,628
Total additions	3,862,030	12,999,647	9,283,786	3,565,973	29,711,436
DEDUCTIONS					
Benefits paid	1,266,365	3,779,948	1,048,524	1,422,820	7,517,657
Administrative expenses	67,836	191,561	114,976	83,929	458,302
Refunds of contributions	-	56,904	2,113	14,377	73,394
Total deductions	1,334,201	4,028,413	1,165,613	1,521,126	8,049,353
CHANGE IN NET ASSETS	2,527,829	8,971,234	8,118,173	2,044,847	21,662,083
NET POSITION, OCTOBER 1	15,730,091	46,265,563	34,026,905	13,881,794	109,904,353
NET POSITION, SEPTEMBER 30	\$ 18,257,920	\$ 55,236,797	\$ 42,145,078	\$ 15,926,641	\$ 131,566,436

CITY OF LAUDERHILL, FLORIDA
STATISTICAL SECTION
FISCAL YEAR ENDED SEPTEMBER 30, 2013

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 contain trend information to help the reader understand how the City's financial performance and well-being have changed over the time.</p>	
REVENUE CAPACITY	100
<p style="margin-left: 40px;">These schedules contain information to help assess the City's most significant local revenue source; the property tax.</p>	
DEBT CAPACITY	103
<p style="margin-left: 40px;">These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional Debt in the future.</p>	
DEMOGRAPHIC AND ECONOMIC INFORMATION	108
<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>	
OPERATING INFORMATION	110
<p style="margin-left: 40px;">These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report related to the services the City provides and the activities it performs.</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. The City implemented GASB 34 in 2003; schedules presenting government-wide information include information beginning in that year.

CITY OF LAUDERHILL, FLORIDA

Net Position by Component
Last Ten Fiscal Years

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Governmental Activities										
Invested in Capital Assets, Net of Related Debt	\$ 33,750,444	\$ 31,458,503	\$ 40,245,122	\$ 31,011,883	\$ 24,796,635	\$ 24,156,205	\$ 20,325,910	\$ 22,182,988	\$ 13,181,792	\$ 16,202,120
Restricted	5,100,808	4,643,969	3,224,852	3,352,740	6,504,816	4,397,068	5,370,240	2,036,571	3,033,340	2,615,738
Unrestricted	1,323,133	1,826,652	(2,063,112)	6,214,805	6,538,599	2,330,325	5,550,566	1,478,691	5,321,381	3,280,234
	<u>40,174,385</u>	<u>37,929,124</u>	<u>41,406,862</u>	<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>
Business Activities										
Invested in Capital Assets, Net of Related Debt	16,603,233	15,313,066	9,229,731	11,361,249	14,087,557	12,292,025	15,557,718	17,163,711	16,583,392	22,272,644
Restricted	1,826,060	2,565,696	2,063,261	3,225,904	200,000	3,200,000	4,911,700	11,317,275	2,000,000	1,000,000
Unrestricted	5,023,062	6,986,447	14,100,843	12,408,154	13,013,219	13,532,070	12,637,267	7,075,980	24,493,356	24,400,278
	<u>\$ 23,452,355</u>	<u>\$ 24,865,209</u>	<u>\$ 25,393,835</u>	<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>

