



Comprehensive Annual Financial Report

City of Lauderhill, FL



For Year Ended September 30, 2018

Comprehensive Annual Financial Report

City of Lauderdale, Florida



For the Fiscal Year Ended September 30, 2018

Prepared by

City of Lauderdale Finance Department

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CITY OF LAUDERHILL, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED SEPTEMBER 30, 2018

TABLE OF CONTENTS

	Page
INTRODUCTION SECTION	
Letter of Transmittal.....	1
Certificate of Achievement for Excellence in Financial Reporting.....	8
Organizational Chart.....	9
Elected City Officials.....	10
Appointed City Officials.....	11
FINANCIAL SECTION	
Independent Auditor's Report.....	12
Management's Discussion and Analysis.....	15
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position.....	26
Statement of Activities.....	27
Fund Financial Statements:	
Balance Sheet - Governmental Funds.....	28
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position.....	29
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds.....	30
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	31
Statement of Net Position - Proprietary Funds.....	32
Statement of Revenues, Expenses and Changes in Fund Net Position- Proprietary Funds.....	33
Statement of Cash Flows - Proprietary Funds.....	34
Statement of Fiduciary Net Position - Fiduciary Funds.....	35
Statement of Changes in Fiduciary Net Position - Fiduciary Funds.....	36
Notes to the Financial Statements.....	37
Required Supplementary Information:	
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual: General Fund.....	85
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual: Community Redevelopment Agency.....	86
Notes to Budgetary Comparison Schedules	87
Lauderhill Employee Retirement Systems:	
Schedule of Net Pension Liability.....	88
Schedule of Contributions by Employer.....	92
Schedule of Investment Returns.....	93
Schedule of Other Postemployment Benefits Liability.....	94

TABLE OF CONTENTS (Continued)

	Page
Combining Fund Statements and Schedules:	
Combining Balance Sheet - Nonmajor Governmental Funds.....	95
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds.....	96
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual:	
Capital Projects Fund.....	97
Fire Protection Fund.....	98
Debt Service Fund.....	99
Special Revenue Funds:	
State Housing Initiative Program (SHIP).....	100
Law Enforcement.....	101
Federal Forfeitures.....	102
Safe Neighborhood	103
Neighborhood Stabilization Program (N.S.P).....	104
Community Development Block Grant (CDBG).....	105
Home Grant.....	106
Combining Statement of Net Position - Fiduciary Funds.....	107
Combining Statement of Changes in Fiduciary Net Position - Fiduciary Funds.....	108
 STATISTICAL SECTION	
Net Position by Component	110
Changes in Net Position.....	111
Fund Balances - Governmental Funds.....	113
Changes in Fund Balances - Governmental Funds.....	114
Assessed Value and Actual Value of Taxable Property.....	115
Property Tax Millage Rates - Direct and Overlapping Governments.....	116
Principal Property Taxpayers.....	117
Property Tax Levies and Collections.....	118
Ratios of Outstanding Debt by Type.....	119
Ratios of Net General Bonded Debt Outstanding.....	120
Direct and Overlapping Governmental Activities Net Debt.....	121
Revenue Bond Coverages	122
Demographic and Economic Statistics.....	123
Principal Employers.....	124
Full-time Equivalent City Government Employees by Function/Program.....	125
Operating Indicators by Function/Program.....	126
Capital Asset Statistics by Function/Program	127
Brown and Brown Public Risk Insurance Agency Insurance Coverage.....	128





March 25, 2019

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, 2018, is hereby submitted as mandated by both local ordinances and state statutes. The financial statements included in this report conform to generally accepted accounting principles (GAAP) and are audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States by a firm of licensed certified public accountants.

Management Responsibility

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

Internal Control

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

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

Audit

The City's financial statements have been audited by S. Davis & Associates, PA. The goal of the independent auditor was to provide reasonable assurance that the financial statements for fiscal year ended September 30, 2018 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 unmodified opinions that the financial statements for the fiscal year ended September 30, 2018, 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, mandated "Single Audit", which is designed to meet the special needs of the federal and state 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 and state 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, the majority of largest property taxpayers in Lauderhill are apartment complexes.

The City's assessed valuation is showing an upward trend resulting in a modest increase in property taxes, which is clearly a positive trend. The number of vacant homes and apartments in Lauderhill continues to decline during the past year, thus resulting in the stabilization of utility taxes and franchise fees for electricity, water, and telecommunication collections in the current year and in our projections for 2019. In addition, our investment in our community through improvements funded by the General Obligation Bonds, the implementation of four Safe Neighborhood Districts, and the use of grant funding have resulted in the increase of property values throughout the Community.

Major Initiatives and Capital Projects

The City continued its commitment to the residents by improving roadways, water and sewer lines, providing landscaping and acquiring capital assets to assist with the development of the overall community during Fiscal Year 2018. The Lauderhill Performing Arts Center opened to the public in fiscal year 2016. The 47,585 square foot facility houses a performing arts theater, meeting and classrooms, banquet and reception facilities and Broward County Public Library. The Center accommodates events for music, theatre, dance, cinema, comedy, visual arts, education, conferences, workshop and other social gatherings. The Lauderhill Performing Arts Center has a 1200 seat theatre equipped with Proscenium stage and state-of-the-art sound and lighting equipment. In Fiscal Year 2017 and 2018, the City issued General Obligation Bond for \$35,260,000 and 8,900,000 accordingly. The new capital funding from the Bond allowed the City to fund new projects including road improvements, parks and playground improvements, police body cameras, park lighting, security cameras and City's facilities improvements.

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

The Community Redevelopment Agency contribution is set by the relative tax bases of the Eastern and State Road 7 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.

The City received additional funding for the State Housing Initiative Program (SHIP). These funds provide opportunities for low and moderate income participants to receive down payment assistance so they may achieve the goal of home ownership. Additionally, the SHIP grant allows residents to make critical repairs to their homes in the areas of health and safety weatherization. The program was designed to provide very low, low and moderate income families with assistance to purchase or repair homes. The Community Development Block Grant (CDBG) utilizes funding for new and existing programs including funding for economic development through the Community Redevelopment Agency commercial façade renovation program. Additionally, the City has committed to the betterment of our youths by providing funding for afterschool programs, which includes arts and cultural activities, sports programming and educational tutoring. Properties that were purchased by City through the Neighborhood Stabilization Program (NSP) were transferred to the Lauderhill Housing Authority. Although new funding will not be available for the Neighborhood Stabilization Program (NSP), any remaining funds and/or program income available at the end of the year will be re-appropriated to fiscal year 2019.

Long-term Financial Planning

Management constantly examines 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 its 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 ranges of services; to encourage a community that retains and promotes employment opportunities, economic growth and improved quality of life, where people of diverse cultural backgrounds and incomes peacefully interrelate. The City utilizes long-term financial planning to identify future financial challenges and opportunities through financial forecasting and analysis, then, devise strategies based on the information to achieve financial sustainability. The goal of the annual budget and the five-year plan is to outline an operating and financing plan, which will provide for sound fiscal management through the allocation of limited resources. The capital improvement fund is dedicated to the management of capital project expenditures such as equipment, renovations and vehicle purchases. Construction costs are effectively monitored to achieve saving opportunities and outstanding qualities.

The City issued bonds, including five Sales Tax Revenue Bonds, three Utility Tax Revenue Bonds, three Water and Sewer Revenue Bonds, three Stormwater Revenue Bonds, two General Obligation Bonds and three Notes Payable to continually improve capital assets and to better serve the residents of our City. The City is financially stable and strives to maintain and gradually improve its credit rating from at least two major Municipal bond credit ratings services, Moody's Investors Services and Standard and Poor's Global ratings. The most recent ratings for the City's credit obligations are as follows: A+ (Standard & Poor's) for 2013 Capital Improvement Revenue Bonds, AA (Standard & Poor's), A1 (Moody's) for 2016 Water and Sewer Bond, A (Standard & Poor's) and A2 (Moody's) for

Certificates of Participation (COPs), and an A+ (Standard & Poor's) Half-Cent Sales Tax Revenue Bonds. Staff continues to closely monitor the bond covenants, level of expenditures and underlying revenue streams to ensure that the City maintains its rating and its ability to issue additional debt for capital improvements. The total outstanding principal as of September 30, 2018 are \$11,260 thousand for the Sales Tax Bonds, \$5,922 thousand for Water Utility Tax Bond, \$11,350 thousand for Electric Utility Revenue Bond, \$15,045 thousand for the Water and Sewer Revenue Bonds, \$7,865 thousand for the Stormwater Bonds, \$63,485 thousand for the General Obligation Bonds and \$14,073 thousand for Notes Payable. Revenue bonds have been issued between 2005 and 2016 to pay for capital projects or to refund earlier bond issues in an effort to take advantage of reduced interest rates. The outstanding debt is further detailed in the Notes to the Financial Statements.

In the Water and Sewer fund, capital funds are available for projects such as line rehabilitation, sewer lining, culvert cleaning and well replacement, lift station rehabilitations, automated meters for large buildings. Funding is also provided for a water line valve replacement program, maintaining water tanks, replacing various filters, and upgrading computer and security systems at the water treatment plant.

Relevant financial policies

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

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

Awards and Acknowledgements

The Government Finance Officers' Association (GFOA) has awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Lauderhill for its Comprehensive Annual Financial Report (CAFR) for fiscal year ended September 30, 2017. This is the 30th consecutive year (fiscal year ended September 30, 1988-2017) 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 publishes 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, Assistant Finance Director, Sean Henderson, Deputy Finance Director, Qi Pan, Assistant Comptroller and C Borders–Byrd, CPA, Contracted Internal Auditor, as well as the entire staff of the Finance and Support Services Department. Karen Pottinger has the primary responsibility for maintaining the integrity of the accounting records during the year and overseeing the preparation of this CAFR. The Finance staff also recognizes the City Commission and the City Manager for their interest and support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "K. Hobbs, Jr.", is written over the text "Respectfully submitted,".

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**

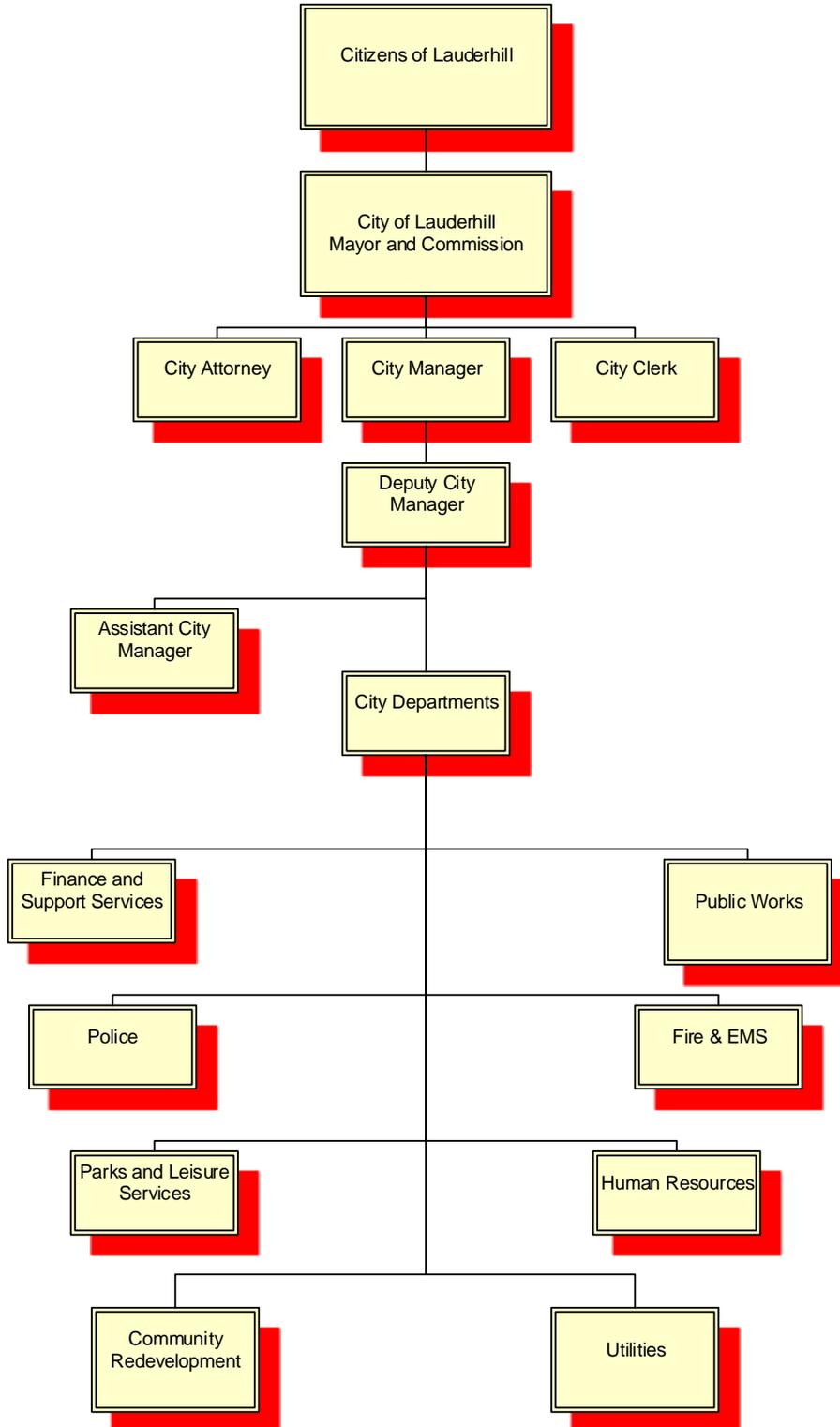
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2017

Christopher P. Morrill

Executive Director/CEO

City of Lauderhill, Florida



City of Lauderdale, Florida

Commission/Manager Form of Government



Mayor
Ken Thurston

Vice Mayor – M. Margaret Bates
Commissioner – Howard Berger
Commissioner – Richard Campbell
Commissioner – Denise D. Grant

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>Sean Henderson</i>
Public Works Director	<i>Juan Martin Cala</i>
Fire Chief	<i>Marc Celetti</i>
Human Resources Director	<i>Reylon Fennel</i>
Parks & Leisure Services Director	<i>Irvin Kiffin</i>
Police Chief	<i>Constance Stanley</i>
Utilities Director	<i>Herbert Johnson</i>



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Member: American Institute of Certified Public Accountants / Florida Institute of Certified Public Accountants

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 the City of Lauderhill, Florida ("the City") as of and for the year ended September 30, 2018, 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 Pension Trust Funds, which represents 98.6%, 100.9% and 93.6%, respectively, of the assets, net position/fund balance, and revenues/additions 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 Pension Trust Funds, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, based on our audit and the reports 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, 2018, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis-of-Matter – Change in Accounting Principle

As discussed in Note 1 to the financial statements, in the year ended September 30, 2018, the City adopted the provisions of Governmental Accounting Standards Board Statement (“GASBS”) 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. As a result of the implementation of GASBS 75, the City reported a restatement for the change in accounting principle as of October 1, 2017. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis, budgetary comparison schedule, schedule of net pension liability, schedule of contributions by employer and schedule of investment returns on pages 15-25 and pages 85-94 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and 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, budgetary comparison schedules, statistical section, schedule of expenditures of federal awards, as required by Title 2 U.S Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, 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, 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 by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the reports of the other auditors, the combining and individual nonmajor fund financial statements, 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 25, 2019, 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 the City's internal control over financial reporting and compliance.

A handwritten signature in blue ink that reads "S. Davis & Associates, P.A." is displayed on a light blue rectangular background.

Hollywood, Florida
March 25, 2019

CITY OF LAUDERHILL, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FISCAL YEAR ENDED SEPTEMBER 30, 2018

We, the management of the City of Lauderhill (the "City"), offer readers of the City's financial statement a narrative presentation of the City's financial performance for fiscal year ended September 30, 2018. 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 \$46,782 (net position). Governmental activities unrestricted is (\$58,607) and business-type activities is \$31,970 totaling (\$26,638). Positive unrestricted net position may be used to meet the government's ongoing obligations to citizens and creditors.
- During fiscal year 2018, the government's total net position increased by \$6,585 to \$46,782. Governmental net position increased by \$1,476 (4.76 percent) and business-type activity net position increased by \$5,110 (7.18 percent). Pension and OPEB related deferred outflow of resources primarily contributed to the increase in total governmental net position.
- During fiscal year 2018, revenues of all Governmental Funds totaled \$80,620 while expenditures (before other financing sources and uses) totaled \$91,714. As a result, Governmental revenues were \$11,094 less than Governmental Fund Expenditures. This is a result of increased capital projects and Hurricane Irma expenditures. Also, the City realized an increase in total Governmental Funds Fund Balance (net of other financing sources and uses) of \$1,236 during fiscal year 2018, due to proceeds from capital lease and General Obligation Bonds issued in 2018.
- Business-type activities yielded a net operating income of \$5,902. During fiscal year 2018, operating revenues increased by \$1,327 from fiscal year 2017, totaled \$29,839 compared to \$28,511 during 2017. The increase is primarily due to utilities rate changes and service charges. Funding will be used to improve capital assets and offset operating costs. 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 Proprietary funds amounted to \$115,651 or \$10,979 (10.49 percent) more than fiscal year 2017. The Governmental costs increased by more than \$10,622 and Proprietary

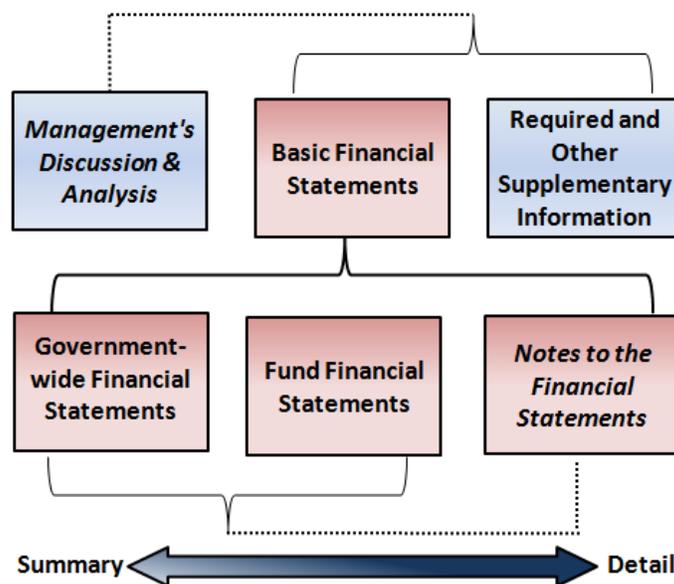
costs increase by \$358 during fiscal year 2018. Increase in expenditure attributed to Hurricane Irma expenditures and contractual agreements.

- As of the close of the current fiscal year, the General Fund reported revenues in excess of expenditures of \$6,407 before other financing sources (uses) of (\$5,765). The increase was primarily due to increased property tax revenue.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Required Components of The City of Lauderhill's Comprehensive Annual Financial Report



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

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

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal period (e.g. uncollected taxes and earned but unused vacation leave).

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

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

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

Governmental funds. These funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate comparison between *governmental funds* and *governmental activities*.

The City maintains fifteen (15) 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, capital projects fund, fire protection fund and debt service fund, which are considered to be major funds. Data from the other ten (10) governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the

form of *combining statements* elsewhere in this report.

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

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

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

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

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

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

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

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

Required supplementary information can be found on pages 85-94 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 95 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (in thousands)

Our analysis of the financial statements of the City begins below. The Statement of Net Position and the Statement of Activities report information about the City's activities that will help answer questions about the financial position and result of operations of the City. Information for both fiscal years ended 2017 and 2018 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 Lauderdale's net position for fiscal years ended 2018 and 2017:

	Net Position (In Thousands)					
	Governmental Activities		Business-type Activities		Total Government	
	2018	2017 (Restated)*	2018	2017 (Restated)*	2018	2017 (Restated)*
Current and other assets	\$56,625	\$55,398	\$36,616	\$35,946	\$93,241	\$91,344
Capital assets	97,312	78,035	71,690	71,319	169,002	149,354
Total assets	<u>153,937</u>	<u>133,433</u>	<u>108,306</u>	<u>107,265</u>	<u>262,243</u>	<u>240,698</u>
Deferred outflows of resources	15,426	10,335	786	814	16,212	11,149
Long-term debt outstanding	114,499	105,723	27,189	29,972	141,688	135,695
Net OPEB obligation	4,082	4,215	371	383	4,453	4,598
Net pension liability	42,014	40,416	2,707	3,825	44,721	44,241
Other liabilities	8,993	9,276	1,521	1,721	10,514	10,997
Total liabilities	<u>169,588</u>	<u>159,630</u>	<u>31,788</u>	<u>35,901</u>	<u>201,376</u>	<u>195,531</u>
Deferred inflows of resources	29,296	15,135	1,001	985	30,297	16,120
Net position (deficit)	<u>(\$29,521)</u>	<u>(\$30,997)</u>	<u>\$76,303</u>	<u>\$71,193</u>	<u>\$46,782</u>	<u>\$40,196</u>
Net investment in capital assets	\$27,337	\$10,393	\$44,133	\$40,950	\$71,470	\$51,343
Restricted	1,749	2,333	200	200	1,949	2,533
Unrestricted	(58,607)	(41,067)	31,970	30,426	(26,637)	(10,641)
Restatement adjustment , September 30,2017	-	(2,656)	-	(383)	-	(3,039)
Total net position (deficit)	<u>(\$29,521)</u>	<u>(\$30,997)</u>	<u>\$76,303</u>	<u>\$71,193</u>	<u>\$46,782</u>	<u>\$40,196</u>

*Prior year amounts have been restated for the City's implementation of GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions."

The City's combined net position was \$46,782 at the 2018 fiscal year end: (\$29,521) for governmental activities and \$76,303 for business-type activities. This represents an increase of \$6,586 from fiscal year 2017 net position. Pension and OPEB related deferred outflow of resources primarily contributed to the increase in total government net position.

The governmental activities total net position deficit is primarily due to pension liability and OPEB liability reported on the government-wide statement as per GASB 68 and GASB 75. For governmental activities, capital assets were increased by \$19,277, restricted net position was decreased by \$584 and current and other assets were increased by \$1,227 from fiscal year 2017. Significant increase in governmental assets is due to General Obligation Bond proceeds received in 2018. Increase in capital assets primarily due to increase in capital assets spending of various GO bonds capital projects.

The use of a portion of net position is restricted and cannot be used to meet the ongoing obligations of the City. For fiscal year 2018, restricted net position equaled \$1,749 for governmental activities. Unrestricted net position of governmental activities represent (\$58,607) while business-type activities unrestricted net position are \$31,970 or 41.90 percent of total net position; positive net position can be used to meet the City's ongoing obligations to citizens and creditors.

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

Long-term debt outstanding has increased in the governmental activities and decreased in the enterprise activities. This is a result of the City paying down long term obligations and new debt was issued. At the end of the current fiscal year, the City is able to report positive balances of net position as it relates to the governmental and business-type activities as a whole.

Statement of Activities

Governmental activities for the current fiscal year increased net position by \$1,476, primarily due to increase in pension and OPEB related deferred outflows of resources. Key elements of the changes in net position are presented in the schedule below and described in the following section:

City of Lauderhill, Florida

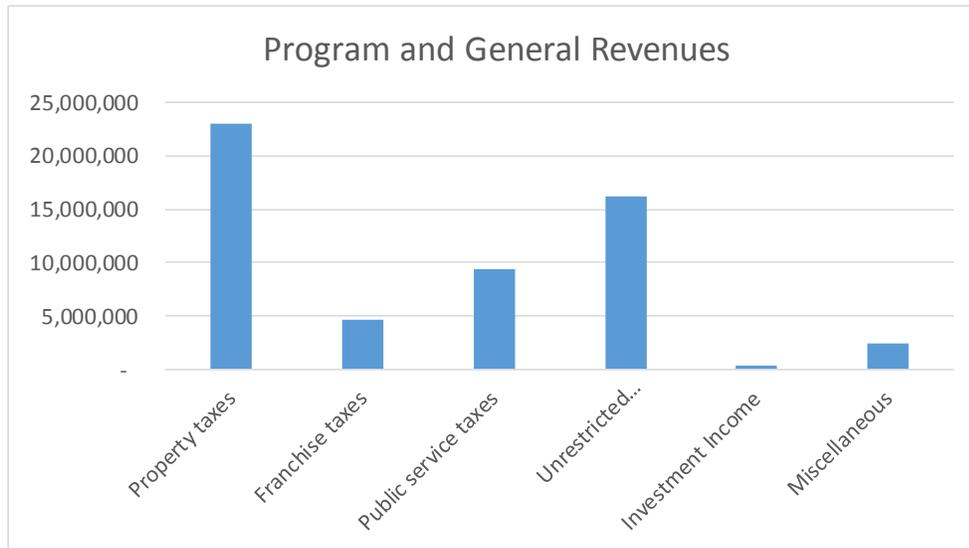
Change in Net Position

(In Thousands)

	Governmental Activities		Business-type Activities		Total Government	
	2018	2017 (Restated)*	2018	2017 (Restated)*	2018	2017 (Restated)*
Revenues:						
Program revenues:						
Charges for services	\$22,598	\$22,404	\$29,839	\$28,556	\$52,437	\$50,960
Operating grants	2,860	2,802	-	-	2,860	2,802
Capital grants and contributions	-	-	-	-	-	-
General revenues:						
Property taxes	23,036	19,744	-	-	23,036	19,744
Other taxes	13,927	13,552	-	-	13,927	13,552
Other	18,854	16,449	1,543	44	20,397	16,493
Total revenues	81,275	74,951	31,382	28,600	112,657	103,551
Expenses:						
General government	14,846	15,789	-	-	14,846	15,789
Public safety	45,504	43,297	-	-	45,504	43,297
Physical environment	2,731	3,263	-	-	2,731	3,263
Transportation	2,857	2,691	-	-	2,857	2,691
Recreation and social services	8,837	10,826	-	-	8,837	10,826
Interest on long-term debt	4,124	2,719	-	-	4,124	2,719
Water and sewer	-	-	18,070	17,534	18,070	17,534
Stormwater	-	-	5,052	4,823	5,052	4,823
Performing Arts	-	-	4,050	1,293	4,050	1,293
Total expenses	78,899	78,585	27,172	23,650	106,071	102,235
Increase (decrease) in net position before transfers	2,376	(3,634)	4,210	4,950	6,586	1,316
Transfers	(900)	(500)	900	500	-	-
Increase (decrease) in net position	1,476	(4,134)	5,110	5,450	6,586	1,316
Net position (deficit), October 1,	(30,997)	(24,207)	71,193	66,126	40,196	41,919
Restatement adjustment, September 30, 2017	-	(2,656)	-	(383)	-	(3,039)
Net position (deficit), September 30	(\$29,521)	(\$30,997)	\$76,303	\$71,193	\$46,782	\$40,196

*Prior year amounts have been restated for the City’s implementation of GASB Statement No. 75, “Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.”

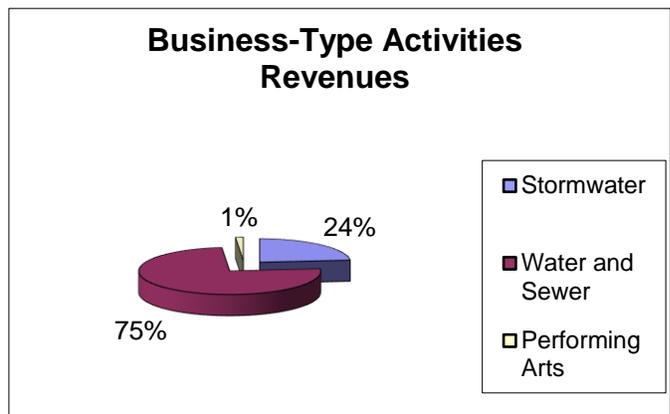
Governmental Activities



- Property taxes revenue increased in the governmental activities by \$3,292 (16.67 percent) during fiscal year 2018 compared to fiscal year 2017. This is due to the increase of millage rate from 8.6180 to 9.5364 in year 2018.
- Business-type Activities

Business-type activities for the year resulted in an increase in net position of \$5,110. Key elements of this change are as follows:

- The Stormwater Utility revenues exceeded total expenses by \$2,718
- The Water and Sewer Utility increased net position by \$4,421
- The Performing Arts change in net position was a decrease of (\$2,028).



FINANCIAL ANALYSIS OF THE GOVERNMENTAL FUNDS

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

	Governmental Funds						
	(In Thousands)						
	Community		Capital Projects	Fire Protection	Debt Service	Other Funds	Total Governmental
General	Agency						
Fund balance (deficit), September 30, 2017	\$16,130	(\$1,155)	\$33,830	(\$8,530)	\$588	\$698	\$41,561
Revenues	58,090	145	4,825	15,511	-	2,049	80,620
Expenditures	(51,683)	(135)	(10,173)	(15,783)	(9,360)	(4,581)	(91,714)
Other financing sources (uses)	(5,765)	55	9,393	(115)	8,772	(10)	12,330
Fund balance (deficit), September 30, 2018	<u>\$16,772</u>	<u>(\$1,090)</u>	<u>\$37,875</u>	<u>(\$8,917)</u>	<u>\$ -</u>	<u>(\$1,844)</u>	<u>\$42,797</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 \$42,797 with general fund representing \$16,772, up by \$642 compared with fiscal year 2017, primarily due to the increase of property tax revenue. General fund balance of \$16,772 comprised of assigned fund balance of \$5,662, and \$6,619 unassigned fund balance at year-end.

The capital projects fund had a balance of \$37,875 at year-end, up by \$4,045 in fiscal year 2018. The primary reason for the increase is the recognition of debt proceeds from General Obligation Bond and capital lease. Funding from the General Obligation Bond will be utilized to finance various capital projects throughout the City. Funding from capital lease will be utilized to acquire and equip vehicles to be used by various City departments for municipal purposes.

The Natural Disaster fund deficit of (\$4,552) reported in other funds is the result of cost incurred due to Hurricane Irma. The majority of the total costs are reimbursable from Federal Emergency Management Agency and the State of Florida. In addition, the City

reserved \$1,319 in the general fund to offset unreimbursable costs.

General Fund Budgetary Highlights

The City Commission approves the original budget (Adopted Budget) in September prior to the beginning of the fiscal year. The final budget (Amended Budget) reflects divisional changes made administratively and approved by the City Manager and departmental changes and supplemental appropriations approved by the City Commission during the year.

Actual General Fund revenues for fiscal year 2018 were below final budget by \$3,553. Actual expenditures for the year were approximately \$4,280 less than the final budget. The major expenditure variances between the final budget and actual in the general fund are reflected in general government, public safety, physical environment, transportation & recreation and social services, which is due to an overall decrease in spending.

Capital Assets

The City’s investment in capital assets for its governmental and business-type activities as of September 30, 2018, amounts to \$169,002 (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, Florida						
Capital Assets (net of depreciation)						
(In Thousands)						
	Governmental Activities		Business-type Activities		Total Government	
	2018	2017	2018	2017	2018	2017
Land	\$ 30,798	\$ 28,344	\$ 349	\$ 349	\$ 31,147	\$ 28,693
Building	29,071	16,232	31,563	32,666	60,634	48,898
Machinery and equipment	4,594	2,401	1,855	1,376	6,449	3,777
Improvements(other than buildings)	24,674	26,148	23,332	21,709	48,006	47,857
Infrastructure	3,265	3,476	14,591	15,219	17,856	18,695
Construction-in-progress	4,910	1,434	-	-	4,910	1,434
	<u>\$ 97,312</u>	<u>\$ 78,035</u>	<u>\$ 71,690</u>	<u>\$ 71,319</u>	<u>\$ 169,002</u>	<u>\$ 149,354</u>

The City has developed various capital improvement programs to improve the quality of life of its residents. Additional information on the City’s capital assets can be found in the notes to the financial statements on pages 62-63 of this report.

DEBT ADMINISTRATION

At the end of the current fiscal year, the City has total long-term debt outstanding of

\$137,716. Total governmental activities debt increased net by \$7,148 as a result of General Obligation Bond issued and capital lease. Total business activities debt was decreased by \$2,783 because of scheduled payments.

Outstanding Debt (In Thousands)						
	Governmental Activities		Business-type Activities		Total Government	
	2018	2017	2018	2017	2018	2017
General Obligation Bonds	\$ 63,485	\$ 56,325	\$ -	\$ -	\$ 63,485	\$ 56,325
Revenue Bonds	28,532	30,967	22,910	25,085	51,442	56,052
State Revolving Fund	-	-	4,279	4,887	4,279	4,887
Capital Leases	4,426	823	-	-	4,426	823
Insurance Claim Payable	11	6	-	-	11	6
Notes Payable	14,073	15,258	-	-	14,073	15,258
	<u>\$ 110,527</u>	<u>\$ 103,379</u>	<u>\$ 27,189</u>	<u>\$ 29,972</u>	<u>\$ 137,716</u>	<u>\$ 133,351</u>

Additional information on the City's long-term debt can be found in the notes to the financial statements on pages 65-69.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

In the fiscal year 2019 budget, General fund revenues and expenditures are budgeted to increase by \$4,103 equally, or 7.02% when compared to fiscal year 2018. General fund property taxes make up approximately 33% of general fund budgeted revenues and are projected to increase by \$2,387 or 13.25% from fiscal year 2018.

For the Water and Sewer fund, revenues and expenditures are budgeted to increase by \$3,507, or 15.80% when compared to fiscal year 2018. For the Stormwater fund, revenues and expenditures are budgeted to increase by \$7,347, or 99.84% when compared to fiscal year 2018. Canal bank stabilization project is the main reason for the increase.

Performing Art Center Fund is budgeted to increase by \$880, or 110.03% when compared to fiscal year 2018. The increase in budget is to recognize additional revenues from scheduled events and the costs related to those performances.

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, 2018

ASSETS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Cash and equity in pooled cash and investments	\$ 47,291,262	\$ 5,468,618	\$ 52,759,880
Accounts receivable - net	6,723,076	7,589,731	14,312,807
Notes receivable	6,686,327	8,611,039	15,297,366
Due from other governments	2,260,176	-	2,260,176
Internal balances	(12,773,201)	12,773,201	-
Inventories	291,920	100,256	392,176
Prepaid expenses	53,921	13,167	67,088
Restricted assets:			
Equity in pooled cash and investments	-	2,059,756	2,059,756
Real estate held for investment	2,158,257	-	2,158,257
Other assets	3,933,441	-	3,933,441
Non-depreciable assets-			
Land	30,797,723	349,010	31,146,733
Construction in progress	4,910,146	-	4,910,146
Depreciable assets-net	<u>61,603,735</u>	<u>71,341,323</u>	<u>132,945,058</u>
Total assets	<u>153,936,783</u>	<u>108,306,101</u>	<u>262,242,884</u>
DEFERRED OUTFLOWS OF RESOURCES			
OPEB	1,922,195	174,745	2,096,940
Pension	<u>13,504,214</u>	<u>611,234</u>	<u>14,115,448</u>
Total Deferred Outflows of Resources	<u>15,426,409</u>	<u>785,979</u>	<u>16,212,388</u>
LIABILITIES			
Accounts payable and accrued expenses	1,108,760	962,236	2,070,996
Accrued interest payable	1,245,736	380,594	1,626,330
Accrued payroll	1,584,175	171,242	1,755,417
Customer deposits	16,810	7,342	24,152
Unearned revenue	5,037,180	-	5,037,180
Noncurrent liabilities:			
Net OPEB obligation	4,082,127	371,102	4,453,229
Net pension liabilities	42,014,225	2,706,848	44,721,073
The amount due within one year	7,013,799	2,855,975	9,869,774
The amount due in more than one year	<u>107,485,564</u>	<u>24,332,538</u>	<u>131,818,102</u>
Total Liabilities	<u>169,588,376</u>	<u>31,787,877</u>	<u>201,376,253</u>
DEFERRED INFLOWS OF RESOURCES			
OPEB	91,573	8,325	99,898
Pension	12,712,318	624,400	13,336,718
Deferred charge	13,480,000	-	13,480,000
Deferred charge-bonds refunding	<u>3,012,411</u>	<u>368,333</u>	<u>3,380,744</u>
Total Deferred Inflows of Resources	<u>29,296,302</u>	<u>1,001,058</u>	<u>30,297,360</u>
NET POSITION			
Net Investment in capital assets	27,336,888	44,133,487	71,470,375
Restricted for:			
Renewal and replacement	-	200,000	200,000
Social services	455,118	-	455,118
Debt service	1,293,741	-	1,293,741
Unrestricted	<u>(58,607,233)</u>	<u>31,969,658</u>	<u>(26,637,575)</u>
Total Net Position	<u>\$ (29,521,486)</u>	<u>\$ 76,303,145</u>	<u>\$ 46,781,659</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, 2018

	PROGRAM REVENUES				NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
	Expenses	Charges for services	Operating grants and contributions	Capital grants and contributions	Governmental activities	Business-type activities	Total
Functions/programs							
Primary Government:							
Governmental activities:							
General government	\$ 14,846,736	\$ 4,896,258	\$ 90,909	\$ -	\$ (9,859,569)	\$ -	\$ (9,859,569)
Public safety	45,504,305	17,459,387	634,912	-	(27,410,006)	-	(27,410,006)
Physical environment	2,731,319	-	-	-	(2,731,319)	-	(2,731,319)
Transportation	2,857,403	387	870,416	-	(1,986,600)	-	(1,986,600)
Recreation and social services	8,836,563	242,430	1,263,384	-	(7,330,749)	-	(7,330,749)
Interest on long-term debt	4,123,919	-	-	-	(4,123,919)	-	(4,123,919)
Total governmental activities	78,900,245	22,598,462	2,859,621	-	(53,442,162)	-	(53,442,162)
Business-type activities:							
Water & Sewer	18,070,485	22,399,139	-	-	-	4,328,654	4,328,654
Stormwater	5,052,192	7,029,590	-	-	-	1,977,398	1,977,398
Performing Arts	4,049,859	409,933	-	-	-	(3,639,926)	(3,639,926)
Total business-type activities	27,172,536	29,838,662	-	-	-	2,666,126	2,666,126
Total primary government	\$ 106,072,781	\$ 52,437,124	\$ 2,859,621	\$ -	(53,442,162)	2,666,126	(50,776,036)
General revenues:							
Property taxes, levied for general purpose					23,035,744	-	23,035,744
Franchise taxes					4,566,695	-	4,566,695
Public service taxes					9,360,774	-	9,360,774
Unrestricted intergovernmental					16,156,306	-	16,156,306
Investment Income					336,783	128,687	465,470
Miscellaneous					2,361,062	1,415,096	3,776,158
Transfers					(900,000)	900,000	-
Total general revenues and transfers					54,917,364	2,443,783	57,361,147
Change in net position					1,475,202	5,109,909	6,585,111
Net position (deficit), October 1, as restated					(30,996,688)	71,193,236	40,196,548
Net position (deficit), September 30,					\$ (29,521,486)	\$ 76,303,145	\$ 46,781,659

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

CITY OF LAUDERHILL, FLORIDA
Balance Sheet
Governmental Funds
September 30, 2018

MAJOR FUNDS

	General	Community Redevelopment Agency	Capital Projects	Fire Protection	Debt Service	Other Nonmajor Governmental Funds	TOTAL GOVERNMENTAL FUNDS
ASSETS							
Cash and equity in pooled cash and investments	\$ 7,559,068	\$ 133,417	\$ 37,139,491	\$ 297,063	\$ -	\$ 2,162,223	\$ 47,291,262
Accounts receivable - net	6,422,569	35,385	-	265,122	-	-	6,723,076
Notes receivable	-	-	-	-	-	615,470	615,470
Due from other funds	4,606,235	-	-	-	-	-	4,606,235
Due from other governments	1,816,288	10,000	-	266,214	-	167,674	2,260,176
Inventories	291,920	-	-	-	-	-	291,920
Prepays	53,921	-	-	-	-	-	53,921
Restricted assets:							
Equity in pooled cash and investments	-	-	-	-	-	-	-
Real estate held for investment	-	2,158,257	-	-	-	-	2,158,257
Other assets	2,707,009	-	771,631	433,901	-	20,900	3,933,441
Total assets	<u>\$ 23,457,010</u>	<u>\$ 2,337,059</u>	<u>\$ 37,911,122</u>	<u>\$ 1,262,300</u>	<u>\$ -</u>	<u>\$ 2,966,267</u>	<u>\$ 67,933,758</u>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable and accrued expenses	\$ 1,070,286	\$ 2,659	\$ 35,815	\$ -	\$ -	\$ -	\$ 1,108,760
Accrued payroll	1,278,793	3,367	-	302,015	-	-	1,584,175
Advances from other funds	-	3,421,130	-	-	-	-	3,421,130
Due to other funds	-	-	-	9,148,535	-	4,809,771	13,958,306
Customer deposits	16,810	-	-	-	-	-	16,810
Unearned revenue	4,308,668	-	-	728,512	-	-	5,037,180
Insurance claims payable	10,799	-	-	-	-	-	10,799
Total liabilities	<u>6,685,356</u>	<u>3,427,156</u>	<u>35,815</u>	<u>10,179,062</u>	<u>-</u>	<u>4,809,771</u>	<u>25,137,160</u>
Fund balances:							
Nonspendable:							
Inventories	291,920	-	-	-	-	-	291,920
Prepays	53,921	-	-	-	-	-	53,921
Advances	2,587,768	-	-	-	-	-	2,587,768
Long term receivable	1,437,378	-	-	-	-	-	1,437,378
Restricted for:							
Real estate held for investment	-	2,158,257	-	-	-	-	2,158,257
Social services-community development	119,553	335,565	-	-	-	-	455,118
Assigned:							
Capital projects	-	-	37,875,307	-	-	-	37,875,307
Natural disaster	1,318,849	-	-	-	-	-	1,318,849
Debt reserve	1,293,741	-	-	-	-	-	1,293,741
Social services:							
Safe neighborhood	-	-	-	-	-	434,444	434,444
Housing	-	-	-	-	-	1,815,769	1,815,769
Public safety-law enforcement	-	-	-	-	-	518,866	518,866
Employee pension	1,059,099	-	-	-	-	-	1,059,099
Other post retirement benefit	1,559,000	-	-	-	-	-	1,559,000
Contingencies	431,087	-	-	-	-	-	431,087
Unassigned:							
General fund	6,619,338	-	-	-	-	-	6,619,338
Community redevelopment agency	-	(3,583,919)	-	-	-	-	(3,583,919)
Social services-housing	-	-	-	-	-	(60,361)	(60,361)
Public safety-fire	-	-	-	(8,916,762)	-	-	(8,916,762)
Public safety-natural disaster	-	-	-	-	-	(4,552,222)	(4,552,222)
Total fund balances (deficit)	<u>16,771,654</u>	<u>(1,090,097)</u>	<u>37,875,307</u>	<u>(8,916,762)</u>	<u>-</u>	<u>(1,843,504)</u>	<u>42,796,598</u>
Total liabilities and fund balances	<u>\$ 23,457,010</u>	<u>\$ 2,337,059</u>	<u>\$ 37,911,122</u>	<u>\$ 1,262,300</u>	<u>\$ -</u>	<u>\$ 2,966,267</u>	<u>\$ 67,933,758</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, 2018

Fund balances - total government funds \$ 42,796,598

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

Capital assets used in governmental activities are not
financial resources and therefore are not reported in the
governmental funds.

Governmental capital assets, net 97,311,604

Notes receivable 6,070,857
Dererred outflows of resources 15,426,409
Deferred inflows of resources (29,296,302)

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

2015 Sales Tax Bonds	(2,830,000)	
2010 Sales Tax Bonds	(5,605,000)	
2011-A Sales BB&T	(455,000)	
2011-B Sales BB&T	(2,370,000)	
Water Utility Tax Bonds	(5,921,500)	
2005 General Obligation Bonds	(19,860,000)	
2017 General Obligation Bonds	(34,725,000)	
2018 General Obligation Bonds	(8,900,000)	
Electric Utility Revenue Bond	(11,350,000)	
Notes payable	(14,073,026)	
Net OPEB obligation	(4,082,127)	
Net Pension Liability	(42,014,225)	
Capital Lease	(4,426,284)	
Accrued interest	(1,245,736)	
Compensated absences	(3,972,754)	<u>(161,830,652)</u>

Net position of governmental activities \$ (29,521,486)

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, 2018

	MAJOR FUNDS						TOTAL GOVERNMENTAL FUNDS
	General	Community Redevelopment Agency	Capital Projects	Fire Protection	Debt Service	Other Nonmajor Governmental Funds	
REVENUES							
Taxes:							
Property taxes	\$ 18,059,592	\$ -	\$ 4,595,326	\$ 42,494	\$ -	\$ 338,332	\$ 23,035,744
Franchise taxes	4,566,695	-	-	-	-	-	4,566,695
Public service taxes	9,360,774	-	-	-	-	-	9,360,774
Charges for services	1,554,098	-	-	15,429,953	-	-	16,984,051
Administrative charges	8,107,649	-	-	-	-	-	8,107,649
Intergovernmental	9,623,175	10,000	-	-	-	1,659,005	11,292,180
Licenses and permits	4,377,800	-	-	38,441	-	-	4,416,241
Fines and forfeitures	779,871	-	-	-	-	28,487	808,358
Investment income	81,373	2,518	229,428	-	206	23,258	336,783
Rental income	563,669	73,488	-	-	-	-	637,157
Miscellaneous	1,014,965	59,120	-	53	-	-	1,074,138
Total revenues	58,089,661	145,126	4,824,754	15,510,941	206	2,049,082	80,619,770
EXPENDITURES							
Current:							
General government	14,344,617	135,016	212,853	-	-	-	14,692,486
Public safety	25,876,696	-	-	15,326,547	-	3,727,802	44,931,045
Physical environment	2,480,054	-	-	-	-	-	2,480,054
Transportation	2,347,223	-	-	-	-	-	2,347,223
Recreation and social services	6,634,122	-	-	-	-	827,430	7,461,552
Debt service:							
Principal retirement	-	-	-	288,361	5,467,618	-	5,755,979
Interest and issuance cost	-	-	181,511	16,730	3,892,664	-	4,090,905
Capital Outlay:							
Land	-	-	2,453,135	-	-	-	2,453,135
Improvements	-	-	3,931,999	62,214	-	15,055	4,009,268
Machinery & equipment	-	-	3,393,523	88,580	-	10,050	3,492,153
Total Expenditures	51,682,712	135,016	10,173,021	15,782,432	9,360,282	4,580,337	91,713,800
Excess (deficiency) of revenues over (under) expenditures	6,406,949	10,110	(5,348,267)	(271,491)	(9,360,076)	(2,531,255)	(11,094,030)
OTHER FINANCING SOURCES (USES)							
Transfers in	-	836,376	144,189	-	8,916,202	62,510	9,959,277
Transfers out	(5,764,915)	(781,556)	(3,980,619)	(115,353)	(144,189)	(72,645)	(10,859,277)
Proceeds on bonds issued	-	-	8,900,000	-	-	-	8,900,000
Proceeds on lease	-	-	4,000,000	-	-	-	4,000,000
Premium on bonds issued	-	-	329,613	-	-	-	329,613
Total Other Financing Sources (Uses)	(5,764,915)	54,820	9,393,183	(115,353)	8,772,013	(10,135)	12,329,613
Net change in fund balances	642,034	64,930	4,044,916	(386,844)	(588,063)	(2,541,390)	1,235,583
Fund balances (deficit) - beginning	16,129,620	(1,155,027)	33,830,391	(8,529,918)	588,063	697,886	41,561,015
Fund balances (deficit) - ending	\$ 16,771,654	\$ (1,090,097)	\$ 37,875,307	\$ (8,916,762)	\$ -	\$ (1,843,504)	\$ 42,796,598

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, 2018

Changes in fund balances - total government funds \$ 1,235,583

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	9,954,556	
Less current year depreciation	<u>(4,192,043)</u>	5,762,513

The issuance of long-term debt (e.g. bonds) provides current financial
resources to governmental funds, while the repayment of the principal of
long-term debt consumes the current financial resources of governmental funds.
Neither transaction, however, has any effect on net position. Also, governmental
funds report the 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.