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

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
EXPENSES										
Governmental Activities										
General Government	\$ 7,188,906	\$ 7,825,228	\$ 10,437,902	\$ 13,106,473	\$ 11,701,546	\$ 11,264,320	\$ 12,990,449	\$ 12,419,477	\$ 12,627,083	\$ 10,251,322
Public Safety	19,318,700	21,043,096	26,085,909	27,220,653	30,617,084	32,537,466	33,387,260	31,673,615	36,483,202	35,347,845
Public Works	3,143,153	3,539,765	11,266,896	5,045,729	7,184,547	6,491,970	5,421,282	-	-	-
Physical Environment	-	-	-	-	-	-	-	4,523,931	4,556,731	3,078,233
Transportation	-	-	-	-	-	-	-	1,202,644	2,548,863	2,794,920
Recreation and Social Services	5,484,553	8,341,193	5,144,089	7,980,172	6,242,142	7,089,302	7,450,136	8,604,826	6,415,018	8,182,418
Economic and Community Development	1,389,479	41,624	-	-	-	-	-	-	-	-
Interest on long-term debt	785,795	1,112,503	2,369,854	2,429,421	2,257,723	2,478,666	2,384,424	2,475,944	2,786,822	2,875,566
Total Governmental Activities Expenses	<u>37,310,586</u>	<u>41,993,409</u>	<u>55,306,650</u>	<u>55,782,448</u>	<u>58,003,042</u>	<u>59,861,724</u>	<u>61,633,551</u>	<u>60,900,437</u>	<u>65,417,719</u>	<u>62,530,304</u>
Business-type Activities										
Water and Sewer	10,793,198	11,855,081	12,027,074	11,928,642	12,124,864	13,260,962	14,331,033	15,917,186	15,002,150	16,451,957
Stormwater	1,695,166	2,567,637	3,223,739	3,498,582	3,348,091	3,702,211	4,712,486	4,266,871	4,242,358	5,061,828
Performing Art	-	-	-	-	-	-	400	38,871	-	-
Total Business-type Activities Expenses	<u>12,488,364</u>	<u>14,422,718</u>	<u>15,250,813</u>	<u>15,427,224</u>	<u>15,472,955</u>	<u>16,963,173</u>	<u>19,043,919</u>	<u>20,222,928</u>	<u>19,244,508</u>	<u>21,513,785</u>
Total Primary Government Expenses	<u>49,798,950</u>	<u>56,326,127</u>	<u>70,557,463</u>	<u>71,209,673</u>	<u>73,475,997</u>	<u>76,824,897</u>	<u>80,677,470</u>	<u>81,123,365</u>	<u>84,662,227</u>	<u>84,044,089</u>
PROGRAM REVENUES										
Governmental Activities										
Charges for Services	\$ 4,423,194	\$ 3,782,796	\$ 3,718,244	\$ 3,011,098	1,819,432	2,051,614	2,497,796	3,042,987	2,676,589	2,982,745
General Government	3,880,522	6,370,334	6,766,965	6,818,193	11,549,938	9,373,245	11,562,332	11,245,316	17,713,085	17,972,874
Public Safety	548,822	366,858	270,278	523,069	308,439	283,526	184,650	168,015	94,961	158,339
Recreation and Social Services	-	-	-	-	-	-	-	98,314	80,771	1,564
Transportation	-	-	-	-	-	-	-	-	-	-
Operating Grants/ Contributions	3,003,761	2,794,438	9,898,002	4,219,394	3,623,561	3,238,350	6,987,592	4,055,407	3,233,682	2,930,632
Capital Grants/Contributions	1,617,367	688,563	81,743	-	-	36,859	-	654,640	-	-
Total Governmental Activities Program Revenues	<u>13,473,666</u>	<u>13,982,989</u>	<u>20,734,832</u>	<u>14,571,754</u>	<u>17,301,371</u>	<u>14,946,735</u>	<u>21,269,229</u>	<u>19,264,679</u>	<u>23,799,088</u>	<u>24,046,154</u>
Business-type Activities										
Water and Sewer	11,392,655	11,626,887	12,406,872	12,227,142	11,904,684	14,643,598	18,688,110	17,172,007	15,978,038	16,936,949
Stormwater	2,060,614	2,825,060	2,919,077	3,662,059	3,737,707	3,965,906	4,329,392	5,028,664	5,701,690	5,968,523
Performing Arts	-	75,000	-	-	-	-	-	-	-	-
Operating Grants/ Contributions	633,264	1,166,970	-	-	-	-	-	-	2,622,188	3,190,121
Capital Grants/Contributions	-	-	-	-	-	-	-	-	-	-
Total Business-type Activities Program Revenues	<u>14,086,533</u>	<u>15,689,917</u>	<u>15,325,949</u>	<u>15,889,201</u>	<u>15,642,391</u>	<u>18,609,504</u>	<u>23,017,502</u>	<u>22,200,671</u>	<u>24,301,916</u>	<u>26,095,593</u>
Total Primary Government Program Revenues	<u>\$ 27,560,199</u>	<u>\$ 29,676,906</u>	<u>\$ 36,060,781</u>	<u>\$ 30,460,955</u>	<u>\$ 32,943,762</u>	<u>\$ 33,556,239</u>	<u>\$ 44,286,731</u>	<u>\$ 41,465,350</u>	<u>\$ 48,101,004</u>	<u>\$ 50,141,747</u>
NET (EXPENSE) REVENUE										
Governmental Activities	<u>\$ (23,836,920)</u>	<u>\$ (27,920,420)</u>	<u>\$ (34,571,818)</u>	<u>\$ (41,210,694)</u>	<u>\$ (40,701,672)</u>	<u>\$ (44,914,989)</u>	<u>\$ (40,364,322)</u>	<u>\$ (41,635,758)</u>	<u>\$ (41,618,631)</u>	<u>\$ (38,484,150)</u>
Business-type Activities	<u>1,598,169</u>	<u>1,271,199</u>	<u>75,136</u>	<u>461,977</u>	<u>169,436</u>	<u>1,646,331</u>	<u>3,973,583</u>	<u>1,977,743</u>	<u>5,057,408</u>	<u>4,581,808</u>
Total Primary Government Net Revenue	<u>\$ (22,238,751)</u>	<u>\$ (26,649,221)</u>	<u>\$ (34,496,682)</u>	<u>\$ (40,748,718)</u>	<u>\$ (40,532,236)</u>	<u>\$ (43,268,658)</u>	<u>\$ (36,390,739)</u>	<u>\$ (39,658,015)</u>	<u>\$ (36,561,223)</u>	<u>\$ (33,902,342)</u>