Proceeds on bonds issued	(8,900,000)	
Proceeds on lease	(4,000,000)	
Premium on bonds issued	(329,613)	
Principal repayments	<u>5,755,979</u>	(7,473,634)

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. 1,950,740

Change in net position of governmental activities \$ 1,475,202

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, 2018

ASSETS	BUSINESS-TYPE ACTIVITIES-ENTERPRISE FUNDS			
	Water & Sewer	Stormwater	Performing Arts	Total
Current assets:				
Cash and equity in pooled cash and investments	\$ 2,272,313	\$ 3,195,074	\$ 1,231	\$ 5,468,618
Accounts receivable - net	7,200,614	94,289	294,828	7,589,731
Advances to other funds	3,421,130	-	-	3,421,130
Notes Receivable	8,611,039	-	-	8,611,039
Due from other funds	4,500,832	4,956,435	-	9,457,267
Inventories	93,707	-	6,549	100,256
Prepaid	417	-	12,750	13,167
Total current assets	26,100,052	8,245,798	315,358	34,661,208
Non-current assets:				
Restricted Assets:				
Equity in pooled cash and investments	1,946,630	113,126	-	2,059,756
Capital assets:				
Land	349,010	-	-	349,010
Buildings	30,446,303	2,081,643	17,615,467	50,143,413
Improvements other than building	14,122,001	25,514,604	28,000	39,664,605
Machinery and equipment	3,722,491	1,757,892	156,903	5,637,286
Infrastructure	15,397,477	10,301,969	-	25,699,446
Less accumulated depreciation	(32,575,830)	(16,271,248)	(956,349)	(49,803,427)
Total capital assets (net of accumulated depreciation)	31,461,452	23,384,860	16,844,021	71,690,333
Total non-current assets	33,408,082	23,497,986	16,844,021	73,750,089
Total Assets	59,508,134	31,743,784	17,159,379	108,411,297
DEFERRED OUTFLOWS OF RESOURCES				
OPEB	118,210	41,116	15,419	174,745
Pension	426,071	127,869	57,294	611,234
Total Deferred outflows of Resources	544,281	168,985	72,713	785,979
LIABILITIES				
Current Liabilities:				
Accounts payable and accrued expenses	905,859	38,356	18,021	962,236
Accrued payroll	124,548	25,210	21,484	171,242
Accrued interest payable	241,922	138,672	-	380,594
Bonds payable - current portion	1,530,000	700,000	-	2,230,000
Loans payable-current portion	16,085	609,890	-	625,975
Due to other funds	-	-	105,196	105,196
Deposits	6,013	-	1,329	7,342
Total current liabilities	2,824,427	1,512,128	146,030	4,482,585
Non-current liabilities:				
Net OPEB obligation	251,040	87,318	32,744	371,102
Net pension liabilities	1,886,854	566,269	253,725	2,706,848
Bonds payable - noncurrent	13,515,000	7,165,000	-	20,680,000
Loans payable-noncurrent	221,579	3,430,959	-	3,652,538
Total noncurrent liabilities	15,874,473	11,249,546	286,469	27,410,488
Total Liabilities	18,698,900	12,761,674	432,499	31,893,073
DEFERRED INFLOWS OF RESOURCES				
OPEB	5,632	1,958	735	8,325
Pension	435,248	130,624	58,528	624,400
Deferred charge-bonds refunding	368,333	-	-	368,333
Total Deferred inflows of Resources	809,213	132,582	59,263	1,001,058
NET POSITION				
Net investment in capital assets	15,810,455	11,479,011	16,844,021	44,133,487
Restricted for:				
Renewal and replacement	200,000	-	-	200,000
Unrestricted	24,533,847	7,539,502	(103,691)	31,969,658
Total Net Position	\$ 40,544,302	\$ 19,018,513	\$ 16,740,330	\$ 76,303,145

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, 2018

	BUSINESS-TYPE ACTIVITIES-ENTERPRISE FUNDS			
	<u>Water & Sewer</u>	<u>Stormwater</u>	<u>Performing Arts</u>	<u>Total</u>
OPERATING REVENUES				
Charges for services	\$ 22,161,130	\$ 7,029,590	\$ 196,381	\$ 29,387,101
Connection fees	238,009	-	-	238,009
Rental income	-	-	213,552	213,552
Total Operating Revenues	<u>22,399,139</u>	<u>7,029,590</u>	<u>409,933</u>	<u>29,838,662</u>
OPERATING EXPENSES				
Personal services	3,470,018	1,313,729	506,181	5,289,928
Administrative expenses	4,780,625	1,029,422	122,591	5,932,638
Contractual services	5,674,977	691,620	303,432	6,670,029
Utilities	387,127	52,541	87,638	527,306
Repairs and maintenance	319,982	146,010	63,743	529,735
Materials and supplies	704,304	235,686	38,589	978,579
Depreciation and amortization	<u>2,280,436</u>	<u>1,256,196</u>	<u>472,019</u>	<u>4,008,651</u>
Total Operating Expenses	<u>17,617,469</u>	<u>4,725,204</u>	<u>1,594,193</u>	<u>23,936,866</u>
Operating income (loss)	<u>4,781,670</u>	<u>2,304,386</u>	<u>(1,184,260)</u>	<u>5,901,796</u>
NONOPERATING REVENUES (EXPENSES)				
Investment income	70,985	52,270	5,432	128,687
Other income	220,991	887,879	306,226	1,415,096
Interest expense and fees	(453,016)	(326,988)	-	(780,004)
Other expense	-	-	(2,455,666)	(2,455,666)
Total Nonoperating Revenues (Expenses)	<u>(161,040)</u>	<u>613,161</u>	<u>(2,144,008)</u>	<u>(1,691,887)</u>
Transfer in	-	-	1,300,000	1,300,000
Transfer out	<u>(200,000)</u>	<u>(200,000)</u>	<u>-</u>	<u>(400,000)</u>
Change in net position	4,420,630	2,717,547	(2,028,268)	5,109,909
NET POSITION, OCTOBER 1, as restated	<u>36,123,672</u>	<u>16,300,966</u>	<u>18,768,598</u>	<u>71,193,236</u>
NET POSITION, SEPTEMBER 30	<u>\$ 40,544,302</u>	<u>\$ 19,018,513</u>	<u>\$ 16,740,330</u>	<u>\$ 76,303,145</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, 2018

	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	\$ 21,803,216	\$ 6,991,746	\$ 448,059	\$ 29,243,021
Payments for interfund activities	(4,780,625)	(1,029,422)	(122,591)	(5,932,638)
Cash paid to suppliers	(7,309,027)	(1,087,501)	(480,643)	(8,877,171)
Cash paid to employees	(3,449,161)	(1,366,522)	(494,314)	(5,309,997)
Net Cash Provided by Operating Activities	<u>6,264,403</u>	<u>3,508,301</u>	<u>(649,489)</u>	<u>9,123,215</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfer from other funds	-	(1,319,034)	1,705,196	386,162
Transfer to other funds	(1,088,566)	-	-	(1,088,566)
Other receipts	1,285	13,325	-	14,610
Other payments	-	-	(2,113,149)	(2,113,149)
Net Cash Provided by noncapital and related financing activities	<u>(1,087,281)</u>	<u>(1,305,709)</u>	<u>(407,953)</u>	<u>(2,800,943)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Acquisition and construction of capital assets	(3,504,446)	(844,626)	(30,940)	(4,380,012)
Principal retirements of long-term debt	(1,505,669)	(1,277,724)	-	(2,783,393)
Interest paid on long-term debt	(483,161)	(340,433)	-	(823,594)
Net Cash Provided (used) by Capital and Related Financing Activities	<u>(5,493,276)</u>	<u>(2,462,783)</u>	<u>(30,940)</u>	<u>(7,986,999)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest on investments	70,985	52,270	5,432	128,687
Net Cash Provided by Investing Activities	<u>70,985</u>	<u>52,270</u>	<u>5,432</u>	<u>128,687</u>
NET INCREASE (DECREASE) IN POOLED CASH AND CASH EQUIVALENTS	(245,169)	(207,921)	(1,082,950)	(1,536,040)
POOLED CASH AND CASH EQUIVALENTS, OCTOBER 1	4,464,112	3,516,121	1,084,181	9,064,414
POOLED CASH AND CASH EQUIVALENTS, SEPTEMBER 30	<u>\$ 4,218,943</u>	<u>\$ 3,308,200</u>	<u>\$ 1,231</u>	<u>\$ 7,528,374</u>
POOLED CASH AND CASH EQUIVALENTS PER STATEMENT OF NET POSITION				
Unrestricted	\$ 2,272,313	\$ 3,195,074	\$ 1,231	\$ 5,468,618
Restricted	1,946,630	113,126	-	2,059,756
TOTAL, SEPTEMBER 30	<u>\$ 4,218,943</u>	<u>\$ 3,308,200</u>	<u>\$ 1,231</u>	<u>\$ 7,528,374</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:				
Operating Income	\$ 4,781,670	\$ 2,304,386	\$ (1,184,260)	\$ 5,901,796
Adjustments to reconcile operating income to net Cash provided by Operating Activities:				
Depreciation and amortization	2,280,436	1,256,196	472,019	4,008,651
Change in Assets and Liabilities:				
(Increase) decrease in accounts receivable-net	(601,936)	(37,844)	(294,828)	(934,608)
(Increase) decrease due from other governments	-	-	344,375	344,375
(Increase) decrease in inventories	(11,398)	-	9,100	(2,298)
(Increase) decrease in prepaids	2,288	-	(12,750)	(10,462)
Increase (decrease) in customer deposit	6,013	-	1,329	7,342
Increase (decrease) in accounts payable and accrued expenses	(211,239)	38,356	3,659	(169,224)
Increase (decrease) in accrued payroll	18,569	(52,793)	11,867	(22,357)
Total adjustments	<u>1,482,733</u>	<u>1,203,915</u>	<u>534,771</u>	<u>3,221,419</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 6,264,403</u>	<u>\$ 3,508,301</u>	<u>\$ (649,489)</u>	<u>\$ 9,123,215</u>
Schedule of non-cash capital and related financing activities				
Capital contribution-grant	\$ -	\$ -	\$ -	\$ -

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, 2018

	<u>Pension Trust Funds</u>
ASSETS	
Cash and short-term investments	\$ 4,023,322
Receivables:	
Accrued investment income	131,550
Interest and dividends	39,091
Receivable for securities sold	52,369
Accrued interest due from Lauderhill Housing Authority	38,875
Contributions	71,323
Total Receivables	<u>333,208</u>
Investments, at fair value	
Fixed income mutual funds	20,125,001
Equity securities	35,553,350
U.S. Government securities	5,132,150
Corporate bonds	7,881,465
Commingled equity funds	19,628,033
Collective trust fund	1,435,569
Absolute return equity funds	33,751,918
Domestic equity funds	37,848,617
International equity funds	19,407,876
Notes receivable	3,400,000
Real estate funds	23,141,257
Farmland investment fund	2,032,174
Investments, at fair value	<u>209,337,410</u>
Total Assets	<u>213,693,940</u>
LIABILITIES	
Accounts payable and accrued expenses	168,533
Payable for securities purchased	80,354
Prepaid City contributions	118,588
Total Liabilities	<u>367,475</u>
NET POSITION RESTRICTED FOR PENSIONS	
Net position restricted for Deferred Retirement Option Plan Benefits	983,421
Net position restricted for Supplemental Plan benefits	571,401
Net position restricted for Defined Benefits	211,771,643
Total Net Position Restricted for Pensions	<u><u>\$ 213,326,465</u></u>

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

CITY OF LAUDERHILL, FLORIDA
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended September 30, 2018

	Pension Trust Funds
ADDITIONS	
Contributions:	
City	\$ 9,616,360
Plan members	3,017,849
State revenue	811,389
Total contributions	13,445,598
Investment income:	
Net appreciation in fair value of investments	11,398,553
Interest and dividend income	5,984,531
Total investment income	17,383,084
Less: Investment expenses	746,800
Net investment income	16,636,284
Other income	88,740
Total additions	30,170,622
DEDUCTIONS	
Benefits paid	11,604,203
Administrative expenses	419,751
Refunds of contributions	389,920
Total deductions	12,413,874
Net increase	17,756,748
NET POSITION RESTRICTED FOR PENSIONS	
Net position restricted for pensions, October 1	195,569,717
Net position restricted for pensions, September 30	\$ 213,326,465

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

City of Lauderhill, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

NOTE 1 –SUMMARY OF SIGNIFICANT ACCOUNTING POLICES

A. Financial reporting entity

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

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

The definition of the financial reporting entity is based upon the concept that elected officials are accountable to their constituents for their actions. One of the objectives of financial reporting is to provide users of financial statements with a basis for assessing the accountability of the elected officials. The financial reporting entity consists of the primary government, organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete.

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

City of Lauderhill, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

As of September 30, 2018, the City had two entities, Community Redevelopment Agency and Windermere/Tree Gardens Safe Neighborhood Improvement District, which met these requirements.

Blended component units

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

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

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. *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

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

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.

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

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

are considered to be measurable and are available only when the City receives cash.

The City reports the following major governmental funds:

The *General Fund* is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

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

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

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

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

The City reports the following major proprietary funds:

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

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

The *Performing Arts Center Fund* accounts for revenues and expenses of the cultural center, which provides a wide variety of entertainment, including visual arts and enrichment events, for which a significant portion will be financed through user charges. The City of Lauderdale operates and budgets for the Performing Arts Center and Broward County is fiscally responsible for the Library which is adjacent to the Performing Arts Center.

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

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

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

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

Proprietary funds distinguish operating revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Water and Sewer fund, of the Stormwater fund, and of the Performing Arts Center fund are charges to customers for sales and services.

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

D. Accountability and compliance

The City of Lauderdale utilized fund balance as a source of funds for the General Fund budget for the year ended September 30, 2018. The City budgeted and utilized the following amounts:

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

	<u>Original Budget</u>	<u>Additional Appropriations</u>	<u>Final Budget</u>
General government	\$ 13,924,707	\$ 2,107,349	\$ 16,032,056
Public safety	24,402,588	1,984,799	26,387,387
Physical environment	4,135,544	(1,119,670)	3,015,874
Transportation	3,125,703	(223,887)	2,901,816
Recreation and social services	7,566,808	58,557	7,625,365
Total	<u>\$ 53,155,350</u>	<u>\$ 2,807,148</u>	<u>\$ 55,962,498</u>

On September 26, 2018 The City Commission passed a resolution approving a supplemental appropriation of additional revenues and expenditures to balance the fiscal year 2018 budget.

The Community Redevelopment Agency fund, Fire Protection fund, Natural Disaster fund and Home Grant fund had deficit fund balances of \$1,090,097, \$8,916,762, \$4,552,222 and \$60,361, respectively as of September 30, 2018. The funds increased expenditures to acquire real property for sale or redevelopment, pay reimbursable expenditures for Hurricane Irma and home buyer assistants and other operating expenditures. The City plans to use the proceeds of tax revenue, reimbursement from federal and county funds and service charges to eliminate the deficits.

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

The definition of each classification is as follows:

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

Restricted - Amounts restricted for specific purposes by external parties such as creditors, laws or regulator of other governments or by law thorough 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

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

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. The General fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the general fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

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

E. New Pronouncements

Implemented

The City adopted GASB Statement No.75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions." The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. The adoption of statement No. 75 has a material impact on the financial position or results of operation of the City. See note F.11.

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

The City adopted GASB Statement No. 81, "Irrevocable Split-Interest Agreements." The objective of this Statement is to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. Split-interest agreements are a type of giving agreement used by donors to provide resources to two or more beneficiaries, including governments. This Statement requires that a government that receives resources pursuant to an irrevocable split-interest agreement recognize assets, liabilities, and deferred inflows of resources at the inception of the agreement. This Statement requires that a government recognize revenue when the resources become applicable to the reporting period. The adoption of statement No. 81 did not have a material impact on the financial position or results of operation of the City.

The City adopted GASB Statement No. 82, "Pension Issues – an amendment of GASB Statements No. 67, No. 68, and No. 73." The objective of this Statement is to address certain issues that have been raised with respect to Statement No. 67, No. 68, and No. 73. Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumption and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee contribution requirement. The requirements of this statement are effective for reporting periods beginning after June 15, 2016. The adoption of statement No. 82 did not have a material impact on the financial position or results of operation of the City.

The City adopted GASB Statement No. 85, "Omnibus 2017." The objective of this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits [OPEB]). The adoption of statement No. 85 did not have a material impact on the financial position or results of operation of the City.

The City adopted GASB Statement No. 86, "Certain Debt Extinguishment Issues." The primary objective of this Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources-resources other than the proceeds of refunding debt-are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance. The adoption of statement No. 86 did not have a material impact on the financial position or results of operation of the City.

Not Yet Implemented

In November 2016, the GASB issued Statement No. 83, "Certain Asset Retirement Obligations." This Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligation to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement. This Statement establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for AROs. This Statement requires the measurement of an ARO to be based on the best estimate of the current value of outlays expected to be incurred. This Statement requires the current value of a government's AROs to be adjusted for the effects of general inflation or deflation at least annually. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018.

In January 2017, the GASB issued Statement No. 84, "Fiduciary Activities." The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement established criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018.

In June 2017, the GASB issued Statement No. 87, "Leases." The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. The Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019.

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

In March 2018, the GASB issued Statement No. 88, "Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements." The primary objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. This Statement requires that additional essential information related to debt be disclosed in notes to financial statements. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018.

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

F. Assets, liabilities and net position or equity

1. Cash and investments

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

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

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.

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

2. Receivables and Payables

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

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

3. Property taxes

Property values are assessed as of January 1, of each year, at which time taxes becomes an enforceable lien on property. Tax bills are mailed for the City, by Broward County, on or about October 1 of each year, and are payable with discounts of up to 4% offered for early payment. Taxes become delinquent on April 1 of the year following the year of assessment and State law provides for 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, 2018.

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 operating and voted debt service millage rates assessed by the City for the year ended September 30, 2018 are 7.5898 and 1.9466 respectively per \$1,000 of taxable assessed valuation.

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

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. The City utilizes the consumption method for inventory, expenditures are recognized when inventory items are used rather than purchased.

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. The cost of prepaid items is recorded as expenditures when consumed rather than when purchased.

5. Restricted assets

Certain proceeds from revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because they are maintained in a separate investment accounts and their use is limited by applicable bond covenants. The “bond reserve account” is a separate brokerage account where securities have been purchased in lieu of surety bonds to subsidize potential deficiencies of revenues pledged for debt service. The “revenue bond renewal and replacement” account is used to report resources set aside to meet unexpected contingencies or to fund asset renewals and replacements. The various reserve accounts have been recorded on the balance sheets of the applicable funds. When both restricted and unrestricted resources 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 \$1,000 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, donated works of art and similar items, and capital assets received in a service concession arrangement should be reported at acquisition value.

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.

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

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 items reported in this category is the deferred outflows of resources related to the Pension Plans and OPEB.

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

8. Compensated absences

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

9. Long-term obligations

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

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

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

10. Use of estimates

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

11. Restatements

The net position of Government and Business-type for fiscal year ended September 30, 2017 were restated due to the implementation of GASB 75. The net OPEB liability is reported as a restatement of beginning net position in the period GASB 75 is implemented. The details of the adjustments are as follows:

	Governmental activities	Business-type activities	Total
Net position, October 1(as previously reported)	\$ (28,341,046)	\$ 71,576,385	\$43,235,339
Impact of Implementation of GASB Statement No. 75	(2,655,642)	(383,149)	(3,038,791)
Net position, October 1, as restated	<u>\$ (30,996,688)</u>	<u>\$ 71,193,236</u>	<u>\$40,196,548</u>
OPEB Liability 9-30-2017 Restated	\$ 4,214,642	\$ 383,149	\$ 4,597,791
OPEB Liability 9-30-2017	1,559,000	-	1,559,000
Impact of Implementation of GASB Statement No. 75	<u>\$ 2,655,642</u>	<u>\$ 383,149</u>	<u>\$ 3,038,791</u>

NOTE 2 – DEPOSITS AND INVESTMENTS

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

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

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 \$43,608,668. including petty cash on hand of \$5,600 as of September 30, 2018; 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%

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

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

market activity and that are significant to the fair value of the assets or liabilities. As of September 30, 2018, the City had the following investments and maturities:

	<u>Credit Quality</u>		<u>Weighted Avg.</u>	<u>Fair Market</u>
	<u>Ratings</u>	<u>Fair Value</u>	<u>Maturity (Years)</u>	<u>Measurement</u>
				<u>Level 1</u>
Money Market Funds	Not Rated	\$ 357,681	-	\$ 357,681
SBA	Not Rated	10,222,369	-	10,222,369
US Government Securities	Aaa/AA+	298,857	0.21	298,857
		<u>\$ 10,878,907</u>	<u>0.21</u>	<u>\$ 10,878,907</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>
SBA	Local Government Surplus Funds Trust Fund	\$ 10,222,369	93.97

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.

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

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

<u>Investment type</u>	<u>General Employees Retirement Plan</u>	<u>Firefighter Retirement Plan</u>	<u>Police Officer Retirement Plan</u>	<u>Managerial Retirement Plan</u>
Fixed income mutual funds	\$ 4,904	\$ -	\$ 8,576	\$ 6,645
Equity securities	-	35,553	-	-
U.S. Government securities	-	5,132	-	-
Corporate bonds	-	7,882	-	-
Commingled equity funds	-	19,628	-	-
Collective trust fund	-	1,436	-	-
Absolute return equity funds	2,642	-	31,111	-
Domestic equity funds	13,968	-	7,044	16,836
International equities	4,240	-	10,081	5,087
Notes receivable	-	1,000	2,000	400
Real estate funds	850	11,098	11,193	-
Farmland investment fund	-	2,032	-	-
	<u>\$ 26,604</u>	<u>\$ 83,761</u>	<u>\$ 70,005</u>	<u>\$ 28,968</u>

General Employee Retirement System (GERS)

The Board determines the Plan's investment policy. The policy has been designed by the Board to maximize the Plan's asset value, while assuming a risk that is consistent with the Board's risk tolerance. As is prudent, the Board has adopted a policy to diversify investment risk among several institutionally acceptable asset classes including equity securities, fixed income securities and mutual funds.

The Plan reports its investments according to the Governmental Accounting Standards Board (GASB) Statement No. 72, "Fair Value Measurement and Application" by categorizing its investments according to the fair value hierarchy established by this Statement.

The following table summarizes the Plan's investments within the fair value hierarchy at September 30, 2018:

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

	Fair Value	Level 2	Level 3
Mortgage loan receivable	\$ 850,000	\$ -	\$ 850,000
Fixed income mutual funds	4,904,385	4,904,385	-
Absolute return mutual funds	2,641,380	2,641,380	-
Domestic equity mutual funds	13,967,795	13,967,795	-
International mutual funds	4,240,354	4,240,354	-
	<u>\$ 26,603,914</u>	<u>\$ 25,753,914</u>	<u>\$ 850,000</u>

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

Years	Fair Value
Less than 1 year	\$ 98,977
1 to 5 Years	2,014,977
6 to 10 Years	2,675,518
11 to 15 Years	(78,822)
16 to 20 Years	(2,129)
20 to 25 Years	72,993
Over 25 Years	122,871
	<u>\$ 4,904,385</u>

Credit risk. Credit risk is generally the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. The plan's investment policy utilizes portfolio diversification in order to control this risk.

Credit Risk	Fair Value
AAA	\$ 1,830,205
AA	270,201
A	184,945
BAA	806,080
BB	862,514
B and lower	950,440
	<u>\$ 4,904,385</u>

As of September 30, 2018, the plan was in compliance with the established guidelines.

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

Concentration of credit risk. The plan's investment policy places investment limitations and provides target allocations to its investment managers to limit credit risk due to

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

concentration. Equity and fixed income securities are also limited to no more than 5% in one single issuer. There were no single investments greater than 5% of net position as of September 30, 2018.

Foreign currency risk. The Plan's exposure to foreign currency risk derives mainly from its investments in international equity mutual funds. The Plan's exposure to foreign currency risk related to foreign equity funds are \$4,240,354.

Firefighter Retirement System (FRS)

The plan's policy in regard to the allocation of invested assets is established and may be amended by the Board. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the Plan. The investment policy statement was last amended on November 15, 2017 with revisions adopted January 2018. The following was the Board's adopted asset allocation policy as of September 30, 2018:

<u>Type of Investment</u>	<u>Target Allocation</u>
Domestic equity	35%-65%
International equity	0%-20%
Fixed income	10%-30%
Real assets	0%-20%
Cash equivalents	Minimal

The Plan reports its investments according to the Governmental Accounting Standards Board (GASB) Statement No. 72, "Fair Value Measurement and Application" by categorizing its investments according to the fair value hierarchy established by this Statement.

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

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

	Fair Value Measurements using		
	9/30/2018	Level 1	Level 2
Investment by fair value level			
Equity securities:			
Common stocks	\$ 31,621,726	\$ 31,621,726	\$ -
REIT	865,472	865,472	-
Equity mutual funds	3,066,152	3,066,152	-
Total equity securities	<u>35,553,350</u>	<u>35,553,350</u>	<u>-</u>
Debt securities:			
U.S. treasury securities	1,005,138	232,789	772,349
U.S. agency securities	4,127,012	-	4,127,012
Corporate bonds	7,881,465	-	7,881,465
Total debt securities	<u>13,013,615</u>	<u>232,789</u>	<u>12,780,826</u>
Total investments by fair value level	<u>\$ 48,566,965</u>	<u>\$ 35,786,139</u>	<u>\$ 12,780,826</u>
Investments measured at the net asset value ("NAV")			
Commingled equity funds	19,628,033		
Collective trust fund	1,435,569		
Real estate funds	11,098,389		
Farmland investment fund	2,032,174		
Total investments measured at the NAV	<u>34,194,165</u>		
Money market funds (exempt)	2,200,170		
Total investment	<u>\$ 84,961,300</u>		

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, 2018.

	Amounts in Thousands				
	Fair Value	Investment Maturities (in Years)			
Investment type		Less than 1 Year	1-5 Years	6-10 Years	More than 10 Years
Corporate Bonds	\$ 7,882	\$ -	\$ 3,021	\$ 3,046	\$ 1,815
U.S. agency securities	4,127	-	8	86	4,033
U.S. treasury securities	1,005	-	54	179	772
Total	<u>\$ 13,014</u>	<u>\$ -</u>	<u>\$ 3,083</u>	<u>\$ 3,311</u>	<u>\$ 6,620</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, 2018 as applicable:

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

<u>Rating</u>	<u>Fair Value In Thousands</u>
AAA	\$ 213
AA	459
A	2,585
BBB	4,328
N/R U.S govt. securities	5,429
Total fixed income securities	<u>\$ 13,014</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 position at September 30, 2018.