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

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
GENERAL REVENUES AND TRANSFERS										
Governmental Activities										
Property Taxes	\$ 8,999,663	\$ 10,326,553	\$ 14,027,917	\$ 17,100,159	\$ 16,179,042	\$ 15,955,227	\$ 15,921,086	\$ 12,932,606	\$ 14,379,270	\$ 14,749,938
Other Taxes	7,817,926	9,231,595	12,581,463	12,591,796	12,520,762	12,662,694	13,384,607	12,538,173	12,180,315	11,912,135
Investment Earnings	172,533	311,228	1,599,334	2,098,581	1,504,060	459,343	496,141	207,339	117,479	70,703
Other	6,263,204	6,996,304	9,063,657	9,690,510	8,137,619	8,866,132	10,925,606	11,709,383	10,779,830	12,312,953
Gain (Loss) on Sale of Land	-	-	-	-	-	-	-	-	-	-
Gain (Loss) on Sale of Fixed Assets	11,894	(92,736)	-	-	-	-	-	-	-	-
Contribution Capital-Land	1,218,000	-	-	-	-	-	-	-	-	-
Net Realized Value of Land Investment	-	(1,097,765)	-	-	-	-	-	-	-	-
Insurance Recoveries	-	-	-	-	1,556,485	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	15,144	-	-	-	-
Transfers	-	-	(320,600)	-	-	-	-	-	-	-
Total Governmental Activities Revenues	24,483,220	25,675,159	36,951,771	41,481,046	39,897,958	37,958,540	40,727,440	37,387,501	37,456,894	39,045,729
Business-type Activities										
Investment Earnings	\$ 138,666	\$ 141,655	\$ 132,890	\$ 217,841	\$ 136,036	\$ 36,658	\$ 109,007	\$ 32,538	\$ 56,318	\$ 14,366
Miscellaneous	-	-	-	921,652	-	-	-	440,000	2,406,056	-
Transfers	-	-	320,600	-	-	-	-	-	-	-
Total Business-type Activities Revenues	138,666	141,655	453,490	1,139,493	136,036	36,658	109,007	472,538	2,462,374	14,366
Total Primary Government Revenues	\$ 24,621,886	\$ 25,816,814	\$ 37,405,261	\$ 42,620,540	\$ 40,033,994	\$ 37,995,198	\$ 40,836,447	\$ 37,860,039	\$ 39,919,268	\$ 39,060,095
NET (EXPENSE) REVENUE										
Governmental Activities	\$ 646,300	\$ (2,245,261)	\$ 2,379,953	\$ 270,352	\$ (803,713)	\$ (6,956,449)	\$ 363,118	\$ (4,248,257)	\$ (4,161,737)	\$ 561,579
Business-type Activities	1,736,835	1,412,854	528,626	1,601,470	305,471	1,646,331	4,082,590	2,450,281	7,519,782	4,596,174
Total Primary Government	\$ 2,383,135	\$ (832,407)	\$ 2,908,579	\$ 1,871,822	\$ (498,242)	\$ (5,310,118)	\$ 4,445,708	\$ (1,797,976)	\$ 3,358,045	\$ 5,157,753