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

Police Retirement System (PRS)

The Plan's investment policy is determined by the Board of Trustees. The investment policy provided for the following guidelines: (a) investment in all equity securities shall be limited to those listed on a major US stock exchange and limited to no more than 75% (at market) of the Plan's total portfolio. No more than 5% of the portfolio may be invested in the shares of a single corporate issuer at cost. Investment in foreign securities shall be limited to 25% (at market) of the Plan's total portfolio; (b) the corporate fixed income portfolio shall be comprised of securities rated not less than "BBB" by a major rating service. Those securities rated below "BBB" shall not exceed 15% of the entire fixed income portfolio. (c) investments in collateralized mortgage obligation should be limited to 15% of the market value of the investment managers' total fixed income portfolio.

The Plan reports its investments according to the Governmental Accounting Standards Board (GASB) Statement No. 72, "Fair Value Measurement and Application" by categorizing its investments according to the fair value hierarchy established by this Statement.

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

As of September 30, 2018, the Plan's investments were all categorized as follows:

	September 30, 2018	Level 1	Level 2	Weighted Average Maturity (Years)
Investment by Fair Value Level				
Debt Securities:				
Corporate Bond Fund	\$ 8,575,907	\$ -	\$ 8,575,907	-
Notes receivable	2,000,000	-	2,000,000	4
Total debt securities	10,575,907	-	10,575,907	
Equity Securities:				
Common and Preferred Stock	7,044,417	7,044,417	-	-
Equity Mutual Funds	41,191,638	-	41,191,638	-
Total equity securities	48,236,055	7,044,417	41,191,638	
Total investments by fair value level	58,811,962	7,044,417	51,767,545	
Investments measured at the net asset value ("NAV")				
Real Estate Funds	\$ 11,192,868			
Total investments measured at the NAV	11,192,868			
Total investments measured at fair value	70,004,830			
Cash and cash equivalents	1,302,152			
Total cash, cash equivalents and investments	\$ 71,306,982			

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

Information about the sensitivity of the fair values of the Plan's investment to market interest rate fluctuations is provided by the following table that shows the distribution of the plan's investment by maturity at September 30, 2018:

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
Bond funds	\$ 8,576	\$ 110	\$ 3,565	\$ 4,340	\$ 560
Total	\$ 8,576	\$ 110	\$ 3,565	\$ 4,340	\$ 560

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

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, 2018 as applicable:

	In Thousands <u>Fair Value</u>	Percentage of <u>Portfolio</u>
Quality rating of credit risk debt securities		
AAA	\$ 3,408	40.0%
AA	427	5.0%
A	863	10.0%
BBB	2,425	28.0%
BB	621	7.0%
B	530	6.0%
Below B	302	4.0%
Total credit risk debt securities	<u>\$ 8,576</u>	<u>100%</u>

Concentration of credit risk. The investment policy of the plan contains limitations on the amount that can be invested in any one issuer as well as maximum portfolio allocation percentages. There were no individual investments that represent 5% or more of fiduciary net position at September 30, 2018.

Foreign Currency Risk. The Plan’s exposure to foreign currency risk derives mainly from its investments in international equity mutual funds. The Plan’s exposure to foreign currency risk related to foreign equity funds are \$10,081,100 as of September 30, 2018.

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’s investment policy is determined by the Board of Trustees. The policy has been identified by the Board as preventing the purchasing power of the Plan’s assets by earning a positive real rate of return (after inflation) over the long-term while minimizing, to a reasonable extent, the short-term volatility of results.

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

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

As of September 30, 2018, the Plan's investments were all categorized as follows:

	September 30, 2018	Level 1	Level 2	Level 3	Weighted Average Maturity (Years)
Investment by Fair Value Level					
Debt Securities:					
Fixed income funds	\$ 6,644,709	\$ -	\$ 6,644,709	\$ -	-
Notes receivable	400,000	-	-	400,000	2
Total debt securities	<u>7,044,709</u>	<u>-</u>	<u>6,644,709</u>	<u>400,000</u>	
Equity Securities:					
International Equity Funds	5,086,422	-	5,086,422	-	-
Equity Mutual Funds	16,836,405	-	16,836,405	-	-
Total equity securities	<u>21,922,827</u>	<u>-</u>	<u>21,922,827</u>	<u>-</u>	
Total investments by fair value level	<u>28,967,536</u>	<u>\$ -</u>	<u>\$ 28,567,536</u>	<u>\$ 400,000</u>	-
Cash and cash equivalents	<u>389,707</u>				
Total cash, cash equivalents and investments	<u>\$ 29,357,243</u>				

Interest rate risk. The Plan diversifies its investments by security type and institution, and limits holdings in any one type of investment with any one issuer with various durations of maturities. As of September 30, 2018, the Plan had the following investment and maturities in its portfolio:

Investment type	Investment Maturities (In Years)				
	Fair Value	Less Than 1	1 to 5	6 to 10	More Than 10
Fixed income funds	\$ 6,644,709	\$ 95,342	\$ 2,687,073	\$ 3,436,933	\$ 425,361
Total	<u>\$ 6,644,709</u>	<u>\$ 95,342</u>	<u>\$ 2,687,073</u>	<u>\$ 3,436,933</u>	<u>\$ 425,361</u>

Foreign currency risk. The Plan's exposure to foreign currency risk derives mainly from its investments in international equity mutual funds. The Plan's exposure to foreign currency risk related to foreign equity funds are \$5,086,422 as of September 30, 2018.

Credit risk. This is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. This risk is generally measured by the assignment of a rating by a nationally recognized statistical rating organization. The Plan's investment policy utilizes portfolio diversification in order to control this risk. The following table discloses credit ratings by investment type, at September 30, 2018:

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

Quality rating of credit risk debt securities	In Thousands Fair Value	Percentage of Portfolio
AAA	\$ 2,685	40.0%
AA	272	4.0%
A	785	12.0%
BBB	1,694	26.0%
BB	458	7.0%
B	430	7.0%
Below B	228	3.0%
Not Rated	92	1.0%
Total fixed income securities	<u>\$ 6,644</u>	<u>100%</u>

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, 2018, 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	\$ 16,479,405	\$ 1,816,288	\$ 18,295,693
Community Redevelopment Agency	35,385	10,000	45,385
Fire Protection	265,122	266,214	531,336
Other Non-Major Governmental	-	167,674	167,674
	<u>16,779,912</u>	<u>2,260,176</u>	<u>19,040,088</u>
Allowance for uncollectibles	(10,056,836)	-	(10,056,836)
Total	<u>6,723,076</u>	<u>2,260,176</u>	<u>8,983,252</u>
Business-type Activities			
Water and Sewer	7,250,149	-	7,250,149
Stormwater	94,289	-	94,289
Performing Arts	294,828	344,374	639,202
	<u>7,639,266</u>	<u>344,374</u>	<u>7,983,640</u>
Allowance for uncollectibles	(49,535)	(344,374)	(393,909)
Total	<u>7,589,731</u>	<u>-</u>	<u>7,589,731</u>
Pension trust funds	333,208	-	333,208
TOTAL	<u>\$ 14,646,015</u>	<u>\$ 2,260,176</u>	<u>\$ 16,906,191</u>

Governmental funds report unearned revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

period. Governmental funds also defer revenue recognition on revenues received but not yet earned. On September 30, 2018, unearned revenue in the governmental funds and government-wide statements amounted to \$5,037,180.

Payables at September 30, 2018 were as follows:

Governmental Activities:	
General	\$ 1,070,286
Community Redevelopment Agency	2,659
Capital Project	<u>35,815</u>
	<u>1,108,760</u>
Business-type Activities:	
Water and sewer	905,859
Stormwater	38,356
Performing Arts	<u>18,021</u>
	<u>962,236</u>
Fiduciary Funds:	
Pension trust funds	<u>168,533</u>
Total	<u>\$ 2,239,529</u>

NOTE 4 – CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2018 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	\$ 28,344	\$ 2,454	\$ -	\$ 30,798
Construction in progress	<u>1,434</u>	<u>3,476</u>	-	<u>4,910</u>
Total capital assets not being depreciated	<u>29,778</u>	<u>5,930</u>	<u>-</u>	<u>35,708</u>
Capital assets being depreciated:				
Building	26,781	13,480	-	40,261
Improvements (other than building)	45,485	528	2,121	43,892
Machinery and equipment	22,026	3,531	1,460	24,097
Infrastructure	<u>13,722</u>	<u>-</u>	<u>270</u>	<u>13,452</u>
Total capital assets being depreciated	<u>108,014</u>	<u>17,539</u>	<u>3,851</u>	<u>121,702</u>
Less: accumulated depreciation for:				
Building	(10,549)	(641)	-	(11,190)
Improvements (other than building)	(19,337)	(2,002)	2,121	(19,218)
Machinery and equipment	(19,625)	(1,338)	1,460	(19,503)
Infrastructure	<u>(10,246)</u>	<u>(211)</u>	<u>270</u>	<u>(10,187)</u>
Total accumulated depreciation	<u>(59,757)</u>	<u>(4,192)</u>	<u>3,851</u>	<u>(60,098)</u>
Total capital assets, being depreciated, net	<u>48,257</u>	<u>13,347</u>	<u>-</u>	<u>61,604</u>
Governmental activities capital assets, net,	<u>\$ 78,035</u>	<u>\$ 19,277</u>	<u>\$ -</u>	<u>\$ 97,312</u>

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

	<u>Beginning</u> <u>Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending</u> <u>Balance</u>
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 349	\$ -	\$ -	\$ 349
Construction in progress	-	-	-	-
Total capital assets not being depreciated	<u>349</u>	<u>-</u>	<u>-</u>	<u>349</u>
Capital assets being depreciated:				
Building	50,143	-	-	50,143
Improvements (other than building)	37,116	3,431	883	39,664
Machinery and equipment	6,170	949	1,481	5,638
Infrastructure	25,734	-	34	25,700
Total capital assets being depreciated	<u>119,163</u>	<u>4,380</u>	<u>2,398</u>	<u>121,145</u>
Less: accumulated depreciation for:				
Building	(17,477)	(1,103)	-	(18,580)
Improvements (other than building)	(15,407)	(1,808)	883	(16,332)
Machinery and equipment	(4,794)	(470)	1,481	(3,783)
Infrastructure	(10,515)	(628)	34	(11,109)
Total accumulated depreciation	<u>(48,193)</u>	<u>(4,009)</u>	<u>2,398</u>	<u>(49,804)</u>
Total capital assets, being depreciated, net	<u>70,970</u>	<u>371</u>	<u>-</u>	<u>71,341</u>
Business-type activities capital assets, net	<u>\$ 71,319</u>	<u>\$ 371</u>	<u>\$ -</u>	<u>\$ 71,690</u>

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

Governmental activities

General government	\$ 452
Public safety	1,406
Physical environment	317
Transportation	510
Recreation and social services	1,507
Total depreciation expense - governmental activities	<u>\$ 4,192</u>

Business-type activities

Water and sewer	\$ 2,281
Stormwater	1,256
Performing arts	472
Total depreciation expense - business-type activities	<u>\$ 4,009</u>

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

Construction commitments

The City of Lauderdale has active construction projects as of September 30, 2018:

<u>Project Title</u>	<u>In Thousands</u>	
	<u>Construction Cost-to-Date</u>	<u>Remaining Commitment</u>
Capital Projects	\$ 4,910	\$ 50,968
Total	<u>\$ 4,910</u>	<u>\$ 50,968</u>

The commitment for governmental capital projects are being financed by General Obligation Bonds.

NOTE 5 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund Receivables and Payables

The composition of inter-fund balances as of September 30, 2018, is as follows:

<u>Receivable Fund</u>	<u>Amount</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	\$ 4,606,235	Capital Projects Fund	\$ -
Community Redevelopment Agency Fund	-	Fire Protection Fund	9,148,535
Water & Sewer Fund	4,500,832	Community Redevelopment Agency Fund	-
Stormwater Fund	4,956,435	Nonmajor Governmental Funds	4,809,771
Performing Arts Center Fund	-	Performing Arts Center Fund	105,196
Total	<u>\$ 14,063,502</u>	Total	<u>\$ 14,063,502</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 for the General Fund and Stormwater Fund are to provide interim resources to Debt Service Fund, Fire Protection Fund, Safe Neighborhood Fund and NSP Fund to pay expenses related to reimbursable funds and grants.

Inter-fund transfers

<u>Fund</u>	<u>Transfer in</u>	<u>Transfer out</u>
General Fund	\$ -	\$ 5,764,915
Fire Protection Fund	-	115,353
Community Redevelopment Agency	836,376	781,556
Capital Projects Fund	144,189	3,980,619
Debt Service Fund	8,916,202	144,189
Nonmajor Governmental Funds	62,510	72,645
Water and Sewer Fund	-	200,000
Stormwater Fund	-	200,000
Performing Arts Fund	1,300,000	-
	<u>\$ 11,259,277</u>	<u>\$ 11,259,277</u>

City of Lauderhill, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

Transfers were used to move revenues from the fund with collection authorization, to the debt service fund, as debt service principal and interest payment became due and to cover contractual expenses in other funds.

A transfer of \$1,300,000 from the General Fund, Community Redevelopment Agency Fund, Water and Sewer Fund and Stormwater fund to Performing Arts Fund was to finance the Performing Arts Center project.

NOTE 6 – LEASES

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

Operating Leases

On September 2007, the City of Lauderhill entered into an 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, 2018 follows:

Fiscal Year Ending in:	<u>Building Lease</u>
2019	\$ 1,109,919
2020	1,111,056
2021	1,110,116
2022	1,105,500
2023	1,107,375
Later Years	<u>4,417,625</u>
	<u><u>\$ 9,961,591</u></u>

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

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

Capital Leases

The City entered into lease purchase agreements with Leasing 2 Inc, Motorola and City National Bank of Florida as lessees for financing the acquisition of equipment in the amount of \$6,003,024. The agreements were initiated 2014, 2015 and 2018 and expire in 2019, 2020 and 2022 respectively. The equipment has a five-year estimated useful life. This year, \$672,570 was included in the depreciation expense. The lease agreements qualify as capital leases for accounting purposes and therefore has been recorded at the present value of future lease payments as of the inception date. The leases carry interest rates of 2.77%, 2.86% and 1.942% with annual payments of \$67,540, \$305,091 and \$867,256.

The future (minimum) lease obligations and the net present value of capital lease payments as of September 30, 2018 are as follows:

2019	\$ 1,104,543
2020	934,796
2021	867,256
2022	867,256
2023	<u>867,256</u>
Total Lease Payment	4,641,107
Less: Amount of Interest	<u>(214,823)</u>
Present Value of Lease Payment	<u>\$ 4,426,284</u>

NOTE 7 – COMMITMENTS AND CONTINGENT LIABILITIES

The City has outstanding encumbrances in the Capital Projects funds. The following is a summary of these commitments at September 30, 2018:

<u>Governmental Funds</u>	
Capital Projects	\$ 6,174,186
	<u>\$ 6,174,186</u>

NOTE 8 – LONG-TERM DEBT

A. Revenue Bonds

The City issues bonds where it pledges income derived from the acquired or constructed assets to pay debt service. Revenue bonds have been issued for both the governmental and business-type activities. The original amount of revenue bonds issued in prior years was \$71,730,000 and no new bonds issued or refunded in 2018.

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

Revenue bonds outstanding as at September 30, 2018 were as follows:

	<u>Interest Rates</u>	<u>Maturity</u>	<u>Average Semi-annual Payment</u>	<u>Original Amount</u>	<u>Outstanding Balance</u>
Governmental activities:					
2010 Half-cent sales tax	2.86%	2024	\$ 433	\$ 6,565	\$ 5,605
2010 Water utility tax	3.23%	2025	333	10,000	5,922
2011 A Sales tax	2.11%	2018	371	2,595	455
2011 B Sales tax	2.71%	2023	308	3,700	2,370
2013-Electric utility revenue bonds	2.00%-4.00%	2038	449	11,225	9,685
2014-Electric utility revenue bonds	3.57%	2029	83	2,060	1,665
2015 Sales tax - refunding	2.20%	2025	173	3,340	<u>2,830</u>
					<u>28,532</u>
Business-type activities:					
Water and Sewer					
2016-A Water and Sewer - refunding	2.00%-4.00%	2031	354	8,195	7,885
2016-B Water and Sewer - refunding	1.15% - 2.2%	2022	337	4,475	3,600
2012 Water and sewer Stormwater	2.85%	2027	207	5,000	3,560
2014 Stormwater	3.61%	2029	84	2,060	1,730
2015-A Stormwater - refunding	2.42%	2028	160	3,735	3,210
2015-B Stormwater - refunding	2.24%	2024	229	4,135	<u>2,925</u>
					<u>22,910</u>
Total Revenue Bonds					<u>\$51,442</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. On July 2, 2015, the City refunded General obligation bonds in the amount of \$23.35 million to take advantage of lower interest rate. In 2017, the City issued \$35 million general obligation bond. In 2018, the City issued \$8.9 million general obligation bond. Funding from the 2017 and 2018 General Obligation Bond will be utilized to finance various capital projects throughout the City. General obligation bonds outstanding at year-end are as follows.

In Thousands

	<u>Interest Rates</u>	<u>Maturity</u>	<u>Payment</u>	<u>Balance</u>
2005 General Obligation-refunding	2% - 5%	2030	\$1,085	\$19,860
2017 General Obligation bonds	2% - 5%	2042	2,215	34,725
2018 General Obligation bonds	2% - 5%	2043	557	8,900

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 \$4,279,000 is

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

outstanding in the Stormwater and Water and Sewer Funds as of September 30, 2018. These loans require annual payment of approximately \$492,378 and interest rate ranging from 2.71% to 3.52%.

D. Notes Payable

The City has established bank promissory notes. These funds were used to purchase and improve capital projects throughout the City. As of September 30, 2018 the outstanding balance is \$14,073,000 and is reflected in the Governmental Activities.

	<u>Interest Rates</u>	<u>Maturity</u>	<u>In Thousands</u>	
			<u>Payment</u>	<u>Balance</u>
2011-Communication BOA	3.52%	2026	\$446	\$4,040
2011-Communication Chase	2.68%	2031	273	3,855
2011 BOA-Electric Franchise	2.64%-3.88%	2026	686	6,178

E. Debt service requirements

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

Year Ending	<u>Governmental Activities</u>							
	<u>Revenue</u>		<u>General Obligation</u>		<u>Notes Payable</u>		<u>Total</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
<u>30-Sep</u>								
2019	\$ 2,511	\$ 943	\$ 2,215	\$ 2,438	\$ 1,223	\$ 445	\$ 5,949	\$ 3,826
2020	2,617	861	2,465	2,427	1,262	405	6,344	3,693
2021	2,699	774	2,570	2,321	1,297	362	6,566	3,457
2022	2,782	684	2,675	2,208	1,343	319	6,800	3,211
2023	2,875	593	2,805	2,085	1,384	273	7,064	2,951
2024-2028	9,093	1,771	16,045	8,324	6,309	654	31,447	10,749
2029-2033	2,765	957	13,115	4,962	1,255	83	17,135	6,002
2034-2038	3,190	351	10,850	3,040	-	-	14,040	3,391
2039-2043	-	15	10,745	892	-	-	10,745	907
	<u>\$ 28,532</u>	<u>\$ 6,949</u>	<u>\$ 63,485</u>	<u>\$ 28,697</u>	<u>\$ 14,073</u>	<u>\$ 2,541</u>	<u>\$ 106,090</u>	<u>\$ 38,187</u>

Year Ending	<u>Business-Type Activities</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>
<u>30-Sep</u>						
2019	\$ 1,546	\$ 468	\$ 1,310	\$ 304	\$ 2,856	\$ 772
2020	1,577	433	1,348	268	2,925	701
2021	1,612	397	1,381	232	2,993	629
2022	1,168	361	1,345	195	2,513	556
2023	1,192	328	1,386	159	2,578	487
2024-2028	4,062	1,209	4,236	371	8,298	1,580
2029-2033	4,126	336	900	20	5,026	356
	<u>\$ 15,283</u>	<u>\$ 3,532</u>	<u>\$ 11,906</u>	<u>\$ 1,549</u>	<u>\$ 27,189</u>	<u>\$ 5,081</u>

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

F. Changes in long-term liabilities

Long-term liability activity for the year ended September 30, 2018 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	\$ 30,967	\$ -	\$ 2,435	\$ 28,532	\$ 2,511
General obligation bonds	56,325	8,900	1,740	63,485	2,215
Premium	2,869	329	186	3,012	-
Notes payable	15,258	-	1,185	14,073	1,223
Total bonds payable	<u>105,419</u>	<u>9,229</u>	<u>5,546</u>	<u>109,102</u>	<u>5,949</u>
Capital leases	823	4,000	397	4,426	1,054
Insurance claims payable	6	11	6	11	11
OPEB obligations	4,215 *	-	133	4,082	-
Compensated absences	2,346	2,432	805	3,973	800
Governmental activity Long-term liabilities	<u>\$ 112,809</u>	<u>\$ 15,672</u>	<u>\$ 6,754</u>	<u>\$ 121,594</u>	<u>\$ 7,814</u>
Business-type activities					
Bonds payable					
Revenue bonds	\$ 25,085	\$ -	\$ 2,175	\$ 22,910	\$ 2,230
State revolving fund loan	4,887	-	608	4,279	626
OPEB obligations	383 *	-	12	371	-
Business-type activity Long-term liabilities	<u>\$ 30,355</u>	<u>\$ -</u>	<u>\$ 2,795</u>	<u>\$ 27,560</u>	<u>\$ 2,856</u>

*Reflects restatement of balance at October 1, 2017 to comply with GASB statement No. 75.

For the governmental activities, compensated absences, pension liabilities and OPEB obligations 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

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

individual claims in excess of \$75,000, and for total claims that exceed \$1,000,000 in a single year. Specialized insurance is purchased for boiler and machinery, sports accident, and fidelity bonds. Claims did not exceed the excess coverage of \$1,500,000 per claim for property and liability, or \$1,000,000 per claim for workers compensation in any of the past three years.

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

The estimated claims payable as of September 30, 2018 amounted to \$2,586,132 of which \$10,799 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	
	09/30/2018	09/30/2017
Unpaid claims, beginning	\$2,523,050	\$2,103,632
New claims	3,427,732	1,887,051
Claim payments	(3,364,650)	(1,467,633)
Unpaid claims, ending	\$2,586,132	\$2,523,050

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 position or results of operation of the City.

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

C. On behalf payment of fringe benefits and salaries

In 2018, the City's financial statements include revenue and expenditures from contributions received from State Department of Revenues and Division of Retirement on behalf of its Firefighter and Police Officers Retirement Systems amounting to \$372,790 and \$438,599, respectively. The monies were deposited within five days from their receipt in accordance with the provisions of the law.

D. Restricted assets

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

Water & Sewer revenue bond reserve	\$1,946,630
Stormwater revenue bond reserve	113,126

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

NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS

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

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.

City of Lauderhill, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

Valuation of investments

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

Plan descriptions

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

Plans' Membership Information

At October 1, 2017, 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	103	76	65	64
Current employees:				
Fully-Vested	44	28	55	38
Non-Vested	32	54	42	67
	<u>179</u>	<u>158</u>	<u>162</u>	<u>169</u>

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

A. General Employees Retirement System (GERS)

Annual Pension Cost. For 2018, the City's annual pension cost of \$966,275 equaled its required and actual contribution. The required contribution was determined by the October 1, 2017 actuarial valuation using the entry age normal actuarial cost method. Actuarial assumptions are 7.0% investment return, 2.0% inflation and 5% projected salary increases. Chapter 112, Part VII, Florida Statutes requires amortization for unfunded liabilities being amortized over 20 years. A one-time 3% cost of living increase was granted to current retirees as of November 25, 2002. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a four-year period. GERS unfunded actuarial accrued liability is being amortized on an open level dollar basis. Twenty five years remained in the amortization period at September 30, 2018.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At September 30, 2018, the City reported a liability of \$ 3,600,378 for its proportionate share of the Pension Plan's net pension liability. The net pension liability was measured as of September 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of October 1, 2017. At September 30, 2018, the City's proportionate share was 11.86 percent, which was a decrease of 6.51 percent from its proportionate share measured as of September 30, 2017.