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

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Fund										
Reserved	\$ 2,250,692	\$ 91,597	\$ 61,805	\$ 707,160	\$ 897,221	\$ 1,348,172	\$ 1,152,662	\$ -	\$ -	\$ -
Unreserved	(71,241)	3,665,104	5,932,960	5,958,123	6,966,048	6,215,673	5,237,482	-	-	-
Nonspendable	-	-	-	-	-	-	-	166,778	219,609	659,357
Restricted	-	-	-	-	-	-	-	446,493	542,471	555,090
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	4,239,121	932,248	2,385,379
Unassigned	-	-	-	-	-	-	-	5,403,528	7,296,934	7,990,080
	<u>\$ 2,179,451</u>	<u>\$ 3,766,701</u>	<u>\$ 5,994,765</u>	<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>
All Other Governmental Funds										
Reserved	\$ 5,100,808	\$ 35,745,189	\$ 29,803,423	\$ 3,781,937	\$ 5,773,949	\$ 3,687,422	\$ 4,806,205	\$ -	\$ -	\$ -
Reserved Reported In	-	-	(173,784)	2,994,178	(740,475)	(644,166)	(524,064)	-	-	-
Special Revenue	-	-	-	19,397,877	2,988,433	43,293	5,313,431	-	-	-
Capital Project	-	-	-	-	-	-	-	2,888,575	2,888,575	2,888,575
Nonspendable	-	-	-	-	-	-	-	107,282	565	565
Restricted	-	-	-	-	-	-	-	9,994,625	4,753,373	12,585,179
Committed	-	-	-	-	-	-	-	1,482,796	2,052,735	1,780,746
Assigned	-	-	-	-	-	-	-	(3,693,435)	(3,551,218)	(3,733,318)
Unassigned	-	-	-	-	-	-	-	\$ 10,779,843	\$ 6,144,030	\$ 13,521,747
	<u>\$ 5,100,808</u>	<u>\$ 35,745,189</u>	<u>\$ 29,629,639</u>	<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>

Note: Information for fiscal years 2003 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

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
REVENUES										
Property Taxes	\$ 8,999,663	\$ 10,326,553	\$ 14,051,334	\$ 17,100,159	\$ 16,179,042	\$ 15,955,227	\$ 15,921,086	\$ 12,932,608	\$ 14,379,270	\$ 14,749,937
Franchise Taxes	3,070,607	3,217,681	4,707,818	4,420,174	4,281,390	3,968,536	4,552,969	4,133,917	3,912,249	3,614,238
Public Service Taxes	4,747,318	6,013,914	7,873,646	8,171,622	8,239,362	8,694,157	8,831,638	8,404,256	8,268,066	8,297,897
Charges for services	4,857,986	6,534,347	6,939,511	7,280,089	8,038,796	10,040,988	11,276,229	11,221,702	16,963,862	17,841,126
Administrative Charges	1,850,000	2,005,000	2,325,000	3,131,312	2,051,343	3,624,548	4,713,999	5,344,558	5,073,029	4,957,242
Intergovernmental	10,832,411	10,184,677	16,446,296	9,494,549	12,015,037	8,143,497	12,191,590	11,229,104	8,233,766	9,277,197
License and Permits	1,511,768	1,617,864	3,076,720	2,848,814	1,740,312	1,916,602	2,057,512	1,952,467	2,222,920	2,417,456
Fines and Forfeiture	418,392	362,777	450,644	617,224	3,902,553	691,736	677,075	585,134	1,378,623	764,389
Investment Income	172,533	311,227	1,599,334	2,098,581	1,504,060	459,343	496,141	207,313	117,479	70,703
Rental Income	-	-	-	133,142	174,458	255,757	255,560	361,587	369,315	447,600
Other	279,108	302,359	559,816	626,531	515,915	84,103	1,598,548	279,534	337,403	685,154
Total Revenue	36,739,786	40,876,399	58,030,120	55,922,198	58,642,267	53,834,464	62,572,347	56,652,180	61,255,982	63,122,939
EXPENDITURE										
Current:										
General Government	5,834,909	6,790,734	9,141,469	12,265,063	11,329,546	10,866,907	12,734,557	11,607,562	12,270,763	9,615,531
Public Safety	19,571,142	20,599,328	25,567,512	26,088,663	29,470,084	31,044,616	31,901,233	30,277,908	33,424,845	33,665,496
Public Work	2,517,134	2,942,429	9,345,822	4,334,729	6,335,756	5,620,699	5,086,473	-	-	-
Physical environment	-	-	-	-	-	-	-	4,209,013	4,339,131	2,792,573
Transportation	-	-	-	-	-	-	-	676,078	2,078,314	2,264,951
Recreation and social services	5,160,267	7,366,723	6,688,051	6,984,153	5,342,142	6,136,233	8,392,014	7,132,328	5,101,008	6,583,836
Miscellaneous	-	-	-	-	-	-	-	-	-	-
Economic and Community Development	1,390,506	41,624	-	-	-	-	-	-	-	-
Debt Service:										
Principal retirement	-	-	1,880,000	1,807,500	995,000	2,124,992	2,159,247	2,284,670	2,824,579	3,439,512
Interest and issuance cost	-	-	2,393,270	2,429,420	2,254,223	2,359,299	2,319,841	2,475,944	1,704,290	2,708,991
Capital Outlay:	8,837,988	4,336,755	6,570,880	10,516,800	17,168,754	7,926,487	5,224,302	4,516,269	3,413,523	3,510,509
Total Expenditures	43,311,946	42,097,593	61,587,004	64,426,317	72,895,506	66,099,234	67,817,667	63,179,772	67,156,453	64,581,399
Excess Revenue Over (Under Expenditures	(6,572,160)	(1,221,194)	(3,556,884)	(8,504,119)	(14,253,238)	(12,264,770)	(5,245,320)	(6,527,592)	(5,900,471)	(1,458,460)
OTHER FINANCING SOURCE (USES)										
Transfer In	-	-	3,848,208	8,424,175	4,286,828	10,042,142	6,102,670	11,470,253	7,238,055	6,488,401
Transfer Out	(1,376,690)	(2,441,061)	(4,168,808)	(8,424,175)	(4,286,828)	(10,042,142)	(6,102,670)	(11,470,253)	(7,238,055)	(6,488,401)
Payment to refunded bond escrow agent	-	-	-	4,864,619	(3,500)	(62,000)	(108,250)	(225,576)	-	(214,716)
Issuance of debt	-	-	-	-	778,071	7,054,000	10,065,000	11,803,215	-	11,225,000
Capital leases	-	-	-	-	-	576,841	-	-	-	424,537
Advance	-	-	-	-	-	(554,000)	-	-	-	-
Sale of capital assets	-	-	-	(2,220,237)	-	15,144	-	-	-	-
Insurance recoveries	-	-	-	-	-	-	623,894	-	-	-
Total Other Financing Sources (Uses	(1,376,690)	(2,441,061)	(320,600)	2,644,382	2,331,056	7,029,985	10,580,644	11,577,639	-	11,434,821
Net Change in Fund Balance	\$ (7,948,850)	\$ (3,662,255)	\$ (3,877,484)	\$ (5,859,739)	\$ (11,922,181)	\$ (6,234,785)	\$ 5,335,324	\$ 5,050,047	\$ (5,900,471)	\$ 9,976,361
Debt Service as a Percentage of Non-capital Expenditures	n/a	n/a	7.77%	7.86%	5.83%	7.71%	7.16%	8.12%	7.10%	10.07%

CITY OF LAUDERHILL, FLORIDA
 Assessed Value and 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
2004	2003	n/a	n/a	n/a	n/a	\$ 292,504,630	\$ 40,460,700	\$ 29,716,243	\$ 141,211,780	\$ 2,504,990	\$ 1,514,529,312	5.60
2005	2004	n/a	n/a	n/a	n/a	297,192,690	46,732,320	33,721,607	252,186,850	2,797,030	1,680,163,416	5.82
2006	2005	n/a	n/a	n/a	n/a	300,712,550	54,592,070	60,873,772	350,697,790	2,990,880	1,811,412,383	5.82
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	6.65
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	5.48
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	5.93
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	6.93
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	7.20
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	8.09

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			Schools Board	Childrens Services	So. Florida Water Management District	Florida Inland Navigational District	North Broward Hospital District		
					Operating Millage	Debt Service Millage	Total County Millage							
2004	2003	5.8200	-	5.8200	-	-	7.1880	8.4176	0.3055	0.6970	0.0385	2.4803	24.9469	
2005	2004	5.8200	-	5.8200	-	-	7.0230	8.8096	0.3316	0.6970	0.0385	2.5000	25.2197	
2006	2005	6.0200	0.6310	6.6510	-	-	7.0230	8.2695	0.3920	0.6970	0.0385	2.4803	25.5513	
2007	2006	6.0200	0.6310	6.6510	-	-	6.7830	8.0623	0.4231	0.6970	0.0385	2.1746	24.8295	
2008	2007	4.7340	0.7500	5.4840	-	-	5.2868	7.6484	0.3572	0.6240	0.0345	1.6255	21.0604	
2009	2008	5.0646	0.8700	5.9346	-	-	5.3145	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	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	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	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	0.4902	0.4289	0.0345	1.8564	24.5192	