The components of the net pension liability of the City at September 30, 2018 were as follows:

	2018
Total pension liability	\$ 30,348,416
Plan fiduciary net position	26,748,038
City net pension liability	<u>\$ 3,600,378</u>
Plan fiduciary net position as a percentage of total pension liability	88.14%

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

Changes in the net pension liability:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a-b)
Balance at 09/30/2017	\$30,161,315	\$24,621,087	\$5,540,228
Changes for the Year			
Service Cost	630,029		630,029
Interest	2,100,602		2,100,602
Changes in benefit terms			-
Difference between expected and actual experience	(978,033)		(978,033)
Contributions-employer		966,275	(966,275)
Contributions-employee		333,757	(333,757)
Net investment income		2,467,119	(2,467,119)
Benefit Payments, including refunds of employee contributions	(1,459,982)	(1,459,982)	-
Administrative expenses		(74,703)	74,703
Refunds	(105,515)	(105,515)	-
Other: adjustment to beginning of year		-	-
Net Changes	187,101	2,126,951	(1,939,850)
Balance at 09/30/2018	\$30,348,416	\$26,748,038	\$3,600,378

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

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
City's proportionate share of the net pension liability	\$ 6,996,362	\$ 3,600,378	\$ 763,996

For the fiscal year ended September 30, 2018, the City recognized pension expense of \$902,820. In addition the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 751,657
Change of assumptions	774,381	-
Net difference between projected and actual earnings on Pension Plan investments	794,054	1,918,386
Total	\$ 1,568,435	\$ 2,670,043

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

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

Fiscal Year Ending September 30:	Amount
2019	\$ (107,385)
2020	(144,020)
2021	(501,232)
2022	(348,971)
Total	\$ (1,101,608)

B. Firefighter Retirement System (FRS)

Annual Pension Cost. For 2018, the City's annual pension cost of \$3,575,356 equaled its required and actual contribution. The required contribution was determined by the October 1, 2017 actuarial valuation using the entry age normal actuarial cost method. Actuarial assumptions are 7.85% investment return, 3% inflation and 7% projected salary increases. Cost-of-Living adjustment is 1.5% after three years in retirement. In addition, contributions in the amount of \$372,790 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. Twenty five years remained in the amortization period at September 30, 2018.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At September 30, 2018, the City reported a liability of \$ 14,770,257 for its proportionate share of the Pension Plan's net pension liability. The net pension liability was measured as of September 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of October 1, 2017. At September 30, 2018, the City's proportionate share was 14.65 percent, which was a decrease of 0.19 percent from its proportionate share measured as of September 30, 2017.

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

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

	2018
Total pension liability	\$ 100,798,915
Plan fiduciary net position	(86,028,658)
City net pension liability	\$ 14,770,257

Plan fiduciary net position as a percentage of total pension liability 85.35%

Changes in the net pension liability:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a-b)
Balance at 09/30/2017	\$92,525,745	\$78,790,699	\$13,735,046
Changes for the Year			
Service Cost	2,756,657		2,756,657
Interest	7,212,219		7,212,219
Changes in benefit terms	324,964		324,964
Difference between expected and actual experience	(1,803,585)		(1,803,585)
Changes of assumptions	4,732,870		4,732,870
Contributions-employer		3,586,180	(3,586,180)
Contributions-State of Florida		372,790	(372,790)
Contributions-employee		1,072,585	(1,072,585)
Net investment income		7,325,447	(7,325,447)
Benefit Payments, including refunds of employee contributions	(4,902,520)	(4,902,520)	-
contribution refunds			
Administrative expenses		(216,523)	216,523
Other changes	(47,435)	-	(47,435)
Net Changes	8,273,170	7,237,959	1,035,211
Balance at 09/30/2018	\$100,798,915	\$86,028,658	\$14,770,257

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

	1% Decrease (6.30%)	Current Discount Rate (7.30%)	1% Increase (8.30%)
City's proportionate share of the net pension liability	\$ 28,190,236	\$ 14,770,257	\$ 3,810,140

For the fiscal year ended September 30, 2018, the City recognized pension expense of \$3,569,912. In addition the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 2,277,116
Change of assumptions	4,536,637	-
Net difference between projected and actual earnings on Pension Plan investments	<u>1,015,997</u>	<u>3,703,486</u>
Total	<u>\$ 5,552,634</u>	<u>\$ 5,980,602</u>

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

Fiscal Year Ending September 30:	<u>Amount</u>
2019	\$346,575
2020	(480,586)
2021	(266,639)
2022	<u>(27,318)</u>
Total	<u>(\$427,968)</u>

C. Police Retirement System (PRS)

Annual Pension Cost. For 2018, the City's annual pension cost of \$2,529,175 equaled its required and actual contribution. The required contribution was determined by the October 1, 2017 actuarial valuation, using the entry age normal actuarial cost method. Actuarial assumptions are 7.4% investment return, 3% inflation and 5.5% projected salary increases. The post retirement benefit is \$10 per month per year of credited service for all members employed by the City on or after April 25, 2011, provided that such members have at least 20 years of Credited Service with the City or provided such members left the City at age 55 or older with more than five years of Credit Service with the City. In addition, a contribution in the amount of \$438,599 was received from the State of Florida from fire and casualty insurance premium taxes. The actuarial value of assets was determined using the market value of investments. PRS unfunded actuarial accrued liability is being amortized on a closed level dollar basis. Thirty years remained in the amortization period at September 30, 2018.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At September 30, 2018, the City reported a liability of \$ 13,065,573 for its proportionate share of the Pension Plan's net pension liability. The net pension liability was measured as of September 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of October 1, 2017. At September 30, 2018, the City's proportionate share was 15.49 percent, which was an increase of 0.99 percent from its proportionate share measured as of September 30, 2017.

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

The components of the net pension liability of the City at September 30, 2018 were as follows:

	2018
Total pension liability	\$ 84,346,770
Plan fiduciary net position	(71,281,197)
City net pension liability	\$ 13,065,573

Plan fiduciary net position as a percentage of total pension liability 84.51%

Changes in the net pension liability:

	Increase(Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a-b)
Balance at 09/30/2017	\$77,761,747	\$66,483,336	\$11,278,411
Changes for the Year			
Service Cost	2,115,373		2,115,373
Interest	5,948,033		5,948,033
Changes in benefit terms	-		-
Difference between expected and actual experience	1,103,892		1,103,892
Changes of assumptions	1,377,890		1,377,890
Contributions-employer		2,499,429	(2,499,429)
Contributions-State of Florida		438,599	(438,599)
Contributions-employee		954,885	(954,885)
Net investment income		5,006,434	(5,006,434)
Benefit Payments, including refunds of employee contributions	(3,960,165)	(3,960,165)	-
Administrative expenses	-	(141,321)	141,321
Other changes		-	-
Net Changes	6,585,023	4,797,861	1,787,162
Balance at 09/30/2018	\$84,346,770	\$71,281,197	\$13,065,573

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

	1% Decrease (6.40%)	Current Discount Rate (7.40%)	1% Increase (8.40%)
City's proportionate share of the net pension liability	\$ 23,691,817	\$ 13,065,573	\$ 4,335,209

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

For the fiscal year ended September 30, 2018, the City recognized pension expense of \$2,448,198. In addition the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Beginning balance as of September 30, 2017	\$ 3,655,913	\$ 4,644,077
Amortization payments	(1,387,743)	(1,277,337)
Investment gain/loss	-	94,384
Demographic gain/loss	1,103,892	-
Change of assumptions	1,377,890	-
Balance as of September 30, 2018	<u>\$ 4,749,952</u>	<u>\$ 3,461,124</u>

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

September 30:	Amount
2019	\$220,596
2020	(456,637)
2021	(226,417)
2022	440,218
2023	415,336
Thereafter	895,732
TOTAL	<u>\$1,288,828</u>

D. Confidential and Managerial Retirement System (CMRS)

Annual Pension Cost. For 2018, the City's annual pension cost of \$2,564,476 equaled its required and actual contribution. The required contribution 8% for employees was determined by the October 1, 2017 actuarial valuation, using the entry age normal actuarial cost method. Actuarial assumptions are 7.50% investment return, 3.0% inflation and 5.55% projected salary increases. The Board of Trustees may authorize a non-recurring cost of living adjustment benefit increase for retired members commencing in the third year after retirement, if the plan has a positive actuarial experience for the prior fiscal year. The actuarial value of assets was determined using the market value of investments. CMRS unfunded actuarial accrued liability is being amortized on a layered amortization. Nine years remained in the amortization period as of September 30, 2018.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At September 30, 2018, the City reported a liability of \$ 11,345,015 for its proportionate share of the Pension Plan's net pension liability. The net pension liability was measured as of September 30, 2018, and

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of October 1, 2017. At September 30, 2018, the City's proportionate share was 27.93 percent, which was a decrease of 3.40 percent from its proportionate share measured as of September 30, 2017.

The components of the net pension liability of the City at September 30, 2018 were as follows:

	<u>2018</u>
Total pension liability	\$ 40,613,587
Plan fiduciary net position	(29,268,572)
City net pension liability	<u>\$ 11,345,015</u>

Plan fiduciary net position as a percentage of total pension liability 72.07%

Changes in the net pension liability:

	Increase(Decrease)		Net Pension Liability (a-b)
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	
Balance at 09/30/2017	\$37,385,912	\$25,674,595	\$11,711,317
Changes for the Year			
Service Cost	961,659		961,659
Interest	2,883,554		2,883,554
Changes in benefit terms	(239,847)		(239,847)
Difference between expected and actual experience	714,669		714,669
Changes of assumptions	342,355		342,355
Contributions-employer		2,564,476	(2,564,476)
Contributions-State of Florida		-	-
Contributions-employee		656,622	(656,622)
Net investment income		1,926,024	(1,926,024)
Benefit Payments, including refunds of employee contributions	(1,434,715)	(1,434,715)	-
Administrative expenses	-	(118,430)	118,430
Other changes	-	-	-
Net Changes	<u>3,227,675</u>	<u>3,593,977</u>	<u>(366,302)</u>
Balance at 09/30/2018	<u>\$40,613,587</u>	<u>\$29,268,572</u>	<u>\$11,345,015</u>

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

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
City's proportionate share of the net pension liability	\$ 15,500,247	\$ 11,345,015	\$ 7,950,628

For the fiscal year ended September 30, 2018, the City recognized pension expense of \$1,631,453. In addition the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

City of Lauderhill, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Balance as of September 30, 2017	\$ 2,394,479	\$ 1,941,722
Amortization payments	(1,269,195)	(716,773)
Investment gain/loss	62,119	-
Demographic gain/loss	714,669	-
Assumption changes	342,355	-
Balance as of September 30, 2018	\$ <u>2,244,427</u>	\$ <u>1,224,949</u>

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

Fiscal Year Ending September 30:	Amount
2019	\$503,861
2020	151,654
2021	140,134
2022	223,829
TOTAL	<u>\$1,019,478</u>

For the fiscal year ended September 30, 2018, the City recognized pension expense of \$8,552,383 for all pension plans.

NOTE 11 – OTHER POST EMPLOYMENT BENEFITS

Plan description

The City of Lauderhill Other Postemployment Benefits (OPEB) is presented in accordance with GASB Statement 75, "Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions". GASB 75 requires governments to account for other post-employment benefits (OPEB) on an accrual basis, rather than on a pay-as-you-go basis. The effect is the recognition of an actuarially determined expense on the Statement of Activities when a future retiree earns their post-employment benefits, rather than when they use their post-employment benefit. The post-employment benefit liability is recognized on the Statement of Net Position over time.

Benefits provided

The City provides post-employment healthcare benefits for certain eligible retirees.

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

Employees covered by benefit terms

As of October 1, 2017, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	32
Inactive employees entitled to but not yet receiving benefit payments	-
Active Employees	<u>371</u>
Total Participants covered by OPEB Plan	<u><u>403</u></u>

Total OPEB Liability

The City's total OPEB liability of \$4,597,791 was measured as of October 1, 2017, and was determined by an actuarial valuation as of that date.

Actuarial assumptions and other inputs.

The total OPEB liability in the October 1, 2017 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Discount Rate	3.64%
Healthcare Cost Trend Rates:	
Current Year Trend	3.59%
Second Year Trend	9.50%
Decrement	0.50%
Ultimate Trend	5.00%
Year Ultimate Trend is Reached	2028
Salary Increases	2.00%

The discount rate was based on the index provided by Bond Buyer 20-Bond General Obligation Index based on the 20 year AA municipal bond rate as of October 1, 2017. Mortality rates: SOA RP-2014 Total Dataset Mortality with Scale MP-2017(Base year 2006).

Changes in the Total OPEB Liability

	<u>Fiscal Year Ending</u> <u>September 30, 2018</u>
OPEB Liability Beginning of Year	\$ 4,597,791
Changes for the Year:	
Service Cost	157,335
Interest	163,217
Assumption Changes	(237,479)
Difference Between Actual and Expected Experience	-
Change in Actuarial Cost Method	-
Benefit Payments	(227,635)
OPEB Liability End of Year	<u><u>\$ 4,453,229</u></u>

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

Sensitivity of the total OPEB liability to changes in the discount rate.

The October 1, 2017 valuation was prepared using a discount rate of 3.64%. If the discount rate were 1% higher than what was used in this valuation, the Total OPEB Liability as of September 30, 2018 would decrease to \$3,988,672 or by (10.43%). If the discount rate were 1% lower than what was used in this valuation, the Total OPEB Liability would increase to \$4,500,315 or by 1.06%.

	Discount Rate		
	1% Decrease	Baseline 3.64%	1% Increase
Total OPEB Liability	\$ 4,500,315	\$ 4,453,229	\$ 3,988,672

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates.

The October 1, 2017 valuation was prepared using an initial trend rate of 3.59%. If the trend rate were 1% higher than what was used in this valuation, the Total OPEB Liability as of September 30, 2018 would increase to \$5,100,518 or by 14.54%. If the trend rate were 1% lower than what was used in this valuation, the Total OPEB Liability would decrease to \$4,165,865 or by (6.45%).

	Healthcare Cost Trend Rates		
	1% Decrease	Baseline 3.59%	1% Increase
Total OPEB Liability	\$ 4,165,865	\$ 4,453,229	\$ 5,100,518

OPEB Expense

For the year ended September 30, 2018, the City recognized an OPEB expense as follows:

	September 30, 2018
Service Cost	\$ 157,335
Interest	163,217
Amortization of Deferred Charges:	
Difference between Expected and Actual Experience	278,848
Changes of Assumptions or Other Inputs	(13,284)
Net OPEB Expense	\$ 586,116

City of Lauderdale, Florida
Notes to the Financial Statements
For the Fiscal Year Ended September 30, 2018

Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At September 30, 2018, the City reported deferred outflows / (inflows) of resources related to OPEB from the following sources:

	Deferred outflows of resources	Deferred inflows of resources
Actual vs. Expected Experience	\$ 2,096,940	\$ -
Assumption Changes	-	(99,898)
	<u>\$ 2,096,940</u>	<u>\$ (99,898)</u>

Amounts reported as deferred outflows of resources and deferred (inflows) of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal year ending Sep 30	Deferred outflows of resources	Deferred inflows of resources
2019	\$ 278,848	\$ (15,322)
2020	278,848	(15,322)
2021	278,848	(15,322)
2022	278,848	(15,322)
2023	278,848	(15,322)
Thereafter	702,700	(23,288)
Total	<u>\$ 2,096,940</u>	<u>\$ (99,898)</u>

NOTE 12 – SUBSEQUENT EVENTS

In preparing the accompanying financial statements, the City has evaluated events and transactions for potential recognition or disclosure through March 25, 2019, 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, 2018

	<u>Budgeted Amounts</u>		<u>ACTUAL</u>	<u>VARIANCE WITH</u>
	<u>Original</u>	<u>Final</u>		<u>FINAL BUDGET</u>
				<u>Positive (Negative)</u>
REVENUES				
Taxes:				
Property taxes	\$ 18,009,036	\$ 18,149,667	\$ 18,059,592	\$ (90,075)
Franchise taxes	4,456,027	4,581,027	4,566,695	(14,332)
Public service taxes	8,982,710	9,202,710	9,360,774	158,064
Charges for services	4,287,159	4,173,090	1,554,098	(2,618,992)
Administrative charges	8,410,044	8,420,507	8,107,649	(312,858)
Intergovernmental	8,629,013	9,857,550	9,623,175	(234,375)
Licenses and permits	3,187,000	4,512,134	4,377,800	(134,334)
Fines and forfeitures	1,090,000	1,077,000	779,871	(297,129)
Investment income	10,000	71,582	81,373	9,791
Rental income	345,500	610,325	563,669	(46,656)
Miscellaneous	935,285	987,023	1,014,965	27,942
Total revenues	<u>58,341,774</u>	<u>61,642,615</u>	<u>58,089,661</u>	<u>(3,552,954)</u>
EXPENDITURES				
Current:				
General government:				
City Clerk	701,491	763,960	681,122	82,838
City Commission	1,048,207	922,895	832,220	90,675
Administration	4,178,753	5,863,045	5,259,068	603,977
Finance	4,625,047	5,329,518	4,743,125	586,393
Legal	714,000	885,000	916,429	(31,429)
Human resources	2,657,209	2,267,638	1,912,653	354,985
Total general government	<u>13,924,707</u>	<u>16,032,056</u>	<u>14,344,617</u>	<u>1,687,439</u>
Public safety:				
Police	19,857,065	20,275,773	20,133,354	142,419
Fire and Rescue	4,545,523	6,111,614	5,743,342	368,272
Total public safety	<u>24,402,588</u>	<u>26,387,387</u>	<u>25,876,696</u>	<u>510,691</u>
Physical environment:				
Building maintenance	3,375,544	2,296,874	1,918,658	378,216
Grounds maintenance	760,000	719,000	561,396	157,604
Total Physical environment	<u>4,135,544</u>	<u>3,015,874</u>	<u>2,480,054</u>	<u>535,820</u>
Transportation:				
Street maintenance	3,125,703	2,901,816	2,347,223	554,593
Total transportation	<u>3,125,703</u>	<u>2,901,816</u>	<u>2,347,223</u>	<u>554,593</u>
Recreation and social services:				
Recreation and social services	7,566,808	7,625,365	6,634,122	991,243
Total recreation and social services:	<u>7,566,808</u>	<u>7,625,365</u>	<u>6,634,122</u>	<u>991,243</u>
Total Expenditures	<u>53,155,350</u>	<u>55,962,498</u>	<u>51,682,712</u>	<u>4,279,786</u>
Excess of Revenue over Expenditures	5,186,424	5,680,117	6,406,949	726,832
OTHER FINANCING SOURCES (USES)				
Transfers out	(5,186,424)	(6,349,422)	(5,764,915)	584,507
Total other financing sources (uses)	<u>(5,186,424)</u>	<u>(6,349,422)</u>	<u>(5,764,915)</u>	<u>584,507</u>
Net change in fund balances*	<u>\$ -</u>	<u>\$ (669,305)</u>	<u>642,034</u>	<u>\$ 1,311,339</u>
Fund balances - beginning			16,129,620	
Fund balances - ending			<u>\$ 16,771,654</u>	

* The net change in fund balances was included in the budget as an appropriation of fund balance.

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, 2018

	<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	\$ -	\$ -	\$ 10,000	10,000
Investment income	-	1,800	2,518	718
Rental income	108,625	73,488	73,488	-
Miscellaneous	-	-	<u>59,120</u>	<u>59,120</u>
Total revenues	<u>108,625</u>	<u>75,288</u>	<u>145,126</u>	<u>69,838</u>
EXPENDITURES				
General government:				
Administrative expense	<u>162,606</u>	<u>535,946</u>	<u>135,016</u>	<u>400,930</u>
Total expenditures	<u>162,606</u>	<u>535,946</u>	<u>135,016</u>	<u>400,930</u>
Excess (Deficiency) of Revenue over Expenditures	(53,981)	(460,658)	10,110	470,768
Other Financing Sources (Uses)				
Transfers in	648,318	858,475	836,376	(22,099)
Transfers out	<u>(594,337)</u>	<u>(781,557)</u>	<u>(781,556)</u>	<u>1</u>
Total Other Financing Sources (Uses)	<u>53,981</u>	<u>76,918</u>	<u>54,820</u>	<u>(22,098)</u>
Net change in fund balances*	<u>\$ -</u>	<u>\$ (383,740)</u>	64,930	<u>\$ 448,670</u>
Fund balances - beginning			<u>(1,155,027)</u>	
Fund balances - ending			<u>\$ (1,090,097)</u>	

* The net change in fund balances was included in the budget as an appropriation of fund balance.

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, 2018

Budgetary information

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

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

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

Excess of expenditures over appropriations

For the year ended September 30, 2018, expenditures exceeded appropriations in the following departments:

<u>Department</u>	<u>Excess Expenditures over Budget</u>
Legal	\$31,429

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

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

	2018	2017	2016	2015	2014
Total pension liability					
Service cost	\$ 630,029	\$ 677,372	\$ 652,913	\$ 673,960	\$ 682,926
Interest	2,100,602	2,107,824	2,036,952	1,936,129	1,923,089
Changes of benefit terms	-	-	-	(11,874)	-
Differences between expected and actual experience	(978,033)	(1,073,581)	(73,178)	(646,450)	(4,059)
Changes of assumptions	-	936,429	420,080	674,994	-
Benefit payments, including refunds of member contributions	(1,459,982)	(1,672,465)	(1,633,810)	(1,382,619)	(1,708,640)
Contribution refunds	(105,515)	(93,124)	(74,140)	-	-
Net change in total pension liability	187,101	882,455	1,328,817	1,244,140	893,316
Total pension liability - beginning	30,161,315	29,278,860	27,950,043	26,705,903	25,812,587
Total pension liability - ending	30,348,416	30,161,315	29,278,860	27,950,043	26,705,903
Plan fiduciary net position					
Contributions - employer	(966,275)	(1,095,544)	(1,162,968)	(1,212,601)	(1,224,361)
Contributions - member	(333,757)	(349,378)	(358,574)	(356,306)	(358,549)
Net investment income	(2,467,119)	(3,254,358)	(2,169,338)	512,452	(1,786,880)
Benefit payments, including refunds of member contributions	1,459,982	1,672,465	1,633,810	1,382,619	1,708,640
Contribution refunds	105,515	93,124	74,140	-	-
Administrative expenses	74,703	74,633	81,069	67,020	58,696
Other: Adjustment to beginning of year	-	-	(118)	-	-
Net change in plan fiduciary net position	(2,126,951)	(2,859,058)	(1,901,979)	393,184	(1,602,454)
Plan fiduciary net position - beginning	(24,621,087)	(21,762,029)	(19,860,050)	(20,253,234)	(18,650,780)
Plan fiduciary net position - ending	(26,748,038)	(24,621,087)	(21,762,029)	(19,860,050)	(20,253,234)
City's Net Pension Liability	\$ 3,600,378	\$ 5,540,228	\$ 7,516,831	\$ 8,089,993	\$ 6,452,669
Total pension liability	\$ 30,348,416	\$ 30,161,315	\$ 29,278,860	\$ 27,950,043	\$ 26,705,903
Plan fiduciary net position	(26,748,038)	(24,621,087)	(21,762,029)	(19,860,050)	(20,253,234)
City's net pension liability	\$ 3,600,378	\$ 5,540,228	\$ 7,516,831	\$ 8,089,993	\$ 6,452,669
Plan fiduciary net position as a percentage of the total pension liability	88.14%	81.63%	74.33%	71.06%	75.84%
Covered payroll	\$ 3,337,570	\$ 3,493,780	\$ 3,585,740	\$ 3,563,060	\$ 3,585,490
City's net pension liability as a percentage of covered - payroll	107.87%	158.57%	209.63%	227.05%	179.97%

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

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

	2018	2017	2016	2015	2014
Total pension liability					
Service cost	\$ 2,756,657	\$ 2,619,073	\$ 2,527,101	\$ 2,558,195	\$ 2,440,094
Interest	7,212,219	6,818,819	6,519,385	6,289,742	5,928,052
Changes of benefit terms	324,964	268,422	338,414	357,454	345,399
Differences between expected and actual experience	(1,803,585)	(326,449)	(749,900)	(1,715,691)	(551,848)
Changes of assumptions	4,732,870	224,755	1,946,542	101,056	96,389
Benefit payments, including refunds of member contributions	(4,794,601)	(4,512,657)	(5,500,238)	(3,730,013)	(3,982,063)
Contribution refunds	(107,919)	(35,787)	(52,793)	(69,592)	(4,028)
Other	(47,435)	(71,203)	598,906	-	-
Net change in total pension liability	8,273,170	4,984,973	5,627,417	3,791,151	4,271,995
Total pension liability - beginning	92,525,745	87,540,772	81,913,355	78,122,204	73,850,209
Total pension liability - ending	100,798,915	92,525,745	87,540,772	81,913,355	78,122,204
Plan fiduciary net position					
Contributions - employer	3,586,180	3,521,811	3,822,621	4,064,434	4,164,581
Contributions - State of Florida	372,790	394,437	391,657	485,663	492,840
Contributions - member	1,072,585	1,065,791	986,417	972,711	970,011
Net investment income	7,325,447	8,980,612	6,286,349	(507,362)	5,036,474
Benefit payments, including refunds of member contributions	(4,794,601)	(4,512,657)	(5,500,238)	(3,730,013)	(3,982,063)
Contribution refunds	(107,919)	(35,787)	(52,793)	(69,592)	(4,028)
Administrative expenses	(216,523)	(220,226)	(219,180)	(176,928)	(169,317)
Net change in plan fiduciary net position	7,237,959	9,193,981	5,714,833	1,038,913	6,508,498
Plan fiduciary net position - beginning	78,790,699	69,596,718	63,881,885	62,842,972	56,334,474
Plan fiduciary net position - ending	86,028,658	78,790,699	69,596,718	63,881,885	62,842,972
City's Net Pension Liability	\$ 14,770,257	\$ 13,735,046	\$ 17,944,054	\$18,031,470	\$ 15,279,232
Total pension liability	\$ 100,798,915	\$ 92,525,745	\$ 87,540,772	\$81,913,355	\$ 78,122,204
Plan fiduciary net position	(86,028,658)	(78,790,699)	(69,596,718)	(63,881,885)	(62,842,972)
City's net pension liability	\$ 14,770,257	\$ 13,735,046	\$ 17,944,054	\$18,031,470	\$ 15,279,232
Plan fiduciary net position as a percentage of the total pension liability	85.35%	85.16%	79.50%	77.99%	80.44%
Covered payroll	\$ 7,634,463	\$ 7,651,439	\$ 7,136,191	\$ 6,884,383	\$ 6,945,645
City's net pension liability as a percentage of covered - payroll	193.47%	179.51%	251.45%	261.92%	219.98%