Source: Broward County Property Appraiser

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

TAXPAYER	TYPE OF BUSINESS	2013		
		TAXABLE ASSESSED VALUE	RANK	PERCENT OF TOTAL ASSESSED VALUE
FLORIDA POWER & LIGHT CO	Electric Service	\$ 34,053,191	1	1.9%
SG FOREST TRACE SPE LLC	Real Estate	26,377,470	2	1.5%
DAEJAN INVERRARY GARDENS LLC	Real Estate	25,230,864	3	1.4%
CP-PRCP LAUDERHILL I LLC	Real Estate	23,144,798	4	1.3%
WATERFORD PARK APARTMENT LLC	Real Estate	22,155,236	5	1.3%
SERRAMAR APARTMENTS LLC	Real Estate	20,062,907	6	1.1%
INVERRARY AL/IL REAL	Real Estate	18,480,900	7	1.1%
SUMMIT PALMS LAUDERHILL LLC	Real Estate	18,121,056	8	1.0%

TAXPAYER	TYPE OF BUSINESS	2004		
		TAXABLE ASSESSED VALUE	RANK	PERCENT OF TOTAL ASSESSED VALUE
Target Corporation	Retail	\$ 19,788,901	1	1.4%
Landings of Inverrary	Real Estate	17,982,162	2	1.2%
Rossland Real Estate	Real Estate	17,781,830	3	1.2%
CSC Inverrary Gardens	Real Estate	15,286,403	4	1.1%
Jose Milton	Real Estate	11,502,403	5	0.8%
Lauderhill Apartment Investors	Real Estate	11,471,603	6	0.8%
Kimco Development	Retail	11,249,271	7	0.8%
Westbrooke of Inverrary	Real Estate	10,371,768	8	0.7%

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	TOTAL COLLECTION TO DATE	
	FOR THE FISCAL YEAR	FISCAL YEAR OF THE LEVY		IN SUBSEQUENT YEARS	AMOUNT	PERCENTAGE OF LEVY
	AMOUNT	AMOUNT		AMOUNT	AMOUNT	
2004	\$ 9,313,729	\$ 8,999,663	96.63	\$ 22,831	\$ 9,008,884	96.73%
2005	10,740,102	10,326,553	96.15	96,205	10,349,384	96.36%
2006	12,960,022	12,732,731	98.25	62,570	12,828,936	98.99%
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	-	12,370,301	99.64%

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					
	GENERAL OBLIGATION BONDS	REVENUE BONDS	ECONOMIC DEVELOPMENT NOTES PAYABLE	CAPITAL LEASES	WATER & SEWER REVENUE BONDS	STORMWATER REVENUE BONDS	STATE REVOLVING FUND LOANS	TOTAL PRIMARY GOVERNMENT	PERCENTAGE OF PERSONAL INCOME	PER CAPITA*
2004	\$ -	\$ 18,650	\$ -	\$ -	\$ 14,320	\$ -	\$ 7,191	\$ 40,161	0.05	664
2005	35,000	18,305	-	-	19,415	5,000	7,584	85,304	0.10	1,389
2006	33,960	17,465	-	-	18,615	5,000	7,262	82,302	0.10	1,210
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

* See Schedule of Demographic and Economic Statistics on page 108 for population data.

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

FISCAL YEAR	GENERAL OBLIGATION BONDS	LESS SINKING FUND	NET GENERAL BONDED DEBT	PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY*	PER CAPITA **
2004	\$ -	\$ -	\$ -	\$ -	\$ -
2005	35,000	-	35,000	1.96	570
2006	33,960	-	33,960	1.27	447
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

* See Schedule of Assessed Value and Actual value of Taxable Property on page 100 for property value data.
** See Schedule of Demographic and Economic Statistics on page 108 for population data.