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

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

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total pension liability					
Service cost	\$ 2,115,373	\$ 1,968,523	\$ 2,026,701	\$ 2,263,617	\$ 2,410,501
Interest	5,948,033	5,533,621	5,185,302	4,759,669	4,396,768
Differences between expected and actual experience	1,103,892	(414,452)	541,452	(357,156)	-
Changes of assumptions	1,377,890	781,572	230,889	783,793	-
Benefit payments, including refunds of member contributions	(3,960,165)	(3,106,966)	(1,630,757)	(1,630,757)	(1,223,106)
Net change in total pension liability	6,585,023	4,762,298	6,353,587	5,819,166	5,584,163
Total pension liability - beginning	77,761,747	72,999,449	67,153,703	61,334,537	55,750,374
Total pension liability - ending	84,346,770	77,761,747	73,507,290	67,153,703	61,334,537
Plan fiduciary net position					
Contributions - employer	2,938,028	2,720,815	2,724,191	2,831,755	2,872,191
Contributions - member	954,885	911,939	922,206	1,014,541	1,071,357
Net investment income	5,006,434	8,315,095	5,185,725	366,152	3,886,946
Benefit payments, including refunds of member contributions	(3,960,165)	(3,106,966)	(2,120,243)	(1,630,757)	(1,223,106)
Administrative expenses	(141,321)	(141,295)	(156,372)	(154,489)	(127,535)
Net change in plan fiduciary net position	4,797,861	8,699,588	6,555,507	2,427,202	6,479,853
Plan fiduciary net position - beginning	66,483,336	57,783,748	51,228,241	4,801,039	42,321,186
Plan fiduciary net position - ending	71,281,197	66,483,336	57,783,748	51,228,241	48,801,039
City's Net Pension Liability	<u>\$ 13,065,573</u>	<u>\$ 11,278,411</u>	<u>\$ 15,723,542</u>	<u>\$ 15,925,462</u>	<u>\$ 12,533,498</u>
Total pension liability	\$ 84,346,770	\$ 77,761,747	\$ 73,507,290	\$ 67,153,703	\$ 61,334,537
Plan fiduciary net position	(71,281,197)	(66,483,336)	(57,783,748)	(51,228,241)	(48,801,039)
City's net pension liability	<u>\$ 13,065,573</u>	<u>\$ 11,278,411</u>	<u>\$ 15,723,542</u>	<u>\$ 15,925,462</u>	<u>\$ 12,533,498</u>
Plan fiduciary net position as a percentage of the total pension liability	84.51%	85.50%	78.61%	76.29%	79.57%
Covered payroll	\$ 8,751,336	\$ 8,091,698	\$ 8,479,879	\$ 9,712,011	\$ 9,671,315
City's net pension liability as a percentage of Covered - payroll	149.30%	139.38%	185.42%	163.98%	129.59%

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

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

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total pension liability					
Service cost	\$ 961,659	\$ 1,388,267	\$ 800,492	\$ 923,381	\$ 909,893
Interest	2,883,554	2,694,687	2,229,762	2,031,023	1,986,883
Changes of benefit terms	(239,847)	3,118,028			
Differences between expected and actual experience	714,669	(24,073)	1,029,320	(729,411)	-
Changes of assumptions	342,355	1,133,869	(1,244,174)	200,920	-
Benefit payments, including refunds of member contributions	(1,434,715)	(1,530,370)	(1,542,953)	(1,501,544)	(1,517,087)
Net change in total pension liability	<u>3,227,675</u>	<u>6,780,408</u>	<u>1,272,447</u>	<u>924,369</u>	<u>1,379,689</u>
Total pension liability - beginning	<u>37,385,912</u>	<u>30,605,504</u>	<u>29,333,057</u>	<u>28,408,688</u>	<u>27,028,999</u>
Total pension liability - ending	<u>40,613,587</u>	<u>37,385,912</u>	<u>30,605,504</u>	<u>29,333,057</u>	<u>28,408,688</u>
Plan fiduciary net position					
Contributions - employer	2,564,476	2,959,421	1,822,643	1,614,792	1,733,274
Contributions - member	656,622	1,175,518	512,410	419,320	404,147
Net investment income	1,926,024	2,697,940	1,842,073	(501,421)	1,382,606
Benefit payments, including refunds of member contributions	(1,434,715)	(1,530,370)	(1,542,953)	(1,501,544)	(1,517,087)
Administrative expenses	(118,430)	(125,920)	(146,820)	(134,898)	(84,843)
Net change in plan fiduciary net position	<u>3,593,977</u>	<u>5,176,589</u>	<u>2,487,353</u>	<u>(103,751)</u>	<u>1,918,097</u>
Plan fiduciary net position - beginning	<u>25,674,595</u>	<u>20,498,006</u>	<u>18,010,653</u>	<u>18,114,404</u>	<u>16,196,307</u>
Plan fiduciary net position - ending	<u>29,268,572</u>	<u>25,674,595</u>	<u>20,498,006</u>	<u>18,010,653</u>	<u>18,114,404</u>
City's Net Pension Liability	<u>\$ 11,345,015</u>	<u>\$ 11,711,317</u>	<u>\$ 10,107,498</u>	<u>\$ 11,322,404</u>	<u>\$ 10,294,284</u>
Total pension liability	\$ 40,613,587	\$ 37,385,912	\$ 30,605,504	\$ 29,333,057	\$ 28,408,688
Plan fiduciary net position	(29,268,572)	(25,674,595)	(20,498,006)	(18,010,653)	(18,114,404)
City's net pension liability	<u>\$ 11,345,015</u>	<u>\$ 11,711,317</u>	<u>\$ 10,107,498</u>	<u>\$ 11,322,404</u>	<u>\$ 10,294,284</u>
Plan fiduciary net position as a percentage of the total pension liability	72.07%	68.67%	66.97%	61.40%	63.76%
Covered payroll	\$ 6,670,802	\$ 6,458,558	\$ 4,231,786	\$ 4,337,897	\$ 3,967,314
City's net pension liability as a percentage of covered payroll	170.07%	181.33%	238.85%	257.81%	259.48%

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

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

GERS

FY Ending September 30,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contribution as a percentage of covered payroll
2009	\$ 809,482	\$ 809,482	\$ -	\$ 4,760,650	17.00%
2010	920,970	920,970	-	4,005,580	22.99%
2011	993,731	993,731	-	3,631,980	27.36%
2012	1,056,516	1,056,516	-	3,495,200	30.23%
2013	1,103,955	1,103,955	-	3,798,110	29.07%
2014	1,224,361	1,224,361	-	3,585,490	34.15%
2015	1,200,656	1,212,601	(11,945)	3,563,060	34.03%
2016	1,174,771	1,162,968	11,803	3,585,740	32.43%
2017	1,095,544	1,095,544	-	3,493,780	31.36%
2018	966,275	966,275	-	3,337,570	28.95%

FRS

FY Ending September 30,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contribution as a percentage of covered payroll
2009	\$ 2,448,774	\$ 2,448,774	\$ -	\$ 6,357,484	38.52%
2010	2,952,870	2,952,870	-	6,024,458	49.01%
2011	3,003,218	3,003,218	-	6,018,473	49.90%
2012	3,691,300	3,691,300	-	6,445,935	57.27%
2013	4,369,844	4,369,844	-	6,716,257	65.06%
2014	4,331,942	4,331,942	-	6,945,643	62.37%
2015	4,231,795	4,231,795	-	6,884,383	61.47%
2016	3,989,982	3,989,982	-	7,136,191	55.91%
2017	3,716,888	3,719,029	2,141	7,651,439	48.61%
2018	3,772,575	3,772,575	-	7,634,463	49.42%

PRS

FY Ending September 30,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contribution as a percentage of covered payroll
2009	\$ 2,076,113	\$ 2,076,113	\$ -	\$ 7,677,961	27.04%
2010	2,320,277	2,320,277	-	8,751,221	26.51%
2011	2,306,698	2,306,698	-	9,149,345	25.21%
2012	2,629,422	2,629,422	-	8,818,777	29.82%
2013	2,769,493	2,769,493	-	8,844,361	31.31%
2014	2,872,191	2,872,191	-	9,671,315	29.70%
2015	2,831,595	2,831,595	-	9,712,011	29.16%
2016	2,723,906	2,723,906	-	8,479,879	32.12%
2017	2,720,045	2,720,045	-	8,091,698	33.62%
2018	2,938,028	2,938,028	-	8,751,336	33.57%

CMRS

FY Ending September 30,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contribution as a percentage of covered payroll
2009	\$ 1,225,500	\$ 1,225,500	\$ -	\$ 3,492,838	35.09%
2010	1,464,812	1,464,812	-	3,917,402	37.39%
2011	1,566,677	1,566,677	-	4,414,548	35.49%
2012	1,442,701	1,442,701	-	3,995,271	36.11%
2013	1,643,680	1,643,680	-	3,565,534	46.10%
2014	1,732,035	1,732,035	-	3,967,314	43.66%
2015	1,614,792	1,614,792	-	4,337,897	37.23%
2016	1,822,643	1,822,643	-	4,231,763	43.07%
2017	2,959,421	2,959,421	-	6,458,558	45.82%
2018	2,564,476	2,564,476	-	6,670,802	38.44%

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

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

	<u>GERS</u>	<u>FRS</u>	<u>PRS</u>	<u>CMRS</u>
2009	0.90%	(4.16%)	1.2%	1.40%
2010	9.40%	9.66%	9.5%	8.10%
2011	(4.39%)	(1.51%)	(4.4%)	(3.6%)
2012	17.70%	20.21%	17.4%	16.00%
2013	15.00%	15.70%	16.1%	10.60%
2014	9.50%	8.83%	9.2%	7.50%
2015	(2.5%)	(.66%)	1.2%	(2.4%)
2016	10.90%	10.02%	10.2%	10.30%
2017	15.00%	12.89%	14.4%	12.30%
2018	10.20%	9.31%	7.90%	7.30%

Required Supplementary Information
Lauderhill Other Postemployment Benefits(OPEB)
Schedule of Changes in the City's Total OPEB Liability (unaudited)

	September 30, 2018
OPEB Liability Beginning of Year	\$ 4,597,791
Changes for the year	
Service cost	157,335
Interest	163,217
Assumptions Changes	(237,479)
Differences Between Actual and Expected Experience	-
Changes in Actuarial Cost Method	-
Benefit payments	(227,635)
OPEB Liability End of Year	<u>4,453,229</u>
Covered payroll	\$ 27,084,281
Total OPEB liability as a percentage of covered payroll	16.44%

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

CITY OF LAUDERHILL, FLORIDA
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2018

	Special Revenue										
	SHIP	Economic Development	Law Enforcement	Federal Forfeiture	Grant Fund	Safe Neighborhood	N.S.P Fund	CDBG	Home Grant	Natural Disaster	Total
ASSETS											
Equity in pooled cash and investments	\$ 555,969	\$ 3,247	\$ 90,268	\$ 335,786	79,586	\$ 434,444	\$ 1,532	\$ 606,549	\$ 4,561	\$ 50,281	\$ 2,162,223
Notes receivable	-	-	-	-	-	-	615,470	-	-	-	615,470
Due from other governments	-	-	-	-	13,226	-	50,000	-	104,448	-	167,674
Other assets	-	15,300	-	-	-	-	-	5,600	-	-	20,900
Total assets	\$ 555,969	\$ 18,547	\$ 90,268	\$ 335,786	\$ 92,812	\$ 434,444	\$ 51,532	\$ 1,227,619	\$ 109,009	\$ 50,281	\$ 2,966,267
LIABILITIES											
Due to other funds	\$ -	\$ 18,547	\$ -	\$ -	\$ -	\$ -	\$ 19,351	\$ -	\$ 169,370	\$ 4,602,503	\$ 4,809,771
Total liabilities	-	18,547	-	-	-	-	19,351	-	169,370	4,602,503	4,809,771
FUND BALANCES											
Assigned:											
Social services:											
Safe neighborhood	-	-	-	-	-	434,444	-	-	-	-	434,444
Housing	555,969	-	-	-	-	-	32,181	1,227,619	-	-	1,815,769
Public safety-law enforcement	-	-	90,268	335,786	92,812	-	-	-	-	-	518,866
Unassigned:											
Social services-housing	-	-	-	-	-	-	-	-	(60,361)	-	(60,361)
Public safety-natural disaster	-	-	-	-	-	-	-	-	-	(4,552,222)	(4,552,222)
Total fund balances (deficits)	555,969	-	90,268	335,786	92,812	434,444	32,181	1,227,619	(60,361)	(4,552,222)	(1,843,504)
Total liabilities and fund balances	\$ 555,969	\$ 18,547	\$ 90,268	\$ 335,786	\$ 92,812	\$ 434,444	\$ 51,532	\$ 1,227,619	\$ 109,009	\$ 50,281	\$ 2,966,267

CITY OF LAUDERHILL, FLORIDA
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended September 30, 2018

	Special Revenue										
	SHIP	Economic Development	Law Enforcement	Federal Forfeitures	Grant Fund	Safe Neighborhoods	N.S.P Fund	CDBG	Home Grant	Natural Disaster	Total
REVENUES											
Intergovernmental	\$ 323,017	\$ -	\$ -	\$ -	\$ 395,622	\$ -	\$ 50,000	\$ 680,624	\$ 209,742	\$ -	\$ 1,659,005
Property taxes	-	-	-	-	-	338,332	-	-	-	-	338,332
Fines and forfeitures	-	-	7,433	21,054	-	-	-	-	-	-	28,487
Investment income	2,856	-	573	2,144	81	4,690	85	12,829	-	-	23,258
Total revenues	<u>325,873</u>	<u>-</u>	<u>8,006</u>	<u>23,198</u>	<u>395,703</u>	<u>343,022</u>	<u>50,085</u>	<u>693,453</u>	<u>209,742</u>	<u>-</u>	<u>2,049,082</u>
EXPENDITURES											
Current:											
Public safety	-	-	-	-	326,912	-	-	-	-	3,400,890	3,727,802
Recreation and social services	110,012	-	-	-	-	267,426	50,000	280,931	119,061	-	827,430
Capital Outlay:											
Machinery & equipment	-	-	-	-	8,305	-	-	6,750	-	-	15,055
Improvements	-	-	-	-	-	-	-	10,050	-	-	10,050
Total Expenditures	<u>110,012</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>335,217</u>	<u>267,426</u>	<u>50,000</u>	<u>297,731</u>	<u>119,061</u>	<u>3,400,890</u>	<u>4,580,337</u>
Excess (deficiency) of revenue over (under) expenditures	<u>215,861</u>	<u>-</u>	<u>8,006</u>	<u>23,198</u>	<u>60,486</u>	<u>75,596</u>	<u>85</u>	<u>395,722</u>	<u>90,681</u>	<u>(3,400,890)</u>	<u>(2,531,255)</u>
OTHER FINANCING SOURCES (USES)											
Transfer in	-	-	-	30,184	32,326	-	-	-	-	-	62,510
Transfer out	-	-	-	-	-	(72,645)	-	-	-	-	(72,645)
Total other financing sources and (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>30,184</u>	<u>32,326</u>	<u>(72,645)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(10,135)</u>
Net change in fund balances	215,861	-	8,006	53,382	92,812	2,951	85	395,722	90,681	(3,400,890)	(2,541,390)
Fund balances(deficits) - beginning	<u>340,108</u>	<u>-</u>	<u>82,262</u>	<u>282,404</u>	<u>-</u>	<u>431,493</u>	<u>32,096</u>	<u>831,897</u>	<u>(151,042)</u>	<u>(1,151,332)</u>	<u>697,886</u>
Fund balances(deficits) - ending	<u>\$ 555,969</u>	<u>\$ -</u>	<u>\$ 90,268</u>	<u>\$ 335,786</u>	<u>\$ 92,812</u>	<u>\$ 434,444</u>	<u>\$ 32,181</u>	<u>\$ 1,227,619</u>	<u>\$ (60,361)</u>	<u>\$ (4,552,222)</u>	<u>\$ (1,843,504)</u>

CITY OF LAUDERHILL, FLORIDA

Capital Projects Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2018

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL	AMOUNT	FINAL BUDGET
				Positive (Negative)
REVENUES				
Property taxes	\$ 2,097,344	\$ 4,362,042	\$ 4,595,326	\$ 233,284
Investment income	2,500	252,500	229,428	(23,072)
Miscellaneous	5,000	5,000	-	(5,000)
Total revenues	2,104,844	4,619,542	4,824,754	205,212
EXPENDITURES				
General government:				
Administrative expense	-	300,772	212,853	87,919
Debt service:				
Bond issuance costs	-	-	181,511	(181,511)
Capital Outlay:				
Land	-	-	2,453,135	(2,453,135)
Buildings	-	-	-	-
Improvements	16,379,344	44,992,514	3,931,999	41,060,515
Infrastructure	-	-	-	-
Machinery & equipment	2,881,587	3,280,547	3,393,523	(112,976)
Total expenditures	19,260,931	48,573,833	10,173,021	38,400,812
Excess (Deficiency) of Revenue over Expenditures	(17,156,087)	(43,954,291)	(5,348,267)	38,606,024
OTHER FINANCING SOURCES (USES)				
Transfer in	-	654,911	144,189	(510,722)
Transfers out	-	(3,980,617)	(3,980,619)	(2)
Proceeds on bonds issued	17,156,087	6,324,577	8,900,000	2,575,423
Proceeds on lease	-	3,956,087	4,000,000	43,913
Premium on bonds issued	-	-	329,613	329,613
Total other financing sources and uses	17,156,087	6,954,958	9,393,183	2,438,225
Net change in fund balances*	\$ -	\$ (36,999,333)	4,044,916	\$ 41,044,249
Fund balances (deficits) - beginning			<u>33,830,391</u>	
Fund balances (deficits) - ending			<u>\$ 37,875,307</u>	

* The net change in fund balances was included in the budget as an appropriation of fund balance.

CITY OF LAUDERHILL, FLORIDA

Fire Protection Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2018

	<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				
Property tax	\$ -	71,760	\$ 42,494	\$ (29,266)
Charge for service	15,945,187	16,145,587	15,429,953	(715,634)
Licenses and permits	-	38,441	38,441	-
Investment income	100	100	-	(100)
Miscellaneous	25,000	53	53	-
Total revenues	<u>15,970,287</u>	<u>16,255,941</u>	<u>15,510,941</u>	<u>(745,000)</u>
EXPENDITURES				
Public safety	15,852,873	15,932,802	15,326,547	606,255
Debt service:				
Principal retirement	-	-	288,361	(288,361)
Interest	-	-	16,730	(16,730)
Capital Outlay:				
Improvement	-	81,372	62,214	19,158
Machinery & equipment	<u>71,120</u>	<u>80,120</u>	<u>88,580</u>	<u>(8,460)</u>
Total expenditures	<u>15,923,993</u>	<u>16,094,294</u>	<u>15,782,432</u>	<u>311,862</u>
Excess (Deficiency) of Revenue over				
Expenditures	46,294	161,647	(271,491)	(433,138)
OTHER FINANCING SOURCES (USES)				
Transfer in	115,353	-	-	-
Transfer out	<u>(161,647)</u>	<u>(161,647)</u>	<u>(115,353)</u>	<u>46,294</u>
Total other financing sources (uses)	<u>(46,294)</u>	<u>(161,647)</u>	<u>(115,353)</u>	<u>46,294</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>(386,844)</u>	<u>\$ (386,844)</u>
Fund balances (deficits) - beginning			<u>(8,529,918)</u>	
Fund balances (deficits) - ending			<u>\$ (8,916,762)</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, 2018

	<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				
Intergovernmental	\$ 458,521	\$ 494,797	\$ -	\$ (494,797)
Investment Income	-	205	206	1
Total revenues	<u>458,521</u>	<u>495,002</u>	<u>206</u>	<u>(494,796)</u>
EXPENDITURES				
General government	-	5,000	-	5,000
Debt service:				
Principal retirement	4,672,658	5,467,619	5,467,618	1
Interest and issuance cost	<u>2,653,953</u>	<u>3,724,789</u>	<u>3,892,664</u>	<u>(167,875)</u>
Total expenditures	<u>7,326,611</u>	<u>9,197,408</u>	<u>9,360,282</u>	<u>(162,874)</u>
Excess (Deficiency) of Revenue over Expenditures	<u>(6,868,090)</u>	<u>(8,702,406)</u>	<u>(9,360,076)</u>	<u>657,670</u>
Other Financing Sources (Uses)				
Transfer in	7,147,669	8,920,394	8,916,202	(4,192)
Transfers out	-	-	(144,189)	-
Payment to refunded bond escrow agent	-	-	-	-
Total Other Financing Sources (Uses)	<u>7,147,669</u>	<u>8,920,394</u>	<u>8,772,013</u>	<u>(148,381)</u>
Net change in fund balances	<u>\$ 279,579</u>	<u>\$ 217,988</u>	<u>(588,063)</u>	<u>\$ (806,051)</u>
Fund balances - beginning			<u>588,063</u>	
Fund balances - ending			<u>\$ -</u>	

CITY OF LAUDERHILL, FLORIDA
Special Revenue Fund - State Housing Initiative Program (SHIP)
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2018

	<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	\$ 301,014	\$ 323,017	\$ 323,017	\$ -
Investment income	<u>-</u>	<u>1,905</u>	<u>2,856</u>	<u>951</u>
Total revenues	<u>301,014</u>	<u>324,922</u>	<u>325,873</u>	<u>951</u>
EXPENDITURES				
Recreation and social services	<u>301,014</u>	<u>746,642</u>	<u>110,012</u>	<u>636,630</u>
Total expenditures	<u>301,014</u>	<u>746,642</u>	<u>110,012</u>	<u>636,630</u>
Excess (Deficiency) of Revenue over				
Expenditures	<u>-</u>	<u>-</u>	<u>215,861</u>	<u>215,861</u>
Net change in fund balances*	<u>\$ -</u>	<u>\$ (421,720)</u>	<u>215,861</u>	<u>\$ 637,581</u>
Fund balances - beginning			<u>340,108</u>	
Fund balances - ending			<u>\$ 555,969</u>	

* The net change in fund balances was included in the budget as an appropriation of fund balance.

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, 2018

	<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	\$ -	\$ 3,363	\$ 7,433	\$ 4,070
Investment income	-	146	573	427
Total revenues	<u>-</u>	<u>3,509</u>	<u>8,006</u>	<u>4,497</u>
EXPENDITURES				
Public safety	-	3,509	-	3,509
Total expenditures	<u>-</u>	<u>3,509</u>	<u>-</u>	<u>3,509</u>
Excess (Deficiency) of Revenue over Expenditures	<u>-</u>	<u>-</u>	<u>8,006</u>	<u>8,006</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>8,006</u>	<u>\$ 8,006</u>
Fund balances - beginning			<u>82,262</u>	
Fund balances - ending			<u>\$ 90,268</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, 2018

	<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	\$ -	\$ 826	\$ 21,054	\$ 20,228
Investment income	-	1,655	2,144	489
Total revenues	-	2,481	23,198	20,717
EXPENDITURES				
Public safety	-	2,481	-	2,481
Capital Outlay:				
Machinery & equipment	-	-	-	-
Total expenditures	-	2,481	-	2,481
Excess (Deficiency) of Revenue over Expenditures	-	-	23,198	23,198
Other Financing Sources (Uses)				
Transfer in	-	-	30,184	30,184
Net change in fund balance	\$ -	\$ -	53,382	\$ 53,382
Fund balances - beginning			282,404	
Fund balances - ending			\$ 335,786	

CITY OF A1:H45LAUDERHILL, FLORIDA
Special Revenue Fund - Safe Neighborhood
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2018

	<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				
Property taxes	\$ 344,585	\$ 344,584	\$ 338,332	\$ (6,252)
Investment income	-	-	4,690	4,690
Total revenues	<u>344,585</u>	<u>344,584</u>	<u>343,022</u>	<u>(1,562)</u>
EXPENDITURES				
Current:				
Recreation and social services	<u>271,940</u>	<u>750,493</u>	<u>267,426</u>	<u>483,067</u>
Total expenditures	<u>271,940</u>	<u>750,493</u>	<u>267,426</u>	<u>483,067</u>
Excess (Deficiency) of Revenue over Expenditures	<u>72,645</u>	<u>(405,909)</u>	<u>75,596</u>	<u>481,505</u>
Other Financing Sources (Uses)				
Transfers out	<u>(72,645)</u>	<u>(72,645)</u>	<u>(72,645)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(72,645)</u>	<u>(72,645)</u>	<u>(72,645)</u>	<u>-</u>
Change in fund balance*	<u>\$ -</u>	<u>\$ (478,554)</u>	2,951	<u>\$ 481,505</u>
Fund balances - beginning			<u>431,493</u>	
Fund balances - ending			<u>\$ 434,444</u>	

* The net change in fund balances was included in the budget as an appropriation of fund balance.