CITY OF LAUDERHILL, FLORIDA
 Direct and Overlapping Governmental Activities Net Debt
 September 30, 2013

	<u>NET DEBT OUTSTANDING</u>	<u>ESTIMATED PERCENTAGE APPLICABLE</u>	<u>ESTIMATED SHARE OF OVERLAPPING NET DEBT</u>
GOVERNMENTAL UNIT			
Debt Repaid with Property Taxes			
Broward County Commission	\$ 322,330,000	1.78%	\$ 5,743,927
Other Debt			
Broward County			
Tourist Development Refunding Bonds	2,260,000	1.78%	<u>40,228</u>
Subtotal Overlapping Debt			5,784,155
City of lauderhill Direct Debt			
General Obligation Debt	27,070,000	100.00%	27,070,000
Revenue Bonds	38,212,000	100.00%	38,212,000
Capital Lease	842,000	100.00%	842,000
Notes Payable	19,631,000	100.00%	<u>19,631,000</u>
Subtotal Direct Debt			85,755,000
Total Direct and Overlapping Debt			\$ <u>91,539,155</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

<u>Fiscal Year</u>	<u>Operating Income Before Depreciation and Amortization Plus Interest Income</u>	<u>Debt Service</u>	<u>Times Coverage</u>
2004	\$ 2,904,567	\$ 1,479,750	1.96
2005	2,235,606	1,758,189	1.27
2006	2,862,425	1,652,829	1.73
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

Stormwater Revenue Bond Issues

<u>Fiscal Year</u>	<u>Operating Income Before Depreciation and Amortization Plus Interest Income</u>	<u>Debt Service</u>	<u>Times Coverage</u>
2004	\$ -	\$ -	-
2005	-	-	-
2006	784,453	217,878	3.60
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

Capital Improvement Revenue Bond Issues

<u>Fiscal Year</u>	<u>1/2 Cent Sales Tax Revenues</u>	<u>Debt Service</u>	<u>Times Coverage</u>
2004	\$ 3,366,665	\$ 1,376,690	2.45
2005	3,503,740	1,645,000	2.13
2006	2,299,778	1,590,025	1.45
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

All outstanding City revenue bond issues require a minimum of 1.25 - 1.40 times coverage (revenue divided by debt service).

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

FISCAL YEAR	CITY OF LAUDERHILL POPULATION	BROWARD COUNTY POPULATION	BROWARD COUNTY	COUNTY	CITY	CITY	UNEMPLOYMENT RATE
			PERSONAL INCOME (IN THOUSANDS)	PER CAPITA PERSONAL INCOME	PERSONAL INCOME (IN THOUSANDS)	PER CAPITA PERSONAL INCOME	
2004	64,000	1,753,000	59,615,576	34,008	1,130,048	17,657	4.4
2005	68,000	1,753,000	59,615,576	34,008	1,200,676	17,657	3.5
2006	76,000	1,753,000	59,615,576	34,008	1,341,932	17,657	3.1
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

U.S. Department of Commerce, Bureau of the Census for 1960-2012

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

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

EMPLOYER	2013			2004		
	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	1,800		100.00%	914		100.00%

Source: City of Lauderhill Economic Development Department

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

FUNCTION/PROGRAM	2009	2010	2011	2012	2013
General Government					
Commission	5	5	0	0	1
City Manager	3	3	3	3	5
City Clerk	4	6	4	4	4
Redevelopment Agency	3	0	0	0	0
MIS	3	5	5	5	4
Special Events	3	3	3	3	2
Finance	5	6	7	7	6
Purchasing	2	2	2	2	3
Utility Billing	11	8	9	10	10
Management & Budget	8	7	6	7	6
Central Garage	4	3	2	2	2
Resources	4	0	4	4	4
Grants Administration	0	1	1	1	0
CDBG Program	1	2	2	0	0
SHIP Program	0	1	1	0	0
Planning/Zoning	5	8	6	5	3
Code Inspections	9	8	9	10	15
Public Work	16	16	12	11	7
Streets & Roads	17	14	20	21	4
Public Safety					
Police - Administration	15	8	6	14	9
Police - Operations	90	80	80	87	75
Police - Community Serv.	19	19	0	0	0
Police - Support Serv.	15	31	43	20	39
Fire/EMS	60	54	64	66	70
Fire - Building	5	5	0	0	0
Fire Inspections	5	4	3	2	2
Fire - Rescue	29	29	28	23	23
Culture and Recreation					
Rec-Admin	3	2	2	2	2
PALS - Aquatics	2	2	2	2	2
PALS - Athletic Programs	2	2	2	2	2
PALS - Westside facilities	0	0	1	1	21
PALS-Sports Park	1	1	0	1	1
PALS - Childrens Programs	1	1	1	1	1
Rec Maintenance	0	1	0	0	0
PALS - Community Services	6	5	6	6	6
Business Enterprise					
Utility Admin	8	8	8	9	9
Water	8	2	1	1	1
Stormwater	17	14	15	14	15
Stormwater Construction	3	4	4	1	1
Sewer	23	24	23	21	23
TOTALS	415	394	385	368	378

Source: City of Lauderhill Finance Department

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

FUNCTION/PROGRAM	2009	2010	2011	2012	2013
Public Safety					
Police					
911 & Non Emergency Calls Received	1,929	74,516	76,805	61,488	62,222
Citations Processed	9,690	6,197	5,869	6,108	5,910
Arrests Processed	1,716	1,791	1,151	1,136	1,065
Fire Rescue					
Total Incidents	11,892	12,704	12,164	12,998	13,052
Total Fire Incidents	213	178	186	166	152
Physical Environmen					
Water Distribution					
Water Main Failures	-	19	9	11	21
New Water Mains Construction (Feet)	5,675	50	-	870	-
Raw Water Treated (Billions of Gallons)	2,913	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	1,100	1,032	21	34	15
Park Attendance	171,019	323,740	308,411	355,043	384,330
Pool Attendance	12,450	15,537	14,458	5,704	15,348

-Figures were unavailable

Source: City of Lauderhill Various Departments

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

FUNCTION/PROGRAM	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Public Safety										
Police										
Station Patrol Units	4	4	4	4	4	4	4	3	3	3
Fire Stations	3	3	4	4	4	4	4	4	4	4
Highways and Streets										
Streets(miles)	97.13	97.13	110	110	110	111	111	111	111	111
Streets lights	1550	1580	1620	1620	1620	1620	1620	1620	1620	1620
Culture and recreation										
Parks Acreage	78.65	94.37	98.37	105.41	105.91	235.76	236.66	237.69	237.69	237.69
Parks	11	13	14	17	18	20	21	22	22	22
Tennis Courts	14	18	18	18	18	18	18	18	18	18
Community Centers	2	4	4	4	4	4	5	6	7	7
Aquatic Center	2	2	2	2	2	2	2	3	3	3
Water										
Water Mains (miles)	105	141	141	141	141	145	145	145	145.16	145.16
Fire Hydrants	1,270	1,275	1,280	1,300	1,306	1318	1326	1327	1327	1331
Maximum Daily Capacity* (millions of gallons)*	-	-	-	-	-	-	16	16	16	16
Sewer										
Sanitary Sewers(miles)	122	123.22	123.22	123.22	123.22	123.22	123.22	123.24	123.24	123.24
Storm Sewers(miles)	40	45	45	50	50.53	50.53	50.53	50.53	50.53	50.53
Maximum Daily Capacity* (millions of gallons)*	-	-	-	-	-	-	7	7	7	7

-Figures were unavailable

Source: City of Lauderhill Various Departments

City of Lauderhill

Brown and Brown Public Risk Insurance Agency Insurance Coverage October 1, 2012-2013

Total Premiums \$756,990

Coverage	Limit	Deductibles/Retention
Property	\$ 68,592,571	\$25,000 All other Perils 5% occurrence per storm
Boiler & Machinery	50,000,000	Minimum of \$35,000
Earthquake Annual Aggregate	1,000,000	\$25,000 per earth movement
Flood Aggregate	5,000,000	\$25,000 per flood loss except zone A, V
Terrorism	5,000,000	\$25,000
General Liability	1,000,000	\$100,000 (Self Insured Retention)
Employee Benefits Liability	1,000,000	
Law Enforcement Liability	1,000,000	\$100,000 (Self Insured Retention)
Public Official liability	2,000,000	\$100,000 (Self Insured Retention)
Employment Related Practices	2,000,000	
Excess Work compensation	1,000,000	\$350,000 (Self Insured Retention)
Auto Liability	1,000,000	\$100,000 (Self Insured Retention)
Travelers Casualty Surety	500,000	\$5,000

Source: Brown and Brown Public Risk Insurance Agency

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



www.laudershill-fl.gov