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, 2018

	<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	\$ -	\$ -	\$ 50,000	\$ 50,000
Investment income	-	-	85	85
Total revenues	-	-	50,085	50,085
EXPENDITURES				
Recreation and social services	-	-	50,000	(50,000)
Total expenditures	-	-	50,000	(50,000)
Excess (Deficiency) of Revenue over Expenditures	-	-	85	85
Change in fund balances	<u>\$ -</u>	<u>\$ -</u>	85	<u>\$ 85</u>
Fund balances(deficit) - beginning			32,096	
Fund balances - ending			<u>\$ 32,181</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, 2018

	<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				
Intergovernmental	\$ 681,534	\$ 725,325	\$ 680,624	\$ (44,701)
Investment income	-	9,813	12,829	3,016
Total revenues	<u>681,534</u>	<u>735,138</u>	<u>693,453</u>	<u>(41,685)</u>
EXPENDITURES				
Current:				
Recreation and social services	681,534	1,191,919	280,931	910,988
Capital Outlay:				
Machinery & equipment	-	-	6,750	(6,750)
Improvements	-	<u>434,008</u>	<u>10,050</u>	<u>423,958</u>
Total expenditures	<u>681,534</u>	<u>1,625,927</u>	<u>297,731</u>	<u>1,328,196</u>
Excess (Deficiency) of Revenue over Expenditures	<u>-</u>	<u>(890,789)</u>	<u>395,722</u>	<u>1,286,511</u>
Change in fund balances*	<u>\$ -</u>	<u>\$ (890,789)</u>	395,722	<u>\$ 1,286,511</u>
Fund balances - beginning			<u>831,897</u>	
Fund balances - ending			<u>\$ 1,227,619</u>	

* The net change in fund balances was included in the budget as an appropriation of fund balance.

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, 2018

	<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	\$ -	\$ 201,939	\$ 209,742	\$ 7,803
Total revenues	<u>-</u>	<u>201,939</u>	<u>209,742</u>	<u>7,803</u>
EXPENDITURES				
Recreation and social services	-	263,764	119,061	144,703
Total expenditures	<u>-</u>	<u>263,764</u>	<u>119,061</u>	<u>144,703</u>
Excess (Deficiency) of Revenue over				
Expenditures	-	(61,825)	90,681	152,506
Change in fund balances*	<u>\$ -</u>	<u>\$ (61,825)</u>	90,681	<u>\$ 152,506</u>
Fund balances - beginning			<u>(151,042)</u>	
Fund balances - ending			<u>\$ (60,361)</u>	

* The net change in fund balances was included in the budget as an appropriation of fund balance.

CITY OF LAUDERHILL, FLORIDA
Combining Statement of Fiduciary Net Position
Pension Trust Funds
September 30, 2018

	PENSION TRUST FUNDS				
	General Employees Retirement	Firefighters Retirement	Police Retirement	Confidential and Managerial	TOTAL
ASSETS					
Cash and short-term investments	\$ 131,293	\$ 2,200,170	\$ 1,302,152	\$ 389,707	\$ 4,023,322
Receivables:					
Accrued investment income	12,831	118,719	-	-	131,550
Interest and dividends	-	17,500	20,559	1,032	39,091
Receivable for securities sold	-	27,321	25,048	-	52,369
Accrued interest due from Lauderhill Housing Authority	-	-	31,875	7,000	38,875
Contributions	-	65,121	-	6,202	71,323
Total Receivables	<u>12,831</u>	<u>228,661</u>	<u>77,482</u>	<u>14,234</u>	<u>333,208</u>
Investments, at fair value					
Fixed income mutual funds	4,904,385	-	8,575,907	6,644,709	20,125,001
Equity securities	-	35,553,350	-	-	35,553,350
U.S. Government securities	-	5,132,150	-	-	5,132,150
Corporate bonds	-	7,881,465	-	-	7,881,465
Commingled equity funds	-	19,628,033	-	-	19,628,033
Collective trust fund	-	1,435,569	-	-	1,435,569
Absolute return equity funds	2,641,380	-	31,110,538	-	33,751,918
Domestic equity funds	13,967,795	-	7,044,417	16,836,405	37,848,617
International equity funds	4,240,354	-	10,081,100	5,086,422	19,407,876
Notes receivable	-	1,000,000	2,000,000	400,000	3,400,000
Real estate funds	850,000	11,098,389	11,192,868	-	23,141,257
Farmland investment fund	-	2,032,174	-	-	2,032,174
Investments, at fair value	<u>26,603,914</u>	<u>83,761,130</u>	<u>70,004,830</u>	<u>28,967,536</u>	<u>209,337,410</u>
Total Assets	<u>26,748,038</u>	<u>86,189,961</u>	<u>71,384,464</u>	<u>29,371,477</u>	<u>213,693,940</u>
LIABILITIES					
Accounts payable and accrued expenses	-	94,024	44,801	29,708	168,533
Payable for securities purchased	-	67,279	13,075	-	80,354
Prepaid City contributions	-	-	45,391	73,197	118,588
Total Liabilities	<u>-</u>	<u>161,303</u>	<u>103,267</u>	<u>102,905</u>	<u>367,475</u>
NET POSITION RESTRICTED FOR PENSIONS					
Net position restricted for Deferred Retirement Option Plan Benefits	520,032	463,389	-	-	983,421
Net position restricted for Supplemental Plan benefits	-	571,401	-	-	571,401
Net position restricted for Defined Benefits	<u>26,228,006</u>	<u>84,993,868</u>	<u>71,281,197</u>	<u>29,268,572</u>	<u>211,771,643</u>
Total Net Position Restricted for Pensions	<u>\$ 26,748,038</u>	<u>\$ 86,028,658</u>	<u>\$ 71,281,197</u>	<u>\$ 29,268,572</u>	<u>\$ 213,326,465</u>

CITY OF LAUDERHILL, FLORIDA
Combining Statements of Changes in Fiduciary Net Position
Pension Trust Funds
For the Year Ended September 30, 2018

	PENSION TRUST FUNDS				TOTAL
	General Employees Retirement	Firefighters Retirement	Police Retirement	Confidential and Managerial	
ADDITIONS					
Contributions:					
City	\$ 966,275	\$ 3,586,180	\$ 2,499,429	\$ 2,564,476	\$ 9,616,360
Plan members	333,757	1,072,585	954,885	656,622	3,017,849
State revenue	-	372,790	438,599	-	811,389
Total contributions	<u>1,300,032</u>	<u>5,031,555</u>	<u>3,892,913</u>	<u>3,221,098</u>	<u>13,445,598</u>
Investment income:					
Net appreciation in fair value of investments	1,035,232	6,300,816	3,487,227	575,278	11,398,553
Interest and dividend income	<u>1,454,782</u>	<u>1,409,738</u>	<u>1,732,997</u>	<u>1,387,014</u>	<u>5,984,531</u>
Total investment income	2,490,014	7,710,554	5,220,224	1,962,292	17,383,084
Less: Investment expenses	<u>34,561</u>	<u>462,181</u>	<u>213,790</u>	<u>36,268</u>	<u>746,800</u>
Net investment income	<u>2,455,453</u>	<u>7,248,373</u>	<u>5,006,434</u>	<u>1,926,024</u>	<u>16,636,284</u>
Other income	<u>11,666</u>	<u>77,074</u>	-	-	88,740
Total additions	<u>3,767,151</u>	<u>12,357,002</u>	<u>8,899,347</u>	<u>5,147,122</u>	<u>30,170,622</u>
DEDUCTIONS					
Benefits paid	1,459,982	4,794,601	3,950,070	1,399,550	11,604,203
Administrative expenses	74,703	216,523	10,095	118,430	419,751
Refunds of contributions	<u>105,515</u>	<u>107,919</u>	<u>141,321</u>	<u>35,165</u>	<u>389,920</u>
Total deductions	<u>1,640,200</u>	<u>5,119,043</u>	<u>4,101,486</u>	<u>1,553,145</u>	<u>12,413,874</u>
Net increase	2,126,951	7,237,959	4,797,861	3,593,977	17,756,748
NET POSITION RESTRICTED FOR PENSIONS					
Net position restricted for pensions, October 1	<u>24,621,087</u>	<u>78,790,699</u>	<u>66,483,336</u>	<u>25,674,595</u>	<u>195,569,717</u>
Net position restricted for pensions, September 30	<u>\$ 26,748,038</u>	<u>\$ 86,028,658</u>	<u>\$ 71,281,197</u>	<u>\$ 29,268,572</u>	<u>\$213,326,465</u>

CITY OF LAUDERHILL, FLORIDA
STATISTICAL SECTION
FISCAL YEAR ENDED SEPTEMBER 30, 2018

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.

TABLE OF CONTENTS	Page
FINANCIAL TRENDS.....	110
<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.....	116
<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.....	118
<p style="margin-left: 40px;">These schedules present information to help the reader asses 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.....	123
<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.....	125
<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>	
MISCELLANEOUS STATISTICS.....	128

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

CITY OF LAUDERHILL, FLORIDA
Net Position by Component
Last Ten Fiscal Years

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Governmental Activities										
Net investment in capital assets	\$ 24,156,205	\$20,325,910	\$ 22,182,988	\$ 13,181,792	\$ 16,202,120	\$ 7,419,048	\$ 11,419,795	\$ 13,443,358	\$ 10,392,854	\$ 27,336,888
Restricted	4,397,068	5,370,240	2,036,571	3,033,340	2,615,738	3,212,780	3,195,881	3,080,126	2,333,592	1,748,859
Unrestricted	2,330,325	5,550,566	1,478,691	5,321,381	3,280,234	3,049,541	(41,662,942)	(40,730,139)	(41,067,492)	(58,607,233)
Total government activities net position	\$ 30,883,598	\$31,246,716	\$ 25,698,250	\$ 21,536,513	\$ 22,098,092	\$ 13,681,369	\$(27,047,266)	\$(24,206,655)	\$(28,341,046)	\$(29,521,486)
Business Activities										
Net investment in capital assets	\$ 12,292,025	\$15,557,718	\$ 17,163,711	\$ 16,583,392	\$ 22,272,644	\$ 33,559,984	\$ 37,741,534	\$ 41,446,576	\$ 40,950,402	\$ 44,133,487
Restricted	3,200,000	4,911,700	11,317,275	2,000,000	1,000,000	-	-	200,000	200,000	200,000
Unrestricted	13,532,070	12,637,267	7,075,980	24,493,356	24,400,278	28,706,475	22,351,885	24,479,585	30,425,983	31,969,658
Total business-type activities net position	\$ 29,024,095	\$33,106,685	\$ 35,556,966	\$ 43,076,748	\$ 47,672,922	\$ 62,266,459	\$ 60,093,419	\$ 66,126,161	\$ 71,576,385	\$ 76,303,145
Total										
Net investment in capital assets	\$ 36,448,230	\$35,883,628	\$ 39,346,699	\$ 29,765,184	\$ 38,474,764	\$ 40,979,032	\$ 49,161,329	\$ 54,889,934	\$ 51,343,256	\$ 71,470,375
Restricted	7,597,068	10,281,940	13,353,846	5,033,340	3,615,738	3,212,780	3,195,881	3,280,126	2,533,592	1,948,859
Unrestricted	15,862,395	18,187,833	8,554,671	29,814,737	27,680,512	31,756,016	(19,311,057)	(16,250,554)	(10,641,509)	(26,637,575)
Total net position	\$ 59,907,693	\$64,353,401	\$ 61,255,216	\$ 64,613,261	\$ 69,771,014	\$ 75,947,828	\$ 33,046,153	\$ 41,919,506	\$ 43,235,339	\$ 46,781,659

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

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
EXPENSES										
Governmental Activities										
General Government	\$ 11,264,320	\$ 12,990,449	\$ 12,419,477	\$ 12,627,083	\$ 10,251,322	\$ 11,676,450	\$ 11,832,581	\$ 12,198,669	\$ 15,788,780	\$ 14,846,736
Public Safety	32,537,466	33,387,260	31,673,615	36,483,202	35,347,845	36,505,031	41,266,892	37,687,877	43,297,109	45,504,305
Public Works	6,491,970	5,421,282	-	-	-	-	-	-	-	-
Physical Environment	-	-	4,523,931	4,556,731	3,078,233	3,688,905	3,741,937	3,320,971	3,262,637	2,731,319
Transportation	-	-	1,202,644	2,548,863	2,794,920	2,490,663	2,307,102	2,302,723	2,691,309	2,857,403
Recreation and Social Services	7,089,302	7,450,136	8,604,826	6,415,018	8,182,418	7,907,784	8,884,752	9,138,237	10,826,015	8,836,563
Interest on long-term debt	2,478,666	2,384,424	2,475,944	2,786,822	2,875,566	3,033,403	2,869,306	2,491,542	2,719,475	4,123,919
Total Governmental Activities Expenses	59,861,724	61,633,551	60,900,437	65,417,719	62,530,304	65,302,236	70,902,570	67,140,019	78,585,325	78,900,245
Business-type Activities										
Water and Sewer	13,260,962	14,331,033	15,917,186	15,002,150	16,451,957	16,825,053	18,005,856	17,722,190	17,533,535	18,070,485
Stormwater	3,702,211	4,712,486	4,266,871	4,242,358	5,061,828	4,532,290	4,542,898	3,200,739	4,823,304	5,052,192
Performing Art	-	400	38,871	-	-	-	-	1,049,950	1,292,690	4,049,859
Total Business-type Activities Expenses	16,963,173	19,043,919	20,222,928	19,244,508	21,513,785	21,357,343	22,548,754	21,972,879	23,649,529	27,172,536
Total Primary Government Expenses	\$ 76,824,897	\$ 80,677,470	\$ 81,123,365	\$ 84,662,227	\$ 84,044,089	\$ 86,659,579	\$ 93,451,324	\$ 89,112,898	\$102,234,854	\$ 106,072,781
PROGRAM REVENUES										
Governmental Activities										
Charges for Services										
General Government	\$ 2,051,614	\$ 2,497,796	\$ 3,042,987	\$ 2,676,589	\$ 2,982,745	\$ 3,123,087	\$ 3,749,250	\$ 3,508,624	\$ 3,610,845	\$ 4,896,258
Public Safety	9,373,245	11,562,332	11,245,316	17,713,085	17,972,874	18,156,100	15,857,166	17,638,059	18,572,395	17,459,387
Recreation and Social Services	283,526	184,650	168,015	94,961	158,339	297,546	282,442	307,066	213,453	242,430
Transportation	-	-	98,314	80,771	1,564	5,249	1,700	1,494	7,320	387
Operating Grants/ Contributions	3,238,350	6,987,592	4,055,407	3,233,682	2,930,632	955,178	2,356,168	2,197,337	2,802,190	2,859,621
Capital Grants/Contributions	-	36,859	654,640	-	-	-	-	-	-	-
Total Governmental Activities Program Revenues	14,946,735	21,269,229	19,264,679	23,799,088	24,046,154	22,537,160	22,246,726	23,652,580	25,206,203	25,458,083
Business-type Activities										
Water and Sewer	14,643,598	18,688,110	17,172,007	15,978,038	16,936,949	17,147,012	18,193,371	21,122,088	22,038,700	22,399,139
Stormwater	3,965,906	4,329,392	5,028,664	5,701,690	5,968,523	5,822,334	6,007,958	5,947,705	6,199,549	7,029,590
Performing Arts	-	-	-	-	-	-	-	5,000	317,737	409,933
Capital Grants/Contributions	-	-	-	2,622,188	3,190,121	5,678,309	132,201	7,909	-	-
Total Business-type Activities Program Revenues	18,609,504	23,017,502	22,200,671	24,301,916	26,095,593	28,647,655	24,333,530	27,082,702	28,555,986	29,838,662
Total Primary Government Program Revenues	\$ 33,556,239	\$ 44,286,731	\$ 41,465,350	\$ 48,101,004	\$ 50,141,747	\$ 51,184,815	\$ 46,580,256	\$ 50,735,282	\$ 53,762,189	\$ 55,296,745
NET (EXPENSE) REVENUE										
Governmental Activities	\$ (44,914,989)	\$ (40,364,322)	\$ (41,635,758)	\$ (41,618,631)	\$ (38,484,150)	\$ (42,765,076)	\$ (48,655,844)	\$ (43,487,439)	\$ (53,379,122)	\$ (53,442,162)
Business-type Activities	1,646,331	3,973,583	1,977,743	5,057,408	4,581,808	7,290,312	1,784,776	5,109,823	4,906,457	2,666,126
Total Primary Government Net Revenue	\$ (43,268,658)	\$ (36,390,739)	\$ (39,658,015)	\$ (36,561,223)	\$ (33,902,342)	\$ (35,474,764)	\$ (46,871,068)	\$ (38,377,616)	\$ (48,472,665)	\$ (50,776,036)

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

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
GENERAL REVENUES AND TRANSFERS										
Governmental Activities										
Property Taxes	\$ 15,955,227	\$ 15,921,086	\$ 12,932,606	\$ 14,379,270	\$ 14,749,938	\$ 15,752,313	\$ 16,535,701	\$ 18,155,144	\$ 19,744,092	\$ 23,035,744
Other Taxes	12,662,694	13,384,607	12,538,173	12,180,315	11,912,135	12,759,724	13,147,314	13,456,265	13,551,681	13,927,469
Investment Earnings	459,343	496,141	207,339	117,479	70,703	175,167	82,774	56,283	136,148	336,783
Other	8,866,132	10,925,606	11,709,383	10,779,830	12,312,953	13,015,519	18,530,714	17,061,851	16,312,810	18,517,368
Gain (Loss) on Sale of Land	-	-	-	-	-	-	-	249,621	-	-
Sale of capital assets	15,144	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	(7,336,239)	(1,209,821)	(910,600)	(500,000)	(900,000)
Total Governmental Activities Revenues	37,958,540	40,727,440	37,387,501	37,456,894	39,045,729	34,366,484	47,086,682	48,068,564	49,244,731	54,917,364
Business-type Activities										
Investment Earnings	\$ 36,658	\$ 109,007	\$ 32,538	\$ 56,318	\$ 14,366	\$ 214,983	\$ 232,573	\$ 12,319	\$ 43,767	\$ 128,687
Miscellaneous	-	-	440,000	2,406,056	-	-	-	-	-	1,415,096
Transfers	-	-	-	-	-	7,336,239	1,209,821	910,600	500,000	900,000
Total Business-type Activities Revenues	36,658	109,007	472,538	2,462,374	14,366	7,551,222	1,442,394	922,919	543,767	2,443,783
Total Primary Government Revenues	\$ 37,995,198	\$ 40,836,447	\$ 37,860,039	\$ 39,919,268	\$ 39,060,095	\$ 41,917,706	\$ 48,529,076	\$ 48,991,483	\$ 49,788,498	\$ 57,361,147
NET (EXPENSE) REVENUE										
Governmental Activities	\$ (6,956,449)	\$ 363,118	\$ (4,248,257)	\$ (4,161,737)	\$ 561,579	\$ (8,398,592)	\$ (1,569,162)	\$ 4,581,125	\$ (4,134,391)	\$ 1,475,202
Business-type Activities	1,646,331	4,082,590	2,450,281	7,519,782	4,596,174	14,841,534	3,227,170	6,032,742	5,450,224	5,109,909
Total Primary Government	\$ (5,310,118)	\$ 4,445,708	\$ (1,797,976)	\$ 3,358,045	\$ 5,157,753	\$ 6,442,942	\$ 1,658,008	\$ 10,613,867	\$ 1,315,833	\$ 6,585,111

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

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Fund										
Reserved	\$ 1,348,172	\$ 1,152,662	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	6,215,673	5,237,482	-	-	-	-	-	-	-	-
Nonspendable	-	-	166,778	219,609	659,357	4,570,887	3,950,388	5,797,443	4,327,408	4,370,987
Restricted	-	-	446,493	542,471	555,090	358,694	281,471	186,703	116,223	119,553
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	4,239,121	932,248	2,385,379	2,748,582	6,704,712	5,088,840	5,661,776	5,661,776
Unassigned	-	-	5,403,528	7,296,934	7,990,080	8,078,178	6,407,524	6,903,093	6,024,213	6,619,338
	<u>\$ 7,563,845</u>	<u>\$ 6,390,144</u>	<u>\$ 10,255,920</u>	<u>\$ 8,991,262</u>	<u>\$ 11,589,906</u>	<u>\$ 15,756,341</u>	<u>\$ 17,344,095</u>	<u>\$ 17,976,079</u>	<u>\$ 16,129,620</u>	<u>\$ 16,771,654</u>
All Other Governmental Funds										
Reserved	\$ 3,687,422	\$ 4,806,205	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reserved Reported In										
Special Revenue	(644,168)	(524,064)	-	-	-	-	-	-	-	-
Capital Project	43,293	5,313,431	-	-	-	-	-	-	-	-
Nonspendable	-	-	2,888,575	2,888,575	2,888,575	2,888,575	2,228,575	2,228,575	2,099,137	-
Restricted	-	-	107,282	565	565	565	565	565	335,565	2,493,822
Committed	-	-	9,994,625	4,753,373	12,585,179	1,620,666	-	-	-	-
Assigned	-	-	1,482,796	2,052,735	1,780,746	4,954,831	2,858,629	3,784,567	36,418,714	40,644,386
Unassigned	-	-	(3,693,435)	(3,551,218)	(3,733,318)	(8,960,775)	(10,343,453)	(12,895,048)	(13,422,021)	(17,113,264)
	<u>\$ 3,086,547</u>	<u>\$ 9,595,572</u>	<u>\$ 10,779,843</u>	<u>\$ 6,144,030</u>	<u>\$ 13,521,747</u>	<u>\$ 503,862</u>	<u>\$ (5,255,684)</u>	<u>\$ (6,881,341)</u>	<u>\$ 25,431,395</u>	<u>\$ 26,024,944</u>

Note: Information for fiscal years 2009 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

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
REVENUES										
Property Taxes	\$15,955,227	\$ 15,921,086	\$ 12,932,608	\$14,379,270	\$14,749,937	\$15,752,313	\$16,535,701	\$18,155,146	\$19,744,092	\$23,035,744
Franchise Taxes	3,968,536	4,552,969	4,133,917	3,912,249	3,614,238	4,217,704	4,405,487	4,440,784	4,394,459	4,566,695
Public Service Taxes	8,694,157	8,831,638	8,404,256	8,268,066	8,297,897	8,542,020	8,741,827	9,015,481	9,157,222	9,360,774
Charges for services	10,040,958	11,276,229	11,221,702	16,963,862	17,841,126	17,909,475	15,409,625	17,278,595	17,896,627	16,984,051
Administrative Charges	3,624,548	4,713,999	5,344,558	5,073,029	4,957,242	5,108,603	7,903,572	8,314,619	7,961,360	8,107,649
Intergovernmental	8,143,497	12,191,590	11,229,104	8,233,766	9,277,197	8,116,564	11,347,439	10,280,240	10,200,702	11,292,180
License and Permits	1,916,602	2,057,512	1,952,467	2,222,920	2,417,456	2,583,521	1,971,292	3,003,092	3,394,687	4,416,241
Fines and Forfeiture	691,736	677,075	585,134	1,378,623	764,389	1,088,252	1,239,761	1,151,164	1,411,015	808,358
Investment Income	459,343	496,141	207,313	117,479	70,703	175,167	82,774	78,674	136,148	336,783
Rental Income	255,757	255,560	361,587	369,315	447,600	379,910	368,960	392,140	415,496	637,157
Other	84,103	1,598,548	279,534	337,403	685,154	518,815	3,022,491	356,646	669,787	1,074,138
Total Revenue	53,834,464	62,572,347	56,652,180	61,255,982	63,122,939	64,392,344	71,028,929	72,466,581	75,381,595	80,619,770
EXPENDITURE										
Current:										
General Government	10,886,907	12,734,557	11,607,562	12,270,763	9,615,531	11,169,703	10,569,176	12,199,661	15,478,401	14,692,486
Public Safety	31,044,616	31,901,233	30,277,908	35,424,845	33,665,496	35,364,606	37,072,694	38,528,388	40,576,266	44,931,045
Public Work	5,620,699	5,086,473	-	-	-	-	-	-	-	-
Physical environment	-	-	4,209,013	4,339,131	2,792,573	3,465,528	3,387,963	3,159,961	3,013,909	2,480,054
Transportation	-	-	676,078	2,078,314	2,264,951	1,957,271	1,719,003	1,802,477	2,125,648	2,347,223
Recreation and social services	6,136,233	8,392,014	7,132,328	5,101,008	6,583,836	6,436,763	6,866,763	7,892,902	9,137,460	7,461,552
Debt Service:										
Principal retirement	2,124,992	2,159,247	2,284,670	2,824,579	3,439,512	4,469,488	6,649,251	5,106,888	5,056,358	5,755,979
Interest and issuance cost	2,359,299	2,319,841	2,475,944	1,704,290	2,708,991	2,987,542	3,018,959	2,667,394	2,656,960	4,090,905
Capital Outlay:	7,926,487	5,224,302	4,516,269	3,413,523	3,510,509	2,817,317	5,624,220	1,993,635	3,047,241	9,954,556
Total Expenditures	66,099,233	67,817,667	63,179,772	67,156,453	64,581,399	68,668,218	74,908,029	73,351,306	81,092,243	91,713,800
Excess Revenue Over (Under Expenditures)	(12,264,769)	(5,245,320)	(6,527,592)	(5,900,471)	(1,458,460)	(4,275,874)	(3,879,100)	(884,725)	(5,710,648)	(11,094,030)
OTHER FINANCING SOURCE (USES)										
Transfer In	10,042,142	6,102,670	11,470,253	7,238,055	6,488,401	11,707,672	8,789,100	8,784,449	9,455,309	9,959,277
Transfer Out	(10,042,142)	(6,102,670)	(11,470,253)	(7,238,055)	(6,488,401)	(19,043,911)	(9,998,921)	(9,695,049)	(9,955,309)	(10,859,277)
Payment to refunded bond escrow agent	(62,000)	(108,250)	(225,576)	-	(214,716)	(61,029)	(27,005,514)	-	-	-
Refunding bonds issued	-	-	-	-	-	-	25,265,000	-	-	-
Premium on bonds (refunding) issued	-	-	-	-	-	-	1,740,514	-	1,416,925	329,613
Issuance of debt	7,054,000	10,065,000	11,803,215	-	11,225,000	2,060,000	-	-	35,260,000	8,900,000
Capital leases	576,841	-	-	-	424,537	175,658	1,402,829	-	-	4,000,000
Advance	(554,000)	-	-	-	-	-	-	-	-	-
Sale of capital assets	15,144	-	-	-	-	-	-	801,652	-	-
Loss on sale	-	-	-	-	-	-	(485,700)	-	-	-
Insurance recoveries	-	623,894	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	7,029,985	10,580,644	11,577,639	-	11,434,821	(5,161,610)	(292,692)	(108,948)	36,176,925	12,329,613
Net Change in Fund Balance	\$ (5,234,784)	\$ 5,335,324	\$ 5,050,047	\$ (5,900,471)	\$ 9,976,361	\$ (9,437,484)	\$ (4,171,792)	\$ (993,673)	\$30,466,277	\$ 1,235,583
Debt Service as a Percentage of Non-capital Expenditures										
	7.71%	7.16%	8.12%	7.10%	10.07%	11.32%	13.95%	10.89%	9.88%	12.04%

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

FISCAL YEAR	TAX ROLL YEAR	RESIDENTIAL PROPERTY	COMMERCIAL PROPERTY	INDUSTRIAL PROPERTY	ALL OTHER PROPERTIES	LESS: EXEMPTIONS					TOTAL TAXABLE ASSESSED VALUE	TOTAL DIRECT TAX RATE
						HOMESTEAD	GOVERNMENTAL	INSTITUTIONAL	SAVE OUR HOMES	OTHER		
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	5.9346
2010	2009	n/a	n/a	n/a	n/a	629,541,380	246,808,100	106,601,588	868,255,460	8,263,680	2,776,843,012	6.9274
2011	2010	n/a	n/a	n/a	n/a	591,870,172	269,469,940	207,596,040	407,855,100	7,723,220	2,376,012,968	7.1954
2012	2011	n/a	n/a	n/a	n/a	508,426,900	281,891,010	103,825,609	103,549,150	7,354,630	1,852,925,615	8.0949
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	8.7002
2014	2013	n/a	n/a	n/a	n/a	448,525,450	294,876,428	87,551,121	153,744,933	7,229,440	1,808,062,038	8.6502
2015	2014	n/a	n/a	n/a	n/a	441,644,030	300,290,287	93,175,377	317,459,390	7,209,630	1,909,152,144	8.6502
2016	2015	n/a	n/a	n/a	n/a	436,481,910	303,231,926	60,198,365	507,960,920	8,987,240	2,128,509,560	8.6615
2017	2016	n/a	n/a	n/a	n/a	438,772,150	321,568,319	61,817,249	625,613,360	26,115,500	2,271,574,340	8.6180
2018	2017	n/a	n/a	n/a	n/a	448,308,960	321,330,455	73,644,631	782,048,670	26,749,282	2,461,582,402	9.5364

Source: Broward County Property Appraiser

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

City of Lauderhill					Overlapping Rates										
Fiscal Year	Tax Roll	City of Lauderhill			Broward County			School Board of Broward County				So. Florida	Florida	North	Total Tax Rate
		Operating Millage	Debt Service Millage	Total City Millage	Operating Millage	Debt Service Millage	Total County Millage	Operating Millage	Debt Service Millage	School Board Millage	Childrens Services	Water Management District	Inland Navigational District	Hospital District	
2009	2008	5.0646	0.8700	5.9346	-	-	5.3145	7.4170	-	7.4170	0.3754	0.6240	0.0345	1.7059	21.4059
2010	2009	5.9574	0.9700	6.9274	4.8889	0.5000	5.3889	7.4310	-	7.4310	0.4243	0.6240	0.0345	1.7059	22.5360
2011	2010	5.9574	1.2380	7.1954	5.1021	0.4509	5.5530	7.6310	-	7.6310	0.4696	0.6240	0.0345	1.8750	23.3825
2012	2011	6.8198	1.2751	8.0949	5.1860	0.3670	5.5530	7.4180	-	7.4180	0.4789	0.4363	0.0345	1.8750	23.8906
2013	2012	7.4198	1.2804	8.7002	5.2576	0.2954	5.5530	7.4560	-	7.4560	0.4902	0.4289	0.0345	1.8564	24.5192
2014	2013	7.3698	1.2804	8.6502	5.4400	0.2830	5.7230	7.4800	-	7.4800	0.4882	0.4110	0.0345	1.7554	24.5423
2015	2014	7.3698	1.2804	8.6502	5.4584	0.2646	5.7230	7.4380	-	7.4380	0.4882	0.3842	0.0345	1.5939	24.3120
2016	2015	7.5898	1.0717	8.6615	5.4741	0.2489	5.7230	7.2030	0.0710	7.2740	0.4882	0.3551	0.0320	1.4425	23.9763
2017	2016	7.5898	1.0282	8.6180	5.4474	0.2216	5.6690	6.8360	0.0703	6.9063	0.4882	0.3307	0.0320	1.3462	23.3904
2018	2017	7.5898	1.9466	9.5364	5.4623	0.2067	5.6690	6.4740	0.0654	6.5394	0.4882	0.3100	0.0320	1.2483	23.8233

Source: Broward County Property Appraiser

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

TAXPAYER	TYPE OF BUSINESS	2018		
		TAXABLE ASSESSED VALUE	RANK	PERCENT OF TOTAL ASSESSED VALUE
Serramar Apts Holdings LLC (Apartments)	Real Estate	\$ 41,800,000	1	1.7%
Tmf Glen LLC (Apartments)	Real Estate	41,620,290	2	1.7%
Pacifica Lauderhill LLC (Retirement Home)	Service	32,856,090	3	1.3%
Waterford Park Apartment LLC (Apartments)	Real Estate	32,525,420	4	1.3%
Daejan Inverrary Gardens LLC (Apartments)	Real Estate	31,226,330	5	1.3%
Sandal Grove LLC (Apartments)	Real Estate	26,620,000	6	1.1%
Kimco Dev Corp (Shopping Center)	Retail	20,367,000	7	0.8%
Summit Palms Apartments LLC (Apartments)	Real Estate	19,923,000	8	0.8%

TAXPAYER	TYPE OF BUSINESS	2009		
		TAXABLE ASSESSED VALUE	RANK	PERCENT OF TOTAL ASSESSED VALUE
Westbrooke of Inverrary (Retirement Home)	Service	\$ 21,824,360	1	0.9%
Landings of Inverrary (Apartments)	Real Estate	21,103,930	2	0.9%
Inverrary Gardens (Apartments)	Real Estate	19,782,210	3	0.8%
Target Corporation (Shopping Center)	Retail	19,530,420	4	0.8%
Kimco Development (Shopping Center)	Retail	15,693,510	5	0.7%
Rossland Real Estate (Lauderhill Mall)	Retail	14,266,500	6	0.6%
Inverrary Apartments LLC (Apartments)	Real Estate	14,119,460	7	0.6%
Inverrary 441 Trust (Apartments)	Real Estate	10,007,960	8	0.4%

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		TOTAL COLLECTION TO DATE		
	FOR THE FISCAL YEAR		FISCAL YEAR OF THE LEVY AMOUNT	PERCENTAGE OF LEVY	COLLECTIONS IN SUBSEQUENT YEARS	AMOUNT	PERCENTAGE OF LEVY
2009	\$	14,063,408	\$ 13,953,535	99.22	\$ 141,571	\$ 14,101,893	99.27%
2010		14,157,121	13,632,070	96.29	123,964	13,773,641	97.29%
2011		11,129,627	10,825,254	97.27	116,673	10,949,218	98.38%
2012		11,887,054	11,550,580	97.17	98,177	11,667,253	98.15%
2013		12,415,310	12,272,124	98.85	128,490	12,370,301	99.64%
2014		13,116,133	12,720,538	96.98	121,217	12,849,028	97.96%
2015		13,929,300	13,468,609	96.69	127,652	13,589,826	97.56%
2016		15,696,380	15,272,578	97.30	66,410	15,400,230	98.11%
2017		17,231,953	17,145,384	99.50	68,511	17,211,794	99.88%
2018		18,738,162	18,557,167	99.03	-	18,625,678	99.40%

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)

GOVERNMENTAL ACTIVITIES					BUSINESS-TYPE ACTIVITIES					PERCENTAGE OF PERSONAL INCOME	PER CAPITA*
FISCAL YEAR	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			
2009	\$ 31,200	\$ 22,195	\$ 7,901	\$ 458	\$ 22,195	\$ 10,780	\$ 8,570	\$ 103,299	0.03	\$ 1,359	
2010	30,220	31,335	9,001	298	21,175	10,360	8,472	110,861	0.04	1,459	
2011	29,205	41,505	8,926	736	20,125	9,960	8,200	118,657	0.06	1,774	
2012	28,155	39,888	8,926	576	24,050	9,540	7,682	118,817	0.06	1,776	
2013	27,070	38,212	19,631	842	22,950	9,105	7,155	124,965	0.07	1,868	
2014	25,945	38,188	18,590	798	21,530	10,705	6,612	122,368	0.06	1,753	
2015	23,350	35,702	17,513	1,710	20,060	9,930	6,053	114,318	0.06	1,637	
2016	22,225	33,332	16,404	1,208	16,830	9,220	5,413	104,632	0.05	1,499	
2017	59,194	30,967	15,258	823	16,535	8,550	4,887	136,214	0.07	1,951	
2018	66,497	28,532	14,073	4,426	15,045	7,865	4,279	140,717	0.06	1,955	

* See Schedule of Demographic and Economic Statistics on page 123 for population data.

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

FISCAL YEAR	GENERAL OBLIGATION BONDS	LESS: AMOUNTS AVAILABLE IN DEBT SERVICE FUND	NET GENERAL BONDED DEBT	PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY *	PER CAPITA **
2009	\$ 31,200	\$ -	\$ 31,200	1.31	\$ 411
2010	30,220	-	30,220	1.27	398
2011	29,205	-	29,205	1.58	437
2012	28,155	-	28,155	1.60	421
2013	27,070	-	27,070	1.54	405
2014	25,945	-	25,945	1.43	372
2015	23,350	-	23,350	1.22	334
2016	22,225	718	21,507	1.04	308
2017	59,194	725	58,469	2.61	838
2018	66,497	743	65,754	2.70	914

* See Schedule of Assessed Value and Estimated Actual value of Taxable Property on page 115 for property value data.

** See Schedule of Demographic and Economic Statistics on page 123 for population data.

CITY OF LAUDERHILL, FLORIDA
Direct and Overlapping Governmental Activities Net Debt
September, 30 2018

GOVERNMENTAL UNIT	<u>NET DEBT OUTSTANDING</u>	<u>ESTIMATED PERCENTAGE APPLICABLE</u>	<u>ESTIMATED SHARE OF OVERLAPPING NET DEBT</u>
Broward County			
General Obligation Bonds	\$ 207,550,000	1.39%	\$ 2,894,743
Broward County School Board			
General Obligation Bonds	148,225,000	1.39%	<u>2,067,325</u>
Subtotal Overlapping Debt			4,962,068
City of lauderhill Direct Debt			
General Obligation Debt	66,497,000 *	100.00%	66,497,000
Revenue Bonds	28,532,000	100.00%	28,532,000
Capital Lease	4,426,000	100.00%	4,426,000
Notes Payable	14,073,000	100.00%	<u>14,073,000</u>
Subtotal Direct Debt			<u>113,528,000</u>
Total Direct and Overlapping Debt			\$ <u>118,490,068</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.

* includes premium

CITY OF LAUDERHILL, FLORIDA

Revenue Bond Coverages

Last Ten Fiscal Years

Water and Sewer Revenue Bond Issues

Fiscal Year	Operating Income Before Depreciation, Amortization and Operating Grant Expenses Plus Interest Income	Debt Service	Times Coverage
2009	\$ 3,343,077	\$ 1,927,139	1.73
2010	6,744,874	1,909,006	3.53
2011	3,500,718	1,901,806	1.84
2012	3,211,917	1,887,425	1.70
2013	3,143,906	2,321,488	1.35
2014	3,388,009	2,287,574	1.48
2015	3,953,863	2,284,721	1.73
2016	5,426,019	2,279,296	2.38
2017	6,710,244	596,962	11.24
2018	7,133,091	1,958,763	3.64

Stormwater Revenue Bond Issues

Fiscal Year	Operating Income Before Depreciation and Amortization Plus Interest Income	Debt Service	Times Coverage
2009	\$ 1,741,159	\$ 319,078	5.46
2010	1,705,643	913,058	1.87
2011	2,673,115	882,226	3.03
2012	3,039,410	883,650	3.44
2013	3,319,630	878,890	3.78
2014	3,457,315	883,684	3.91
2015	2,916,478	922,123	3.16
2016	3,209,415	923,588	3.47
2017	2,674,852	905,838	2.95
2018	3,612,852	903,902	4.00

Capital Improvement Revenue Bond Issues

Fiscal Year	1/2 Cent Sales Tax Revenues	Debt Service	Times Coverage
2009	\$ 3,258,324	\$ 1,584,050	2.06
2010	3,257,795	1,741,581	1.87
2011	3,406,437	1,726,855	1.97
2012	3,675,954	1,649,678	2.23
2013	3,902,357	1,746,210	2.23
2014	4,125,078	1,765,732	2.34
2015	4,311,002	1,763,509	2.44
2016	4,539,497	1,748,755	2.60
2017	4,639,164	1,671,118	2.78
2018	4,838,715	1,666,543	2.90

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

FISCAL YEAR	CITY OF LAUDERHILL POPULATION	BROWARD COUNTY POPULATION	BROWARD COUNTY		CITY		UNEMPLOYMENT RATE
			PERSONAL INCOME (IN THOUSANDS)	PER CAPITA PERSONAL INCOME	PERSONAL INCOME (IN THOUSANDS)	PER CAPITA PERSONAL INCOME	
2009	76,000	1,751,234	\$ 72,096,553	\$ 41,169	\$ 1,469,612	\$ 19,337	9.8
2010	76,000	1,751,234	72,096,553	41,169	1,469,612	19,337	9.8
2011	66,887	1,748,066	49,758,699	28,465	1,293,394	19,337	9.8
2012	66,887	1,748,066	49,758,699	28,465	1,293,394	19,337	9.8
2013	66,887	1,748,066	49,758,699	28,465	1,293,394	19,337	9.8
2014	69,813	1,838,844	51,864,595	28,205	1,295,520	18,557	5.7
2015	69,813	1,838,844	51,864,595	28,205	1,295,520	18,557	5.7
2016	69,813	1,838,844	51,864,595	28,205	1,295,520	18,557	5.7
2017	69,813	1,838,844	51,864,595	28,205	1,295,520	18,557	5.7
2018	71,970	1,935,878	58,287,351	30,109	1,318,850	18,325	4.9

U.S. Department of Commerce, Bureau of the Census for 1960-2018

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

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

EMPLOYER	2018			2009		
	EMPLOYEES	RANK	PERCENTAGE OF TOTAL EMPLOYMENT	EMPLOYEES	RANK	PERCENTAGE OF TOTAL EMPLOYMENT
City of Lauderhill	600	1	37.50%	514	1	56.24%
Broward County Public School District in Lauderhill	500	2	31.25%	400	2	43.76%
United Parcel Service	400	3	25.00%			
Publix	100	4	6.25%			
Total	<u>1,600</u>		<u>100.00%</u>	<u>914</u>		<u>100.00%</u>

Source: City of Lauderhill Economic Development Department

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

FUNCTION/PROGRAM	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
General Government										
Commission	5	5	0	0	1	0	0	0	0	0
City Manager	3	3	3	3	5	6	7	7	6	6
City Clerk	4	6	4	4	4	4	4	3	4	5
MIS	3	5	5	5	4	5	4	5	6	5
Special Events	3	3	3	3	2	2	2	2	3	4
Park Ranger	0	0	0	0	0	0	0	3	5	5
Finance	5	6	7	7	6	5	5	5	5	5
Purchasing	2	2	2	2	3	2	2	3	3	3
Housing & Eco	4	3	3	0	0	0	0	4	5	4
Utility Customer Service	11	8	9	10	10	8	6	5	6	12
Management & Budget	8	7	6	7	6	6	7	4	3	4
Fleet Maint	4	3	2	2	2	3	5	4	4	3
Human Resources	4	4	4	4	4	5	5	5	6	6
Grants Administration	0	1	1	1	0	0	0	0	0	0
Building	0	0	0	0	0	0	0	5	4	2
Planning/Zoning	5	8	6	5	3	5	0	5	4	5
Code Enforcement	9	8	9	10	15	13	8	9	12	13
Building Maint	16	16	12	11	7	8	9	12	15	15
Streets & Roads	17	14	20	21	4	2	3	4	4	7
Public Safety										
Police - Administration	15	8	6	14	9	12	11	11	11	10
Police - Operations	90	80	80	87	75	72	64	65	64	89
Police - Support Serv.	34	50	43	20	39	40	40	44	47	38
Fire/EMS	60	54	64	66	70	69	67	64	63	61
Fire Inspections	5	4	3	2	2	3	3	3	3	3
Fire - Rescue	29	29	28	23	23	26	25	23	24	24
Fire-Fleet Service	5	5		0	0	0	0	1	1	1
Culture and Recreation										
PALS - Admin	3	2	2	2	2	3	3	4	4	4
PALS - Aquatics	2	2	2	2	2	1	2	3	5	4
PALS - Athletic Programs	2	2	2	2	2	2	2	4	1	1
PALS - Park Maintenance	0	0	1	1	21	21	19	20	22	23
PALS - Sports Park	1	1	0	1	1	1	1	1	2	2
PALS - Childrens Programs	1	1	1	1	1	1	2	1	0	1
PALS - Community Services	6	6	6	6	6	6	8	6	7	6
PALS - Transportation	0	0	0	0	0	0	0	0	0	3
Business Enterprise										
Engineering	8	8	8	9	9	10	7	3	4	4
Water Distribution	8	2	1	1	1	1	1	1	1	0
Stormwater Capital Projects	17	14	15	14	15	15	17	24	20	7
Stormwater Maintenance	3	4	4	1	1	3	3	2	4	1
Water Transmission	23	24	23	21	23	22	21	18	18	19
Lauderhill PAC	0	0	0	0	0	0	0	0	2	3
TOTALS	415	398	385	368	378	382	363	383	398	408

Source: City of Lauderhill Finance Department

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

FUNCTION/PROGRAM	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Public Safety										
Police										
911 & Non Emergency Calls Received	77,929	74,516	76,805	61,488	62,222	63,932	65,375	59,029	66,243	65,594
Citations Processed	9,690	6,197	5,869	6,108	5,910	7,620	5,350	3,253	2,254	3,647
Arrests Processed	1,716	1,791	1,151	1,136	1,065	1,119	1,210	828	910	1,138
Fire Rescue										
Total Incidents	11,892	12,704	12,164	12,998	13,052	14,569	15,679	15,330	15,227	14,625
Total Fire Incidents	213	178	186	166	152	152	177	181	236	161
Physical Environment										
Water Distribution										
Water Main Failures	-	19	9	11	21	22	7	8	4	9
New Water Mains Construction (Feet)	5675	50	-	870	-	180	-	-	-	-
Raw Water Treated (Billions of Gallons)	2913	2.04	2.04	2	2	2	2	2	2.2	2.2
Water Treatment										
Raw Wastewater Treated (Bilion of Gallons)	2.2	2.2	2.2	2	2	2	2	2	2.2	2.2
Sanitation										
Household Refuse Collected (Tons)	-	-	-	-	-	-	-	-	-	-
Recycling Tonnage	-	-	-	-	-	-	-	-	-	-
Culture and Recreation										
Pavilion Rentals	1,100	1,032	21	34	15	46	109	279	109	139
Park Attendance	171,019	323,740	308,411	355,043	384,330	232,952	405,102	419,500	393,721	413,897
Pool Attendance	12,450	15,537	14,458	5,704	15,348	11,541	8,355	4,165	11,733	11,268

-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	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Public Safety										
Police										
Station	4	4	3	3	3	4	4	3	5	6
Patrol Units										
Fire Stations	4	4	4	4	4	4	4	4	4	4
Highways and Streets										
Streets(miles)	111	111	111	111	111	111	111	111	111	108
Streets lights	1620	1620	1620	1620	1620	1620	1620	1620	1620	1620
Culture and recreation										
Parks Acreage	235.76	236.66	237.69	237.69	237.69	237.69	237.69	237.69	237.69	237.69
Parks	20	21	22	22	22	22	22	22	22	22
Tennis Courts	18	18	18	18	18	18	18	18	18	18
Community Centers	4	5	6	7	7	7	7	7	7	7
Aquatic Center	2	2	3	3	3	3	3	3	3	3
Water										
Water Mains (miles)	145	145	145	145.16	145.16	145.16	144.04	145	145	145
Fire Hydrants	1318	1326	1327	1327	1331	1334	1335	1342	1342	1343
Maximum Daily Capacity* (millions of gallons)*	-	16	16	16	16	16	16	16	16	16
Sewer										
Sanitary Sewers (miles)	123.22	123.22	123.24	123.24	123.24	123.24	123.44	123.44	123.44	123.44
Storm Sewers (miles)	50.53	50.53	50.53	50.53	50.53	50.53	50.53	50.53	50.53	50.53
Maximum Daily Capacity* (millions of gallons)*	-	7	7	7	7	7	7	7	7	7

-Figures were unavailable

Source: City of Lauderhill Various Departments

City of Lauderdale

Brown & Brown Public Risk Insurance Agency

Insurance Coverage

October 1, 2017-18

Total Premium \$951,068.00

Coverage	Limit	Deductibles/Retention
Property & Inland Marine	\$96,498,553	\$2,500 All other Perils, 5% occurrence per named storm minimum of \$15,000
Boiler & Machinery	\$50,000,000	\$2,500
Earthquake Annual Aggregate	\$1,000,000	\$2,500 per earth movement
Flood Aggregate	\$5,000,000	\$2,500 per flood loss except zones A&V
Terrorism	\$5,000,000	\$2,500
General Liability	\$1,000,000	\$100,000 (Self-Insured Retention)
Employee Benefits Liability	\$1,000,000	\$100,000 (Self-Insured Retention)
Law Enforcement Liability	\$1,000,000	\$100,000 (Self-Insured Retention)
Public Officials Liability	\$2,000,000/\$2,000,000	\$100,000 (Self-Insured Retention)
Employment Practice Liability	\$2,000,000/\$2,000,000	\$100,000 (Self-Insured Retention)
Workers Compensation	\$350,000	\$350,000 (Self-Insured Retention)
Auto Liability	\$1,000,000	\$100,000 (Self-Insured Retention)
Crime	\$500,000	\$5,000

Source: Brown and Brown Public Risk Insurance Agency



www.lauderhill-fl.gov

CITY COMMISSION

Mayor Ken Thurston
Vice Mayor M. Margaret Bates
Commissioner Howard Berger
Commissioner Richard Campbell
Commissioner Denise D. Grant

City of Lauderhill, FL
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Lauderhill, FL 33313